

DRAFT BUDGET OF

UMHLABUYALINGANA MUNICIPALITY

2021/2022

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

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Part 1 – Annual Budget

1.1 Mayor's Report

Madam Speaker, and Fellow Councillors

During the month of October 2018 the council had public consultations within the communities of Umhlabuyalingana Municipality. In those consultations, the public voiced out their needs and the municipality has taken those needs and concerns into consideration when reviewing the Integrated Development Plan for 2021/2022 financial year.

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

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

In February 2020 our country (South Africa) was hit by its first case of CORONA virus, which meant that our government has to act fast and protect its citizens from this pandemic that was about to cause confusion and panic to everyone. The government then had to make some adjustments financially to ease financial pressures to be encountered by all economic sectors in this country including local government. Umhlabuyalingana municipality took a decision to offer an additional rebate to property rates debtors in the business and commercial debtor's category to ease the financial burden during the COVID-19 period.

Our limited resources has enabled us as the municipality to reserve R237 288 million for operation revenue in the 2021/2022 financial year. It will increase to R237 288 million and R236 093 million in 2022/2023 to 2023/2024 financial year. Operational expenditure will be R220 497 million in 2021/2022 financial year, it will increase to R234 621 million to R245 348 million in 2022/2023 to 2023/2024 financial year. Capital revenue contribution which is funded by grants is R49 254 million in 2021/2022, financial year and it will increase to R50 523 million and R52 722 million in 2022/2023 to 2023/2024 financial year. Capital expenditure is R54 899 million in 2021/2022 financial year and it will increase to R55 864 and R58 303 in the next two outer years.

Conclusion

In closing, I would like to encourage the administration of this municipality to strategize and come up with other revenue strategies to improve revenue base of this municipality so that we will reduce the grant dependency in this municipality. Once more I would like to take this opportunity to thank the honorable councilors for listening to me, and I would like to thank the Finance Portfolio Committee, EXCO Municipal Manager, CFO and his finance team for their hard work in putting together the 2021/2022 MTREF.

Thank you

Mayor, Councilor N.S Mthethwa

1.2 Council Resolutions

On the 30th of March 2021 the council of Umhlabuyalingana Local Municipality met in its Council Chambers to consider the draft annual budget of the municipality for the 2021/2022 financial year. The Council approved and adopted the following resolutions:

1. The Council of Umhlabuyalingana Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, approves and adopts:
 - 1.1 The draft annual budget of the municipality for the financial year 2021/2022 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1 Budgeted Financial Performance (revenue and expenditure by standard classification)
 - 1.1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3 Budgeted financial Performance (revenue by source and expenditure by type)
 - 1.1.4 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source
 - 1.2 The financial position, cash flow budget, cash backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1 Budgeted Financial Position
 - 1.2.2 Budgeted Cash Flow
 - 1.2.3 Cash backed reserves and accumulated surplus reconciliation
 - 1.2.4 Asset management
 - 1.2.5 Basic service delivery measurement
 - 1.3 draft budget policies as listed below
 - 1.3.1 Budget policy
 - 1.3.2 Virement policy
 - 1.3.3 SCM policy
 - 1.3.4 Property Rates policy
 - 1.3.5 Tariffs policy
 - 1.3.6 Asset Management policy
 - 1.3.7 Credit control and debt management policy, and
 - 1.3.8 Contract Management policy

Attached as annexure A in the budget document

1.3 Executive Summary

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

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

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

The MTREF used the guidelines set by the minister of finance in his Medium-term Budget Policy statement speech as well as the guidelines in terms of Circular 108 issued on 8 March 2021 as issued by National Treasury.

The Consumer Price Inflation as set out in Circular 94 issued in 8 March 2019 is set out at 3.9%

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

Refuse removal tariffs were also not increased because the municipality also considers the affordability of these tariffs by our customers.

Property rental tariffs were also not increased since there are maintenance issues in market stalls that have not been finalized by the municipality.

The financial sustainability of the 2021/2022 MTREF is largely dependent on the collection level of billed income. Provision is made for a collection rate of 63%. To achieve this collection rate and more the municipality will have to implement more robust credit control measures.

In terms of Council's social commitment to assist the communities in Umhlabuyalingana provision has been made for a free basic electricity to registered Indigents in Umhlabuyalingana Indigent Register The total amount budgeted for free basic electricity to our community amounts to R571 657

The MTREF for the 2021/2022 multi-year budget with comparative information is as follows:

Table 1 Budget Summary

Description	Budget Year 2020/2021	Final Adjusted Budget 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023	Budget Year 2023/2024
MUNICIPAL REVENUE					
Operating Grants	188,146,000	223,059,000	194,693,000	204,456,000	201,783,000
Capital Grants	50,702,000	46,702,000	49,254,000	50,523,000	52,722,000
Own income	30,823,459	30,823,459	28,334,840	29,581,573	30,912,744
Interest income	8,146,518	8,146,518	3,113,626	3,250,626	3,396,904
Surplus Fund	-	-	-	-	-
	277,817,977	308,730,977	275,395,466	287,811,198	288,814,647
OPERATING EXPENDITURE					
Councillor allowance	12,929,794	12,929,794	16,522,612	17,580,596	18,547,529
Employees related costs	82,680,007	84,680,007	92,147,798	96,218,889	100,548,739
Operational cost	38,942,366	41,542,366	31,846,991	33,248,258	34,744,037
Contract services	29,542,960	34,442,960	32,721,477	37,451,293	39,175,491
Transfer and subsidies	2,384,000	9,420,000	9,670,000	2,004,480	2,094,682
Interest	106,000	106,000	110,770	115,644	120,848
Inventory consumed	1,800,000	3,800,000	1,417,250	1,479,609	1,546,191
Operational lease	600,000	1,922,463	2,688,767	2,807,073	2,933,391
Depreciation & Impairments	31,800,938	38,965,928	33,371,102	34,817,430	36,361,715
	200,786,064	227,809,519	220,496,766	225,723,272	236,072,623
CAPITAL EXPENDITURE					
Municipal Access Roads	33,000,000	33,000,000	29,168,400	17,000,000	17,000,000
Municipal Buildings (Halls, Markets etc)	9,500,000	9,500,000	9,000,000	22,523,000	24,722,000
Sport grounds	2,000,000	2,000,000	-	-	-
Electrification	20,000,000	19,589,546	12,000,000	11,000,000	11,000,000
Other Assets	3,600,000	7,900,000	4,730,300	5,340,686	5,581,017
Sub-total (c)	68,100,000	71,989,546	54,898,700	55,863,686	58,303,017
CONSOLIDATED EXPENDITURE (b+c)	268,886,064	299,799,064	275,395,466	281,586,958	294,375,640

Table 2 Consolidated Overview of the 2021/2022 MTREF

	2020/2021		MTREF		
	Original Budget	Adjustment Budget	2021/2022	2022/2023	2023/2024
Total revenue	277,817,977	308,730,977	275,395,466	287,811,198	288,814,647
Total operating expenditure	200,786,064	227,809,519	220,496,766	225,723,272	236,072,623
Total capital expenditure	68,100,000	71,989,546	54,898,700	55,863,686	58,303,017

Total operating revenue has decreased by 11% or R2 571 041 from the 2021/2022 budget when compared to the 2020/2021 budget. The reason for the decrease is because the municipality received an additional grant for equitable share due to COVID 19 pandemic. For the two outer years, operational revenue is increasing at a percentage of 4% and 1% in the two outer years.

Total operating expenditure has increased by 0% or R46 096 for the 2019/2020 financial year when compared to the 2018/2019 budget. For the two outer years operational expenditure has increased by 2% and 4%.

1.4 Operating Revenue Framework

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

- National Treasury's guidelines and macroeconomic policy;

- Efficient revenue management, which aims to ensure a 63% annual collection rate for property rates and other key service charges;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004;
- The municipality's indigent policy and rendering of free basic services; and
- Tariff policies of the municipality.

The following table is a summary of the 2021/2022 MTREF (classified by main revenue source)

Table 3 Summary of revenue classified by main revenue source

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source											
Property rates	2	31,564	32,083	24,690	20,676	19,458	19,458	19,458	18,241	19,043	19,900
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	283	583	624	453	624	624	624	209	218	227
Rental of facilities and equipment		303	368	380	394	393	393	(295)	395	412	431
Interest earned - external investments		3,273	4,802	4,675	7,179	1,582	1,582	(1,281)	2,146	2,240	2,341
Interest earned - outstanding debtors		1,268	610	400	968	968	968	182	968	1,010	1,056
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,596	1,578	881	3,224	844	844	(461)	3,327	3,473	3,629
Licences and permits		3,886	3,569	2,293	5,593	2,837	2,837	(2,135)	5,772	6,026	6,298
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		143,223	155,449	175,772	189,348	223,386	223,386	(176,652)	194,693	204,456	201,783
Other revenue	2	306	630	1,093	483	313	313	(229)	392	409	428
Gains		-	(672)	(2,540)	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		185,703	199,000	208,270	228,318	250,405	250,405	(160,789)	226,141	237,288	236,093

Revenue generated from property rates contributes 8% (in 2021/2022) of the total revenue basket for the municipality.

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

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

Revenue generated from licences and permits contributes 3% of the total revenue.

Operating grants and transfers total R194 693 million or 86% of the total income budget in the 2021/2022 financial year. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over a medium term

Table 4 Operating Transfers and Grant receipts

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

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

1.4.1 Property Rates

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

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

Property rates tariffs were not adjusted or increased in the 2021/2022 financial year because the municipality is still implementing the valuation roll that was rolled out in 2019/2020 financial year. Another reason for not increasing tariffs is that the council of Umhlabuyalingana Municipality considered the affordability of its rate payers and customers before they take a decision to adjust their tariffs.

1.4.2 Waste Removal service

Waste removal tariffs were not adjusted in 2021/2022 financial year. The municipality has 25 customers for refuse removal which is mainly business properties and 4 government properties.

Currently waste removal service is done at a deficit because the operational costs for rendering this services is more than the revenue being generated and collected due to the number of properties being serviced and billed.

1.4.3 Rental of properties and facilities

The tariff for the rental of properties and facilities was not adjusted in 2021/2022 financial year. Another reason for not adjusting this tariff is because of the unfinished process of maintenance of the markets stalls that was promised by the municipality to its tenants, hence the municipality resolved not to increase this tariff at the moment until they are finished with the maintenance in order for the municipality to generate more revenue from this source.

1.4.4 Interest on investments

Revenue to be generated from interest on investments or short term deposits is R2 146 million. The municipality is planning on investing or depositing grant funds to these short term deposits account that can be withdrawn within 14 to 30 days notice.

1.4.5 Interest on outstanding debtors

Revenue to be generated from raising interest on outstanding debtors accounts on property rates accounts. This source of income is not adjusted or increased in this financial year because of financial challenges our debtors are faced with especially in this period of COVID-19. Most business were closed during national lockdown in the country after the COVID-19 virus infections were identified, most businesses lost a lot of business and they could not afford to pay for their liabilities.

1.4.6 Fines and penalties

Revenue to be generated from traffic fines and penalties on late returns of library books is estimated to be R3 327 million. The municipality is estimating that it will collect 63% of that raised traffic fines in the 2021/2022 financial year.

1.4.7 Licences and permits

Revenue to be generated from licenses and permits includes motor vehicle renewal licenses, learners licenses applications, motor vehicle registrations and business licensing. Tariffs for motor vehicle licenses are not regulated by the municipality but by the Department of Transport because this service is not a function of the municipality but of Department of Transport. We anticipate to collect 63% in the 2021/2022 financial year.

1.5 Operating Expenditure Framework

The municipality's expenditure framework for the 2021/2022 budget and MTREF is informed by the following:

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

Table 5 Summary of operating expenditure by standard classification item

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure By Type											
Employee related costs	2	57,984	66,611	72,111	90,664	80,027	80,027	49,471	92,148	96,197	100,503
Remuneration of councillors		12,161	12,472	13,026	13,878	13,878	13,878	(8,646)	16,523	17,581	18,548
Debt impairment	3	8,016	6,446	5,975	5,130	8,495	8,495	(23)	6,495	6,781	7,086
Depreciation & asset impairment	2	24,474	26,908	24,471	26,171	28,396	28,396	14,692	26,876	28,037	29,276
Finance charges		8	3	337	106	123	123	(8)	111	116	121
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inv entory consumed	8	-	-	-	-	-	-	-	1,417	1,480	1,546
Contracted services		34,134	40,853	46,907	29,103	38,974	38,974	26,592	32,721	37,758	39,496
Transfers and subsidies		1,523	2,243	8,490	2,384	10,432	10,432	6,161	9,670	10,095	10,550
Other expenditure	4, 5	36,072	50,901	50,308	40,482	43,429	43,429	29,385	34,536	36,055	37,677
Losses		616	826	(18)	-	-	-	-	-	-	-
Total Expenditure		174,987	207,263	221,606	207,918	223,755	223,755	117,624	220,497	234,099	244,803

The budget allocation for employee related costs and remuneration of Councilors for the 2021/2022 financial year totals R108 670 million, which represents 47% of the total operating expenditure. Employee related costs increased by 14% when compared to the 2020/2021 adjustment budget. This increase happened because there were vacant positions that were put on hold and these positions will be filled in the next financial year.

The provision of debt impairment was determined based on an annual collection rate of 63% and the principles as set out in the Provision of Doubtful Debt and Debt Write-off Policy. Provision for debt impairment for 2021/2022 is R6 495 million.

Provision for depreciation and asset impairment has been informed by the municipality's Asset Management Policy. Budget appropriations in this regard total R26 876 million in the 2021/2022 financial year

1.5.1 Repairs and maintenance

Repairs and maintenance comprise of, amongst others, the purchase of materials for maintenance, and appointment of contractors to perform maintenance work. The budget appropriation for 2021/2022 against repairs and maintenance is R4 217 million which represents 3.6% of the total operating expenditure, and 0.7% of the total property plant and equipment. It is below the norm of 8% but due to the affordability of the municipality it will remain below the norm

Aligned to the priority given to preserving and maintaining the municipality's current infrastructure the 2021/2022 budget and MTREF provide for growth in the area of asset maintenance as informed by the asset renewal and repairs and maintenance requirements of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered as direct expenditure driver but an outcome of certain other expenditures such as remuneration, purchase of, materials and contracted services. The following table is extracted from Table SA1 to reflect the amount

provided for repairs and maintenance in context with the amount provided for PPE, depreciation and the renewal of assets.

Table 6 Operational repairs and maintenance

Choose name from list - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Repairs and Maintenance	8										
Employee related costs											
Inventory Consumed (Project Maintenance)											
Contracted Services		1,314	4,094	3,928	3,995	3,507	3,507	1,780	4,363	4,559	–
Other Expenditure											
Total Repairs and Maintenance Expenditure	9	1,314	4,094	3,928	3,995	3,507	3,507	1,780	4,363	4,559	–

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

Table 7 Consolidated repairs and maintenance by asset class

Choose name from list - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1,247	3,543	3,851	3,700	2,700	2,700	3,867	4,040	4,222
Roads Infrastructure		1,247	3,543	3,851	3,700	2,700	2,700	3,867	4,040	4,222
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		1,247	3,543	3,851	3,700	2,700	2,700	3,867	4,040	4,222
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	328	-	-	-	-	-	-	-
Community Facilities		-	328	-	-	-	-	-	-	-
Libraries		-	328	-	-	-	-	-	-	-
Computer Equipment		12	48	77	95	807	807	350	322	337
Computer Equipment		12	48	77	95	807	807	350	322	337
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	175	-	200	-	-	-	-	-
Machinery and Equipment		-	175	-	200	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	1,314	4,094	3,928	3,995	3,507	3,507	4,217	4,363	4,559
R&M as a % of PPE		0.5%	1.4%	1.3%	1.0%	1.0%	1.0%	0.7%	1.2%	1.2%
R&M as % Operating Expenditure		0.8%	2.0%	1.8%	1.9%	1.6%	1.6%	3.6%	2.0%	1.9%

he amount budgeted for repairs and maintenance in the 2021/2022 financial year represents 0.7% of the value of Property Plant and Equipment.

1.5.2 Free Basic Services: Basic Social Services Package

The municipality provides free basic electricity through Eskom Electricity distribution to its indigent residents after they have applied for that benefit from the municipality. Free basic electricity budget provision is R571 657 for 518 people who have been approved to benefit from this provision in 2021/2022 financial year. Indigent register is available from Community Services.

The municipality also provides Property Rates Rebates to business and commercial property rates customers rebate amounts to R2 436 million in 2021/2022 financial year

1.6 Capital expenditure

Capital budget will be funded as follows:

- Municipal Infrastructure Grant – Allocations as per the 2021 Division of Revenue Act to fund road infrastructure projects, Community Assets
- Integrated National Electrification Program me - Allocation as per the 2021 Division of Revenue Act to fund the implementation of Electrification projects within Umhlabyalingana
- Cash generated from revenue – to fund movable assets and other assets

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

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

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

Table 8 Capital budget per vote, function and classification

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		-	-	-	-	-	-	-	-	-	-
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		152,820	164,250	174,959	3,400	7,700	7,700	175,737	3,758	4,325	4,520
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		43,235	50,057	48,289	9,500	10,138	10,138	51,970	9,000	22,523	24,722
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		11,098	10,217	10,085	-	-	-	10,085	973	1,015	1,061
Vote 6 - Energy Sources		0	0	0	20,000	4,000	4,000	1,412	12,000	11,000	11,000
Vote 7 - Planning and Development		29,548	30,561	27,870	-	-	-	28,067	2,138	-	-
Vote 8 - Public Safety		903	903	1,078	200	200	200	1,274	-	-	-
Vote 9 - Roads		11,726	20,675	40,231	33,000	47,634	47,634	70,381	27,030	17,000	17,000
Vote 10 - Sport and Recreation		41,673	41,727	37,331	2,000	2,000	2,000	37,331	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		291,002	318,391	339,843	68,100	71,672	71,672	376,256	54,899	55,864	58,303
Total Capital Expenditure - Vote		291,002	318,391	339,843	68,100	71,672	71,672	376,256	54,899	55,864	58,303
Capital Expenditure - Functional											
Governance and administration		152,820	164,250	174,959	3,400	7,700	7,700	7,700	3,758	4,325	4,520
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		152,820	164,250	174,959	3,400	7,700	7,700	7,700	3,758	4,325	4,520
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		86,214	93,090	87,102	11,700	12,338	12,338	12,338	9,000	22,523	24,722
Community and social services		42,366	49,188	47,420	9,500	10,138	10,138	10,138	9,000	22,523	24,722
Sport and recreation		41,673	41,727	37,331	2,000	2,000	2,000	2,000	-	-	-
Public safety		1,307	1,307	1,482	200	200	200	200	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		869	869	869	-	-	-	-	-	-	-
Economic and environmental services		41,274	51,237	68,101	33,000	47,634	47,634	47,634	29,168	17,000	17,000
Planning and development		29,548	30,561	27,870	-	-	-	-	2,138	-	-
Road transport		11,726	20,675	40,231	33,000	47,634	47,634	47,634	27,030	17,000	17,000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		11,098	10,217	10,085	20,000	4,000	4,000	4,000	12,973	12,015	12,061
Energy sources		0	0	0	20,000	4,000	4,000	4,000	12,000	11,000	11,000
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		11,098	10,217	10,085	-	-	-	-	973	1,015	1,061
Other		21,080	21,080	23,659	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	312,485	339,874	363,906	68,100	71,672	71,672	71,672	54,899	55,864	58,303
Funded by:											
National Government		51,303	57,536	73,518	44,500	47,634	47,634	47,634	50,168	50,523	52,722
Provincial Government		2,862	7,779	2,862	-	1,138	1,138	1,138	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial)		-	-	-	-	-	-	-	-	-	-
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	54,164	65,315	76,379	44,500	48,772	48,772	48,772	50,168	50,523	52,722
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		114,134	119,196	122,372	23,600	22,900	22,900	22,900	523	545	570
Total Capital Funding	7	168,298	184,511	198,751	68,100	71,672	71,672	71,672	50,691	51,068	53,292

1.7 Annual Budget Tables

The following pages in this section presents the main 10 budget tables as required in terms of Section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2021/2022 budget and MTREF as approved by Council.

Attached to budget document as annexure B

Table 9 MBRR Table A1 – Budget Summary

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

- Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow and MFMA funding compliance).
- The table provides an overview of the amounts approved by Council from operating performance and resources deployed to capital expenditure, financial position, cash and funding compliance and the municipality's commitment to eliminating basic service delivery backlogs.
- Financial management reforms emphasizes the importance of funding for the municipal budget. This requires the simultaneous assessment of the financial performance, financial position and cash flow budgets, along with the Capital Budget. The budget summary provides the key information in this regard:
 - (a) The operating surplus/deficit (after total expenditure) is positive over the MTREF
 - (b) Capital expenditure is balanced by capital funding sources of which:
 - (i) Transfers recognized are reflected on the Financial Performance Budget.
 - (ii) Internally generated funds are financed from current operating surplus

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

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional										
<i>Governance and administration</i>		166,149	179,225	191,846	213,140	241,835	241,835	214,159	226,600	225,056
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		166,149	179,225	191,846	213,140	241,835	241,835	214,159	226,600	225,056
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		28,885	14,577	3,977	3,591	2,698	2,698	2,882	3,024	3,028
Community and social services		24,914	14,551	3,948	3,559	2,693	2,693	2,850	2,990	2,993
Sport and recreation		3,971	17	29	–	5	5	–	–	–
Public safety		–	9	–	31	–	–	32	34	35
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		13,675	33,712	29,219	44,634	54,020	54,020	45,646	46,969	49,504
Planning and development		214	6,663	5,753	2,294	2,536	2,536	(231)	(2,078)	(2,171)
Road transport		13,461	27,050	23,467	42,340	51,484	51,484	45,877	49,047	51,675
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		283	583	624	453	624	624	209	218	227
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		283	583	624	453	624	624	209	218	227
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	208,992	228,097	225,667	261,818	299,177	299,177	262,895	276,811	277,815
Expenditure - Functional										
<i>Governance and administration</i>		111,630	122,751	133,147	111,238	129,334	129,334	127,293	133,204	139,351
Executive and council		33,769	38,269	42,418	34,056	39,063	39,063	40,201	42,301	44,380
Finance and administration		74,021	81,918	86,978	75,531	88,062	88,062	84,421	88,114	92,056
Internal audit		3,841	2,565	3,751	1,650	2,210	2,210	2,672	2,790	2,915
<i>Community and public safety</i>		35,333	47,555	47,393	45,725	47,386	47,386	40,974	42,794	44,719
Community and social services		33,102	46,448	44,867	41,236	43,285	43,285	38,975	40,707	42,539
Sport and recreation		1,365	–	14	–	5	5	–	–	–
Public safety		866	1,107	2,512	4,488	4,096	4,096	1,999	2,087	2,180
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		27,071	34,940	34,307	44,280	42,402	42,402	50,172	55,975	58,532
Planning and development		18,674	23,453	21,953	29,243	29,295	29,295	35,236	40,337	42,249
Road transport		8,397	11,487	12,354	15,037	13,108	13,108	14,935	15,637	16,283
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		1,157	3,276	9,542	8,476	8,382	8,382	2,058	2,127	2,200
Energy sources		–	330	–	547	547	547	572	597	624
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		1,157	2,946	9,542	7,929	7,835	7,835	1,487	1,530	1,576
<i>Other</i>	4	724	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	175,915	208,522	224,389	209,718	227,505	227,505	220,497	234,099	244,803
Surplus/(Deficit) for the year		33,077	19,575	1,278	52,100	71,672	71,672	42,399	42,712	33,012

- Table A2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- Total revenue in this table includes capital revenues (transfers recognized – capital) and it reconciles to table A4 which reported a surplus of R42 399 million.

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

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Revenue by Vote	1									
Vote 1 - Finance and Admin		166,149	179,225	191,846	213,140	241,835	241,835	214,159	226,600	225,056
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		24,914	14,551	3,948	3,559	2,693	2,693	2,850	2,990	2,993
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		283	583	624	453	624	624	209	218	227
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		214	6,663	5,753	2,294	2,536	2,536	(231)	(2,078)	(2,171)
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 9 - Roads		7,916	21,823	20,896	36,700	48,478	48,478	40,057	42,971	45,325
Vote 10 - Sport and Recreation		3,971	17	29	-	5	5	-	-	-
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	203,447	222,861	223,097	256,147	296,171	296,171	257,043	270,701	271,430
Expenditure by Vote to be appropriated	1									
Vote 1 - Finance and Admin		74,021	81,913	86,978	75,031	88,062	88,062	84,421	88,114	92,056
Vote 2 - Executive and council		33,769	38,269	42,418	34,056	39,063	39,063	40,201	42,301	44,380
Vote 3 - Community and social services		28,124	40,494	41,638	39,336	41,264	41,264	37,757	39,436	41,210
Vote 4 - Internal Audit		3,841	2,565	3,751	1,650	2,210	2,210	2,672	2,790	2,915
Vote 5 - Waste Management		1,157	2,946	9,542	7,929	7,835	7,835	1,487	1,530	1,576
Vote 6 - Energy Sources		-	330	-	547	547	547	572	597	624
Vote 7 - Planning and Development		18,674	23,452	21,953	27,752	27,803	27,803	32,748	35,903	37,615
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 9 - Roads		1,366	4,032	3,988	3,950	2,950	2,950	3,917	4,093	4,277
Vote 10 - Sport and Recreation		-	-	14	-	5	5	-	-	-
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	160,951	194,001	210,282	190,251	209,737	209,737	203,773	214,762	224,653
Surplus/(Deficit) for the year	2	42,496	28,860	12,814	65,896	86,433	86,433	53,270	55,939	46,776

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the municipality.

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

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1										
Revenue By Source											
Property rates	2	31,564	32,083	24,690	20,676	19,458	19,458	19,458	18,241	19,043	19,900
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	283	583	624	453	624	624	624	209	218	227
Rental of facilities and equipment		303	368	380	394	393	393	(295)	395	412	431
Interest earned - external investments		3,273	4,802	4,675	7,179	1,582	1,582	(1,281)	2,146	2,240	2,341
Interest earned - outstanding debtors		1,268	610	400	968	968	968	182	968	1,010	1,056
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1,596	1,578	881	3,224	844	844	(461)	3,327	3,473	3,629
Licences and permits		3,886	3,569	2,293	5,593	2,837	2,837	(2,135)	5,772	6,026	6,298
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		143,223	155,449	175,772	189,348	223,386	223,386	(176,652)	194,693	204,456	201,783
Other revenue	2	306	630	1,093	483	313	313	(229)	392	409	428
Gains		–	(672)	(2,540)	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		185,703	199,000	208,270	228,318	250,405	250,405	(160,789)	226,141	237,288	236,093
Expenditure By Type											
Employee related costs	2	57,984	66,611	72,111	90,664	80,027	80,027	49,471	92,148	96,197	100,503
Remuneration of councillors		12,161	12,472	13,026	13,878	13,878	13,878	(8,646)	16,523	17,581	18,548
Debt impairment	3	8,016	6,446	5,975	5,130	8,495	8,495	(23)	6,495	6,781	7,086
Depreciation & asset impairment	2	24,474	26,908	24,471	26,171	28,396	28,396	14,692	26,876	28,037	29,276
Finance charges		8	3	337	106	123	123	(8)	111	116	121
Bulk purchases - electricity	2	–	–	–	–	–	–	–	–	–	–
Inventory consumed	8	–	–	–	–	–	–	–	1,417	1,480	1,546
Contracted services		34,134	40,853	46,907	29,103	38,974	38,974	26,592	32,721	37,758	39,496
Transfers and subsidies		1,523	2,243	8,490	2,384	10,432	10,432	6,161	9,670	10,095	10,550
Other expenditure	4, 5	36,072	50,901	50,308	40,482	43,429	43,429	29,385	34,536	36,055	37,677
Losses		616	826	(18)	–	–	–	–	–	–	–
Total Expenditure		174,987	207,263	221,606	207,918	223,755	223,755	117,624	220,497	234,099	244,803
Surplus/(Deficit)		10,716	(8,263)	(13,336)	20,400	26,650	26,650	(278,412)	5,645	3,189	(8,710)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		35,023	40,277	20,695	33,500	48,772	48,772	(31,382)	36,754	39,523	41,722
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		45,739	32,014	7,359	53,900	75,422	75,422	(309,794)	42,399	42,712	33,012
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		45,739	32,014	7,359	53,900	75,422	75,422	(309,794)	42,399	42,712	33,012
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		45,739	32,014	7,359	53,900	75,422	75,422	(309,794)	42,399	42,712	33,012
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		45,739	32,014	7,359	53,900	75,422	75,422	(309,794)	42,399	42,712	33,012

- Revenue generated from property rates and service charges contributes 8% of the total revenue basket. In 2021/2022 revenue from property rates and service charges totaled R18 241 million in the income budget. It has decreased when compared to the 2020/2021 adjustment budget. The reason for the decrease is because of the changes in the supplementary valuation roll.
- Budget for refuse revenue for 2021/2022 is R209 thousand, it has decreased when compared to the 2020/2021 adjustment budget because there is a reduction of number of properties being serviced by the municipality through refuse removal service.

- Interest from short term deposits/investments in 2021/2022 is R2 146 million this projection is based on that the grant funds will be invested to short term deposits accounts of the municipality with the intention of generation more revenue on interest received from investments and bank accounts.
- Fines and penalties for 2021/2022 will be R3 327 million, it has increased when compared to 2020/2021 adjustment budget. This item increased because the municipality anticipate that traffic unit will be fully operational in the next financial year and they are now prepared to deal with COVID 19 challenges which will mean their targets will not be affected by COVI 19 restrictions.
- Licenses and permits revenue for 2021/2022 will be R5 772 million, it has increase when compared to 2020/2021 adjustment budget. This item increased because the municipality anticipate that traffic unit will be fully operational in the next financial year and they are now prepared to deal with COVID 19 challenges which will mean their targets will not be affected by COVI 19 restrictions.
- Other revenue in 2021/2022 will be R392 thousands, this revenue includes revenue to be generated from sale of tender documents, income from photocopies and faxes from the library services, income generated from the issue of rates clearance certificates, and income received from commissions or handling fees.
- Employee related costs in 2021/2022 will be R92 148 million excluding councilors allowances. It has increased as a result of a provision of 7% increase for all employees and a provision of 10% for senior managers. Vacant positions that were put on hold in 2020/2021 financial year have been provided for in the 2021/2022 financial year which also contributed to the increase of employee related costs when compared to 2020/2021 adjustment budget.
- Councilors allowances increase to R16 523 million as per the provision of the gazette for the remuneration of councilors, the municipality made a provision of 8% for the increase on councilors remuneration for 2021/2022 financial year
- Debt impairment decreased to R6 495 when compared with the 2021/2021 adjustment figures. This provision is based on the fact that the municipality will have to impair its debtors because of financial challenges faced by our debtors due to the COVID-19 pandemic.
- Depreciation and asset impairment is estimated to be R26 876 in the 2021/2022 financial year when considering that the municipality will finish all the 2020/2021 capital projects and start depreciating them.
- Contracted services decreased by 6% or decreased to R32 721 million in 2021/2022 when compared to the 2020/2021 adjustment budget. The decrease in contracted services by 6% is the municipality's response to the cost containment regulation issued by National Treasury through Circular 97.
- Other expenditure decreased to R34 536 million or decreased by 20% compared to 2020/2021 adjustment budget. This decrease in other expenditure is the municipality's response to the cost containment regulations as issued by National Treasury through Circular 97.
- Overall operational expenditure has decreased to R220 497 million when compared to 2020/2021 adjustment budget

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

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		-	-	-	-	-	-	-	-	-	-
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		152,820	164,250	174,959	3,400	7,700	7,700	175,737	3,758	4,325	4,520
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		43,235	50,057	48,289	9,500	10,138	10,138	51,970	9,000	22,523	24,722
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		11,098	10,217	10,085	-	-	-	10,085	973	1,015	1,061
Vote 6 - Energy Sources		0	0	0	20,000	4,000	4,000	1,412	12,000	11,000	11,000
Vote 7 - Planning and Development		29,548	30,561	27,870	-	-	-	28,067	2,138	-	-
Vote 8 - Public Safety		903	903	1,078	200	200	200	1,274	-	-	-
Vote 9 - Roads		11,726	20,675	40,231	33,000	47,634	47,634	70,381	27,030	17,000	17,000
Vote 10 - Sport and Recreation		41,673	41,727	37,331	2,000	2,000	2,000	37,331	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		291,002	318,391	339,843	68,100	71,672	71,672	376,256	54,899	55,864	58,303
Total Capital Expenditure - Vote		291,002	318,391	339,843	68,100	71,672	71,672	376,256	54,899	55,864	58,303
Capital Expenditure - Functional											
Governance and administration		152,820	164,250	174,959	3,400	7,700	7,700	7,700	3,758	4,325	4,520
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		152,820	164,250	174,959	3,400	7,700	7,700	7,700	3,758	4,325	4,520
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		86,214	93,090	87,102	11,700	12,338	12,338	12,338	9,000	22,523	24,722
Community and social services		42,366	49,188	47,420	9,500	10,138	10,138	10,138	9,000	22,523	24,722
Sport and recreation		41,673	41,727	37,331	2,000	2,000	2,000	2,000	-	-	-
Public safety		1,307	1,307	1,482	200	200	200	200	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		869	869	869	-	-	-	-	-	-	-
Economic and environmental services		41,274	51,237	68,101	33,000	47,634	47,634	47,634	29,168	17,000	17,000
Planning and development		29,548	30,561	27,870	-	-	-	-	2,138	-	-
Road transport		11,726	20,675	40,231	33,000	47,634	47,634	47,634	27,030	17,000	17,000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		11,098	10,217	10,085	20,000	4,000	4,000	4,000	12,973	12,015	12,061
Energy sources		0	0	0	20,000	4,000	4,000	4,000	12,000	11,000	11,000
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		11,098	10,217	10,085	-	-	-	-	973	1,015	1,061
Other		21,080	21,080	23,659	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	312,485	339,874	363,906	68,100	71,672	71,672	71,672	54,899	55,864	58,303
Funded by:											
National Government		51,303	57,536	73,518	44,500	47,634	47,634	47,634	50,168	50,523	52,722
Provincial Government		2,862	7,779	2,862	-	1,138	1,138	1,138	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial)		-	-	-	-	-	-	-	-	-	-
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	54,164	65,315	76,379	44,500	48,772	48,772	48,772	50,168	50,523	52,722
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		114,134	119,196	122,372	23,600	22,900	22,900	22,900	523	545	570
Total Capital Funding	7	168,298	184,511	198,751	68,100	71,672	71,672	71,672	50,691	51,068	53,292

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote, standard classification and funding source including capital transfers from national departments.
- Capital expenditure has been appropriated at R54 899 million and it has decreased when compared to 2020/2021 adjustment budget. The reason for the decrease is because adjusted budget figures included rollover funds which increased the capital budget.
- Capital programmes funded by national departments totaled to R49 254 million and capital programmes funded by internally generated funds totaled to R5 645 million

Table 14 MBRR Table A6 – Budgeted Financial Position

Choose name from list - Table A6 Budgeted Financial Position

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
ASSETS											
Current assets											
Cash		22,193	35,595	50,266	122,686	71,778	71,778	105,946	154,229	237,167	236,784
Call investment deposits	1	12,278	13,060	13,891	14,470	—	—	14,206	14,206	16,352	18,593
Consumer debtors	1	10,554	13,268	8,127	21,428	7,563	7,563	7,563	(535)	(1,253)	(521)
Other debtors		(2,308)	(1,597)	2,183	4,341	4,053	4,053	5,976	(1,814)	(5,387)	(6,558)
Current portion of long-term receivables		17	10	5	—	—	—	7	—	—	—
Inventory	2	125	314	505	2,305	4,255	4,255	2,323	4,255	4,316	4,355
Total current assets		42,861	60,650	74,976	165,230	87,648	87,648	136,021	170,341	251,195	252,652
Non current assets											
Long-term receivables		—	—	—	—	—	—	—	—	—	—
Investments		—	—	—	—	—	—	—	—	—	—
Investment property		—	—	—	—	—	—	—	—	—	—
Investment in Associate		—	—	—	—	—	—	—	—	—	—
Property, plant and equipment	3	288,550	301,221	304,999	387,602	348,065	348,065	572,599	376,031	392,364	411,381
Biological		—	—	—	—	—	—	—	—	—	—
Intangible		1,079	825	905	1,460	1,115	1,115	718	1,668	1,663	1,173
Other non-current assets		—	—	—	—	—	—	—	—	—	—
Total non current assets		289,628	302,047	305,905	389,062	349,180	349,180	573,317	377,700	394,027	412,554
TOTAL ASSETS		332,489	362,697	380,881	554,292	436,829	436,829	709,338	548,041	645,222	665,205
LIABILITIES											
Current liabilities											
Bank overdraft	1	—	—	—	—	—	—	—	—	—	—
Borrowing	4	—	—	—	—	—	—	—	—	—	—
Consumer deposits		—	—	—	—	—	—	—	—	—	—
Trade and other payables	4	29,541	43,665	60,382	(6,963)	(96,067)	(96,067)	(58,834)	(115,337)	(114,743)	(119,405)
Provisions		—	—	—	15,611	—	—	—	—	—	—
Total current liabilities		29,541	43,665	60,382	8,648	(96,067)	(96,067)	(58,834)	(115,337)	(114,743)	(119,405)
Non current liabilities											
Borrowing		—	—	—	—	—	—	—	—	—	—
Provisions		—	—	—	19,937	—	—	—	—	—	—
Total non current liabilities		—	—	—	19,937	—	—	—	—	—	—
TOTAL LIABILITIES		29,541	43,665	60,382	28,585	(96,067)	(96,067)	(58,834)	(115,337)	(114,743)	(119,405)
NET ASSETS	5	302,948	319,032	320,499	525,707	532,896	532,896	768,172	663,378	759,964	784,610
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	4	268,179	264,546	264,546	316,646	533,878	533,878	(629,061)	42,399	42,712	33,012
Reserves		—	—	—	806,463	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	5	268,179	264,546	264,546	1,123,109	533,878	533,878	(629,061)	42,399	42,712	33,012

- Table A6 is consistent with international standards of good financial management practice, and improves councilors and managements understanding of the impact of the budget on the statement of financial position.
- This format of financial position is aligned to GRAP 1.
- This table is supported by table SA3 which provides detailed analysis of the major components of a number of items, including;

- Call investments deposits
- Consumer debtors
- Property plant and equipment
- Trade and other payables
- Provisions non-current
- Changes in net assets; and
- Reserves

Table 15 MBRR Table A7 – Budgeted Cash Flow Statement

Choose name from list - Table A7 Budgeted Cash Flows

Description		Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			–	–	–	16,171	11,875	11,875	–	11,856	12,378	12,935
Service charges			–	–	–	313	281	281	–	94	98	102
Other revenue			34,582	49,588	64,283	29,534	3,850	3,850	290,978	8,242	8,604	8,991
Transfers and Subsidies - Operational		1	–	–	–	187,282	222,409	222,409	–	194,693	204,456	201,783
Transfers and Subsidies - Capital		1	–	–	–	50,702	46,276	46,276	–	49,254	50,523	52,722
Interest			–	–	–	–	–	–	–	–	–	–
Dividends			–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees			8,068	6,656	6,651	(5,087)	(185,677)	(185,677)	(18,866)	(187,015)	(199,194)	(208,405)
Finance charges			–	–	–	–	(123)	(123)	–	(111)	(116)	(121)
Transfers and Grants		1	–	–	(3,659)	–	(10,432)	(10,432)	8,697	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES			42,650	56,245	67,274	278,914	88,459	88,459	280,810	77,013	76,749	68,008
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			–	–	–	–	(71,672)	(71,672)	–	(49,254)	(14,952)	(52,722)
NET CASH FROM/(USED) INVESTING ACTIVITIES			–	–	–	–	(71,672)	(71,672)	–	(49,254)	(14,952)	(52,722)
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			42,650	56,245	67,274	278,914	16,787	16,787	280,810	27,759	61,797	15,286
Cash/cash equivalents at the year begin:		2	–	(997)	(191)	113,277	–	–	(191)	80,099	107,858	169,655
Cash/cash equivalents at the year end:		2	42,650	55,247	67,083	392,192	16,787	16,787	280,619	107,858	169,655	184,942

- The budgeted cash flow statement is the first measurement in determining if the budget is funded.
- It shows the expected level of cash inflow versus cash outflow that is likely to result from the implementation of the budget.
- The collection rate that has been applied in this cash flow is 63% on all billed revenue and 100% on other revenue sources as it is assumed that it is cash based.
- Payment of suppliers and employee costs is assumed to be 100% which includes the payment of capital projects.
- It can be seen that the municipality's cash levels are increasing steadily
- Cash and cash equivalents are expected to improve steadily

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

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	42,650	55,247	67,083	392,192	16,787	16,787	280,619	107,858	169,655	184,942
Other current investments > 90 days		(8,179)	(6,592)	(2,926)	(255,036)	54,991	54,991	(160,466)	60,577	83,864	70,435
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		34,472	48,655	64,157	137,156	71,778	71,778	120,153	168,436	253,520	255,377
Application of cash and investments											
Unspent conditional transfers		15,212	28,434	47,206	(1,876)	(105,724)	(105,724)	(38,457)	(109,440)	(108,736)	(113,134)
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	7,055	549	(8,854)	(42,388)	2,348	2,348	(249,812)	(4,278)	(1,430)	(1,392)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		22,267	28,983	38,352	(44,264)	(103,376)	(103,376)	(288,269)	(113,718)	(110,167)	(114,527)
Surplus(shortfall)		12,205	19,672	25,805	181,420	175,154	175,154	408,422	282,154	363,687	369,903

References

1. Must reconcile with Budgeted Cash Flows

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

Table 17 MBRR Table A9 – Asset Management

Choose name from list - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	193,950	217,347	243,317	54,700	66,372	66,372	42,376	44,318	46,733
Roads Infrastructure		143,738	159,073	184,579	33,000	47,634	47,634	29,168	17,000	17,000
Storm water Infrastructure		-	2,691	-	-	-	-	-	-	-
Electrical Infrastructure		2,862	2,862	2,862	9,000	4,000	4,000	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		146,599	164,626	187,441	42,000	51,634	51,634	29,168	17,000	17,000
Community Facilities		38,391	46,102	44,334	9,500	10,138	10,138	9,000	22,523	24,722
Sport and Recreation Facilities		4,959	321	-	2,000	2,000	2,000	-	-	-
Community Assets		43,350	46,423	44,334	11,500	12,138	12,138	9,000	22,523	24,722
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1,570	1,559	1,934	-	-	-	1,068	1,517	1,585
Intangible Assets		1,570	1,559	1,934	-	-	-	1,068	1,517	1,585
Computer Equipment		1,726	1,632	1,601	-	600	600	300	313	327
Furniture and Office Equipment		45	1,007	883	700	1,500	1,500	523	545	570
Machinery and Equipment		-	543	3,824	-	-	-	2,318	2,419	2,528
Transport Assets		-	898	2,640	500	500	500	-	-	-
Land		659	659	659	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	118,535	122,528	120,589	2,400	5,300	5,300	523	545	570
Roads Infrastructure		10,224	10,224	9,705	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		8,453	10,442	10,085	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		18,677	20,667	19,790	-	-	-	-	-	-
Community Facilities		25,923	25,923	28,503	-	-	-	-	-	-
Sport and Recreation Facilities		36,714	41,406	37,331	-	-	-	-	-	-
Community Assets		62,637	67,329	65,833	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		23,353	23,535	23,535	-	400	400	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		23,353	23,535	23,535	-	400	400	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		146	146	146	500	500	500	-	-	-
Intangible Assets		146	146	146	500	500	500	-	-	-
Computer Equipment		328	328	327	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		4,313	4,313	3,501	1,900	4,400	4,400	-	-	-
Transport Assets		9,081	6,211	7,457	-	-	-	523	545	570
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

Choose name from list - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Total Capital Expenditure	4	312,485	339,874	363,906	57,100	71,672	71,672	42,899	44,864	47,303
Roads Infrastructure		153,962	169,298	194,285	33,000	47,634	47,634	29,168	17,000	17,000
Storm water Infrastructure		-	2,691	-	-	-	-	-	-	-
Electrical Infrastructure		2,862	2,862	2,862	9,000	4,000	4,000	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		8,453	10,442	10,085	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		165,277	185,293	207,231	42,000	51,634	51,634	29,168	17,000	17,000
Community Facilities		64,314	72,025	72,837	9,500	10,138	10,138	9,000	22,523	24,722
Sport and Recreation Facilities		41,673	41,727	37,331	2,000	2,000	2,000	-	-	-
Community Assets		105,988	113,752	110,167	11,500	12,138	12,138	9,000	22,523	24,722
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		23,353	23,535	23,535	-	400	400	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		23,353	23,535	23,535	-	400	400	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1,716	1,705	2,080	500	500	500	1,068	1,517	1,585
Intangible Assets		1,716	1,705	2,080	500	500	500	1,068	1,517	1,585
Computer Equipment		2,053	1,959	1,928	-	600	600	300	313	327
Furniture and Office Equipment		45	1,007	883	700	1,500	1,500	523	545	570
Machinery and Equipment		4,313	4,857	7,325	1,900	4,400	4,400	2,318	2,419	2,528
Transport Assets		9,081	7,109	10,097	500	500	500	523	545	570
Land		659	659	659	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		312,485	339,874	363,906	57,100	71,672	71,672	42,899	44,864	47,303
ASSET REGISTER SUMMARY - PPE (WDV)										
Roads Infrastructure	5	289,628	302,046	305,905	378,062	349,180	349,180	365,700	383,027	401,554
Storm water Infrastructure		123,411	126,690	136,878	172,291	171,425	171,425	29,168	17,000	17,000
Electrical Infrastructure		-	2,691	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	10,999	5,999	5,999	-	-	-
Sanitation Infrastructure		(8)	(8)	-	-	-	-	-	-	-
Solid Waste Infrastructure		5,728	5,559	6,551	4,806	4,353	4,353	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		129,131	134,932	143,429	188,097	181,777	181,777	29,168	17,000	17,000
Community Assets		118,688	128,745	121,400	134,645	128,651	128,651	9,000	22,523	24,722
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other Assets		28,240	27,014	25,718	26,143	9,388	9,388	322,201	338,017	354,663
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		1,079	825	905	1,460	1,115	1,115	1,668	1,663	1,173
Computer Equipment		943	766	973	1,022	1,152	1,152	300	313	327
Furniture and Office Equipment		623	1,277	966	1,852	2,389	2,389	523	545	570
Machinery and Equipment		4,727	3,786	5,649	19,857	21,937	21,937	2,318	2,419	2,528
Transport Assets		5,540	4,043	6,205	4,327	2,112	2,112	523	545	570
Land		659	659	659	659	659	659	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	289,628	302,046	305,905	378,062	349,180	349,180	365,700	383,027	401,554

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
- Capital budget has an allocation of 22% to the total budget in 2018/2019 financial year.

Table 18 MBRR Table A10 – Basic Service Delivery Measurement

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		(5,867)	(5,590)	(1,649)	2,529	3,657	3,657	2,436	2,543	2,657
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		(5,867)	(5,590)	(1,649)	2,529	3,657	3,657	2,436	2,543	2,657

- It is anticipated that these free basic services will cost the municipality R571 thousand and rebates given to 201 business and commercial property rates customers will be R2 436 million

PART 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget.

2.1.1 Budget Process Overview

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

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

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

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

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

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

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

2.1.2 IDP and Service Delivery and Budget Implementation Plan

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

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

2.1.3 Community Consultation

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

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

2.2 Overview of alignment of annual budget with IDP

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

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

Choose name from list - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

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

Choose name from list - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand												
Comply with financial reporting requirements as outlined in the MFMA	Responsive, accountable, effective and efficient local government	9	—	1	5	3	—	—	—	—	—	—
Arts and sports	A comprehensive, responsive and sustainable social protection system	13	—	575	358	1,241	560	460	460	165	172	180
Arts and sports	An efficient, effective and development-oriented public service	12	—	5,234	4,693	5,552	2,450	2,301	2,301	1,098	1,146	1,197
Comply with financial reporting as outlined in the MFMA	A comprehensive, responsive and sustainable social protection system	13	—	—	0	—	—	—	—	—	—	—
Comply with financial reporting as outlined in the MFMA	A skilled and capable workforce to support an inclusive growth path	5	—	634	1,717	1,212	1,000	350	350	779	814	850
Comply with financial reporting as outlined in the MFMA	An efficient, competitive and responsive economic infrastructure network	6	—	—	420	—	—	—	—	—	—	—
Comply with financial reporting as outlined in the MFMA	An efficient, effective and development-oriented public service	12	—	—	1,256	649	12	1	1	—	—	—
Comply with financial reporting as outlined in the MFMA	Responsive, accountable, effective and efficient local government	9	—	2,909	4,163	1,453	—	—	—	—	—	—
Comply with financial reporting as outlined in the MFMA	Sustainable human settlements and improved quality of household life	8	—	9,052	8,721	13,032	13,810	14,406	14,406	20,397	23,326	24,455
Comply with financial reporting requirements as outlined in the MFMA	A skilled and capable workforce to support an inclusive growth path	5	—	1	—	—	—	—	—	—	—	—
Comply with financial reporting requirements as outlined in the MFMA	An efficient, effective and development-oriented public service	12	—	—	—	396	250	250	250	651	679	710
Comply with financial reporting requirements as outlined in the MFMA	Responsive, accountable, effective and efficient local government	9	—	616	826	(18)	—	—	—	—	—	—
Comply with financial reporting requirements as outlined in the MFMA	Sustainable human settlements and improved quality of household life	8	—	19,453	16,605	20,127	22,486	24,288	24,288	23,125	24,143	25,229
Comply with MFMA, SCM regulations and related legislations	An efficient, effective and development-oriented public service	12	—	—	—	—	450	710	710	450	470	491
Comply with MFMA, SCM regulations and related legislations	Sustainable human settlements and improved quality of household life	8	—	—	—	246	498	545	545	816	852	890
Develop and introduce an integrated information management system in	An efficient, effective and development-oriented public service	12	—	604	866	496	1,106	1,282	1,282	500	522	545
Develop and introduce an integrated information management system in	Responsive, accountable, effective and efficient local government	9	—	702	940	1,444	—	119	119	380	397	415
Disaster management	A comprehensive, responsive and sustainable social protection system	13	—	310	720	4,261	864	3,608	3,608	1,000	1,044	1,091
Driving license card production	All people in South Africa are and feel safe	3	—	—	59	—	100	—	—	—	—	—
Ensure collection of funds due to the municipality and specify optimal procedures in respect of	Responsive, accountable, effective and efficient local government	9	—	—	5	—	200	200	200	726	758	792
Identify and implement tourism catalytic projects	An efficient, effective and development-oriented public service	12	—	57	388	62	75	265	265	596	622	700
Identify and implement tourism catalytic projects	Sustainable human settlements and improved quality of household life	8	—	—	—	17	100	100	100	50	52	55
Indigent support (poverty)	A comprehensive, responsive and sustainable social protection system	13	—	4,710	8,142	6,147	6,300	9,911	9,911	6,300	6,577	6,873
Municipal facilities	Sustainable human settlements and improved quality of household life	8	—	128	221	134	—	—	—	—	—	—
SMME Support and Capacity	An efficient, effective and	12	—	593	404	276	260	279	279	65	48	97

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

Choose name from list - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
R thousand													
Comply with financial reporting as outlined in the MFMA	A long and healthy life for all South Africans	2	—	37,583	42,275	38,200	—	—	—	—	—	—	
Comply with financial reporting as outlined in the MFMA	An efficient, competitive and responsive economic infrastructure network	6	—	162,430	173,480	179,055	—	—	—	—	—	—	
Comply with financial reporting as outlined in the MFMA	An efficient, effective and development-oriented public service	12	—	65,580	64,222	70,737	2,900	7,400	7,400	4,280	4,871	5,090	
Comply with financial reporting as outlined in the MFMA	Quality basic education	1	—	2,857	2,857	2,857	—	—	—	—	—	—	
Comply with financial reporting requirements as outlined in the MFMA	An efficient, effective and development-oriented public service	12	—	—	69	69	—	—	—	—	—	—	
Comply with MFMA, SCM regulations and related legislations	An efficient, competitive and responsive economic infrastructure network	6	—	—	—	—	29,000	37,507	37,507	—	—	—	
Comply with MFMA, SCM regulations and related legislations	An efficient, effective and development-oriented public service	12	—	—	—	—	200	—	—	4,500	—	—	
Comply with MFMA, SCM regulations and related legislations	Responsive, accountable, effective and efficient local government	9	—	—	—	—	1,392	—	—	—	—	—	
Solid waste removal	An efficient, effective and development-oriented public service	12	—	—	888	888	—	—	—	—	—	—	
Thandizwe Blacktop Road	An efficient, competitive and responsive economic infrastructure network	6	—	—	—	—	—	—	—	4,530	—	—	
To develop long term infrastructure development plans	An efficient, competitive and responsive economic infrastructure network	6	—	—	—	—	4,000	4,000	4,000	—	—	—	
To develop long term infrastructure development plans	Responsive, accountable, effective and efficient local government	9	—	0	0	0	9,608	—	—	12,000	11,000	11,000	
To enhance effective internal control and standard operating	An efficient, competitive and responsive economic infrastructure network	6	—	—	2,691	—	—	—	—	—	—	—	
To enhance effective internal control and standard operating	An efficient, effective and development-oriented public service	12	—	—	2,227	—	—	—	—	450	470	491	
To provide access and facilitate vehicular movement in Umhlabuyalingana	An efficient, competitive and responsive economic infrastructure network	6	—	2,846	9,122	28,175	9,000	10,127	10,127	24,638	—	—	
To provide and improve access to community/public facilities to minimum standards	A long and healthy life for all South Africans	2	—	4,959	321	—	2,000	2,000	2,000	—	—	—	
To provide and improve access to community/public facilities to minimum standards	An efficient, competitive and responsive economic infrastructure network	6	—	—	—	—	—	—	—	—	17,000	17,000	
To provide and improve access to community/public facilities to minimum standards	An efficient, effective and development-oriented public service	12	—	36,230	40,825	41,284	9,500	10,138	10,138	4,500	22,523	24,722	
To provide the optimal institutional structure to render effective and efficient services	An efficient, effective and development-oriented public service	12	—	—	898	2,640	500	500	500	—	—	—	
		O											
		P											
Allocations to other priorities				3									
Total Capital Expenditure				1	312,485	339,874	363,906	68,100	71,672	71,672	54,899	55,864	58,303

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities.

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

Table 22 MBRR Table SA7 – Measurable performance objectives

Choose name from list - Supporting Table SA7 Measureable performance objectives

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

The following table sets out the municipality's main performance objectives and benchmarks for 2021/2022 MTREF.

Table 23 MBRR Table SA8 – Performance indicators and benchmarks

Choose name from list - Supporting Table SA8 Performance indicators and benchmarks

Cross-Name from the Supporting Data Performance Indicators and Benchmarks											
Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	0.0%	0.0%	0.2%	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.0%	1.0%	0.3%	0.5%	0.5%	-0.1%	0.4%	0.4%	0.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.5	1.4	1.2	19.1	(0.9)	(0.9)	(2.3)	(1.5)	(2.2)	(2.1)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.5	1.4	1.2	19.1	(0.9)	(0.9)	(2.3)	(1.5)	(2.2)	(2.1)
Liquidity Ratio	Monetary Assets/Current Liabilities	1.2	1.1	1.1	15.9	(0.7)	(0.7)	(2.0)	(1.5)	(2.2)	(2.1)
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	78.0%	60.5%	60.5%	0.0%	64.8%	64.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	78.0%	60.5%	60.5%	0.0%	64.8%	64.8%	64.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	4.4%	5.9%	5.0%	11.3%	4.6%	4.6%	-8.4%	-1.0%	-2.8%	-3.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		33.1%	26.5%	23.9%	-1.3%	119.7%	119.7%	-9.6%	-5.5%	-3.5%	-3.4%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.2%	33.5%	34.6%	39.7%	32.0%	32.0%	-30.8%	40.7%	40.5%	42.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	37.8%	39.7%	40.9%	45.8%	37.5%	37.5%		48.1%	47.9%	50.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.7%	2.1%	1.9%	1.7%	1.4%	1.4%		1.9%	1.8%	1.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	13.2%	13.5%	11.9%	11.5%	11.4%	11.4%	-9.1%	11.9%	11.9%	12.5%
<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	25.7%	35.4%	40.1%	119.7%	56.7%	56.7%	68.5%	-12.5%	-33.8%	-34.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	4.0	4.4	4.8	29.9	1.2	1.2	39.5	7.5	11.1	11.6

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

The municipality does not have any borrowings.

2.3.1.3 Liquidity

The municipality's ability to adhere to its short term obligations is better since the ratios is high. For the 2021/2022 MTREF the ratios is expected to be 1.5 and improve to 2.2 for the two outer years

2.3.1.4 Revenue Management

- Annual debtors collection rate indicates the percentage payment levels of the municipality. The municipal payment level percentage according to table SA 8 it is expected to be 63%
- Current debtors collection rate payment levels is 64.8%

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

- It has increased from 1.4% in 2020/2021 to 1.9% in 2021/2022 financial year but it is still below the average ratio of 8%

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

The social package assist residents that have difficulty paying for services and registered as indigent households in terms of the Indigent Policy of the municipality. The municipality provides for free basic electricity through Eskom only since they do not provide other services to the residents of umhlabyalingana except for refuse removal which is also not yet been rolled out to residential properties. Currently we provide free basic electricity to 518 indigents as per the indigent register of the municipality.

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

2.4 Overview of budget related policies

The following is the list of budget related policies of Umhlabyalingana Municipality, all these policies are currently under review and will be adopted by council by 31 May 2021

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

2.5 Overview of budget assumptions

2.5.1 General inflation outlook and its impact on the municipal activities

The following factors have been taken into consideration in the compilation of the 2021/2022 MTREF.

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

The inflation outlook for the MTREF is as follows

The following table reflects the inflation forecast as contained in circular 91 of National Treasury

Fiscal Year	2020/2021	2019/2020	2020/2021	2021/2022
	Estimate	Forecast		
CPI Inflation	3.3%	3.9%	4.2%	4.4%

2.5.3 Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage 63% of annual billings. Cash flow is assumed to be 63% of billings for property rates, refuse removal and rental of facilities. Other cash flows are assumed to be 100% as they are not based on billing but cash based.

2.5.4 Salary increases

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

2.5.5 Impact of national, provincial and local policies

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

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

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

it is estimated that a spending rate of 100% will be achieved on operational expenditure and capital programme for the 2021/2022 MTREF of which performance has been factored into the cash flow budget

2.6 Overview of budget funding

2.6.1 Medium-term outlook: Operating Revenue

Tariffs changes

- Tariffs did not change from the prior financial year because there has not been any changes to the general valuation roll and the municipality also considered the affordability from its customers especially at this time of COVID -19

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

Table 24 MBRR SA15- Detailed Investment Information

KZN271 Umhlabuyalingana - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		53,786	17,500	12,278	24,519	4,909	4,909	5,164	5,443	5,737
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	53,786	17,500	12,278	24,519	4,909	4,909	5,164	5,443	5,737
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		53,786	17,500	12,278	24,519	4,909	4,909	5,164	5,443	5,737

Table 25 MBRR SA16 – Investment particulars by maturity

KZN271 Umhlabuyalingana - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
FNB - 74275256516		Months	Money Market	Yes	Variable				30 June 2020	561	49	(4,000)	4,000	609
FNB - 74622621601		Months	Fixed Deposit	Yes	Variable				30 June 2020	4,687	1,212	(7,212)	5,500	4,167
FNB - 62266898525		Months	Money Market	Yes	Variable				30 June 2020	289	25			314
NEDBANK - 28702097		Months	32 Days Notice	Yes	Variable				30 June 2020	32	3			34
STD - 068824491		Months	32 Days Notice	Yes	Variable				30 June 2020	18	2			19
														-
Municipality sub-total										5,586		(11,212)	9,500	5,164
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									5,586		(11,212)	9,500	5,164

The table above is blank but the investments register is provided as one of annexures. Interest to be earned from investments accounts and bank account is estimated to be R2 146 million which will bring the total value of investments to be R16 352 million.

2.6.2 Medium-term outlook : capital revenue

Table 26 MBRR SA17 – Detail of borrowings

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

Choose name from list - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Parent municipality										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	16	16	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	16	16	-	-	-	-	-	-
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	16	16	-	-	-	-	-	-
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

Table 27 MBRR SA18 – Capital transfers and grant receipts

The table below for transfers and grants received did not populate due to technical challenges from the financial system

Capital grants the municipality will receive is as per the table below

CAPITAL GRANTS RECEIVED					
	2020/2021		MTREF		
	Original Budget	Adjustment budget	2021/2022	2022/2023	2023/2024
Municipal Infrastructure Grant	34,702,000	34,702,000	36,754,000	39,523,000	41,722,000
Intergrated National Electrification Programe Grant	16,000,000	12,000,000	12,500,000	11,000,000	11,000,000
	50,702,000	46,702,000	49,254,000	50,523,000	52,722,000

The table above indicate the capital transfers and grants received in 2021/2022 financial year.

2.6.3 Cash flow Management

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

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

Table 28 MBRR Table A7 – Budgeted Cash Flows

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	16,171	11,875	11,875	–	11,856	12,378	12,935
Service charges		–	–	–	313	281	281	–	94	98	102
Other revenue		34,582	49,588	64,283	29,534	3,850	3,850	290,978	8,242	8,604	8,991
Transfers and Subsidies - Operational	1	–	–	–	187,282	222,409	222,409	–	194,693	204,456	201,783
Transfers and Subsidies - Capital	1	–	–	–	50,702	46,276	46,276	–	49,254	50,523	52,722
Interest		–	–	–	–	–	–	–	–	–	–
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		8,068	6,656	6,651	(5,087)	(185,677)	(185,677)	(18,866)	(187,015)	(199,194)	(208,405)
Finance charges		–	–	–	–	(123)	(123)	–	(111)	(116)	(121)
Transfers and Grants	1	–	–	(3,659)	–	(10,432)	(10,432)	8,697	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		42,650	56,245	67,274	278,914	88,459	88,459	280,810	77,013	76,749	68,008
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		–	–	–	–	(71,672)	(71,672)	–	(49,254)	(14,952)	(52,722)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	–	–	–	(71,672)	(71,672)	–	(49,254)	(14,952)	(52,722)
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		42,650	56,245	67,274	278,914	16,787	16,787	280,810	27,759	61,797	15,286
Cash/cash equivalents at the year begin:	2	–	(997)	(191)	113,277	–	–	(191)	80,099	107,858	169,655
Cash/cash equivalents at the year end:	2	42,650	55,247	67,083	392,192	16,787	16,787	280,619	107,858	169,655	184,942

Table 29 MBRR Table SA30 –Budgeted monthly cash flow

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand															
Cash Receipts By Source															
Property rates	988	988	988	988	988	988	988	988	988	988	988	988	11,856	12,378	12,935
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	8	8	8	8	8	8	8	8	8	8	8	8	94	98	102
Rental of facilities and equipment	20	20	20	20	20	20	20	20	20	20	20	20	237	247	258
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	151	151	151	151	151	151	151	151	151	151	151	151	1,817	1,897	1,982
Licences and permits	481	481	481	481	481	481	481	481	481	481	481	481	5,772	6,026	6,298
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	194,693	204,456	201,783
Other revenue	35	35	35	35	35	35	35	35	35	35	35	35	416	434	454
Cash Receipts by Source	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	214,885	225,536	223,812
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	49,254	50,523	52,722
/ 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	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	264,139	276,059	276,534
Cash Payments by Type															
Employee related costs	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	108,670	113,799	119,096
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	9	9	9	9	9	9	9	9	9	9	9	9	111	116	121
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	118	118	118	118	118	118	118	118	118	118	118	118	1,417	1,541	1,585
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	76,927	83,854	87,723
Cash Payments by Type	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	187,126	199,310	208,525
Other Cash Flows/Payments by Type															
Capital assets	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	49,254	14,952	52,722
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	236,380	214,262	261,247
NET INCREASE/(DECREASE) IN CASH HELD	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	27,759	61,797	15,286
Cash/cash equivalents at the month/year begin:	80,099	82,412	84,726	87,039	89,352	91,665	93,979	96,292	98,605	100,919	103,232	105,545	80,099	107,858	169,655
Cash/cash equivalents at the month/year end:	82,412	84,726	87,039	89,352	91,665	93,979	96,292	98,605	100,919	103,232	105,545	107,858	107,858	169,655	184,942

2.6.4 Cash-backed Reserves/Accumulated Surplus Reconciliation

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

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

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

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and investments available											
Cash/cash equivalents at the year end	1	62,188	18,261	34,628	55,101	51,473	51,473	51,473	60,389	73,272	104,521
Other current investments > 90 days		–	–	126	(0)	(0)	(0)	(0)	0	0	0
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		62,188	18,261	34,755	55,101	51,473	51,473	51,473	60,389	73,272	104,521
Application of cash and investments											
Unspent conditional transfers		–	6,080	3,326	2,076	2,076	2,076	2,076	2,076	2,076	2,076
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	13,012	7,452	(1,138)	(6,600)	(13,796)	(13,796)	(13,796)	(20,936)	(22,054)	(23,242)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		13,012	13,532	2,188	(4,525)	(11,720)	(11,720)	(11,720)	(18,860)	(19,978)	(21,166)
Surplus(shortfall)		49,176	4,729	32,567	59,626	63,193	63,193	63,193	79,249	93,250	125,687

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

2.6.5 Funding compliance measurement

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

Table 31 MBRR Table A10 –Basic service delivery measurement

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		(5,867)	(5,590)	(1,649)	2,529	3,657	3,657	2,436	2,543	2,657
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		(5,867)	(5,590)	(1,649)	2,529	3,657	3,657	2,436	2,543	2,657

2.7 Expenditure on grants and reconciliation of unspent funds

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

Choose name from list - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Local Government Equitable Share										
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
EPWP Incentive										
Finance Management										
Municipal Drought Relief										
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-

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

Choose name from list - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

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

Choose name from list - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Cash Transfers to other municipalities											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>		57	337	12	-	-	-	-	500	522	545
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		57	337	12	-	-	-	-	500	522	545
Cash Transfers to Groups of Individuals											
<i>Insert description</i>		1,466	1,907	8,478	2,384	10,432	10,432	6,161	9,120	9,521	9,950
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		1,466	1,907	8,478	2,384	10,432	10,432	6,161	9,120	9,521	9,950
TOTAL CASH TRANSFERS AND GRANTS	6	1,523	2,243	8,490	2,384	10,432	10,432	6,161	9,620	10,043	10,495
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Insert description</i>	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Insert description</i>	4	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Insert description</i>	5	-	-	-	-	-	-	-	50	52	55
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	50	52	55
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	50	52	55
TOTAL TRANSFERS AND GRANTS	6	1,523	2,243	8,490	2,384	10,432	10,432	6,161	9,670	10,095	10,550

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

2.8 Councilor and employee benefits

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

Choose name from list - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		8,323	8,203	8,604	9,197	9,197	9,197	10,873	11,567	12,203
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	2,493	2,668	2,815
Cellphone Allowance		1,187	1,536	1,554	1,598	1,598	1,598	2,025	2,158	2,277
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		2,652	2,734	2,868	3,083	3,083	3,083	1,131	1,188	1,253
Sub Total - Councillors		12,161	12,472	13,026	13,878	13,878	13,878	16,523	17,581	18,548
% increase	4		2.6%	4.4%	6.5%	—	—	19.1%	6.4%	5.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		5,013	4,059	4,098	5,019	4,956	4,956	5,319	5,553	5,802
Pension and UIF Contributions		121	125	125	360	186	186	397	415	433
Medical Aid Contributions		36	38	40	42	42	42	132	138	144
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		622	1,219	603	449	449	449	460	480	502
Motor Vehicle Allowance		816	666	680	936	768	768	828	865	904
Cellphone Allowance	3	129	115	116	143	143	143	143	149	156
Housing Allowances	3	518	400	633	420	396	396	538	561	587
Other benefits and allowances	3	51	48	51	149	81	81	71	74	77
Payments in lieu of leave		115	158	—	1,051	813	813	562	587	614
Long service awards		—	2	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		7,421	6,830	6,346	8,569	7,834	7,834	8,449	8,822	9,219
% increase	4		(8.0%)	(7.1%)	35.0%	(8.6%)	—	7.9%	4.4%	4.5%
Other Municipal Staff										
Basic Salaries and Wages		37,615	44,109	45,764	50,373	49,148	49,148	51,895	54,166	56,581
Pension and UIF Contributions		3,598	4,653	5,233	7,707	6,342	6,342	8,966	9,362	9,783
Medical Aid Contributions		1,675	1,925	2,250	5,703	2,682	2,682	4,198	4,383	4,580
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		2,264	2,591	2,912	3,277	1,941	1,941	4,098	4,279	4,472
Motor Vehicle Allowance	3	1,865	2,166	3,137	3,326	3,791	3,791	3,360	3,508	3,666
Cellphone Allowance	3	406	624	787	1,057	1,004	1,004	991	1,035	1,082
Housing Allowances	3	109	109	—	162	343	343	259	271	283
Other benefits and allowances	3	2,309	2,505	3,868	4,070	3,997	3,997	5,139	5,366	5,608
Payments in lieu of leave		564	659	1,222	6,334	2,801	2,801	4,385	4,579	4,785
Long service awards		160	391	536	85	144	144	408	426	445
Post-retirement benefit obligations	6	—	50	57	—	—	—	—	—	—
Sub Total - Other Municipal Staff		50,563	59,781	65,764	82,095	72,194	72,194	83,698	87,375	91,285
% increase	4		18.2%	10.0%	24.8%	(12.1%)	—	15.9%	4.4%	4.5%
Total Parent Municipality		70,145	79,083	85,137	104,542	93,906	93,906	108,670	113,777	119,051
			12.7%	7.7%	22.8%	(10.2%)	—	15.7%	4.7%	4.6%
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		—	—	—	—	—	—	—	—	—
% increase	4		—	—	—	—	—	—	—	—
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		—	—	—	—	—	—	—	—	—
% increase	4		—	—	—	—	—	—	—	—
Other Staff of Entities										
Basic Salaries and Wages										

TOTAL SALARY, ALLOWANCES & BENEFITS		49,381	49,381	59,640	81,772	88,871	88,871	94,399	99,497	104,869
% increase	4		–	20.8%	37.1%	8.7%	–	6.2%	5.4%	5.4%
TOTAL MANAGERS AND STAFF	5,7	42,507	42,507	49,254	66,694	75,980	75,980	80,943	85,314	89,921

A provision of 7.63% increase on employee related costs and councilors allowances has been made, with the exception of Senior Managers who are having a provision of 10% increase.

Table 36 MBRR Table SA24 – Summary of personnel numbers

Choose name from list - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4									
Board Members of municipal entities	5									
Municipal employees	3									
Municipal Manager and Senior Managers	7									
Other Managers										
Professionals		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	–	–	–	–	–	–	–	–	–
% increase					–	–	–	–	–	–
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 Monthly targets for revenue, expenditure and cash flow

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

Choose name from list - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source																
Property rates		1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	18,241	19,043	19,900
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		17	17	17	17	17	17	17	17	17	17	17	17	209	218	227
Rental of facilities and equipment		33	33	33	33	33	33	33	33	33	33	33	33	395	412	431
Interest earned - external investments		179	179	179	179	179	179	179	179	179	179	179	179	2,146	2,240	2,341
Interest earned - outstanding debtors		81	81	81	81	81	81	81	81	81	81	81	81	968	1,010	1,056
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		277	277	277	277	277	277	277	277	277	277	277	277	3,327	3,473	3,629
Licences and permits		481	481	481	481	481	481	481	481	481	481	481	481	5,772	6,026	6,298
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	194,693	204,456	201,783
Other revenue		33	33	33	33	33	33	33	33	33	33	33	33	392	409	428
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		18,845	18,845	18,845	18,845	18,845	18,845	18,845	18,845	18,845	18,845	18,845	18,845	226,141	237,288	236,093
Expenditure By Type																
Employee related costs		7,679	7,679	7,679	7,679	7,679	7,679	7,679	7,679	7,679	7,679	7,679	7,679	92,148	96,197	100,503
Remuneration of councillors		1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	16,523	17,581	18,548
Debt impairment		541	541	541	541	541	541	541	541	541	541	541	541	6,495	6,781	7,086
Depreciation & asset impairment		2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	26,876	28,037	29,276
Finance charges		9	9	9	9	9	9	9	9	9	9	9	9	111	116	121
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		118	118	118	118	118	118	118	118	118	118	118	118	1,417	1,480	1,546
Contracted services		2,727	2,727	2,727	2,727	2,727	2,727	2,727	2,727	2,727	2,727	2,727	2,727	32,721	37,758	39,496
Transfers and subsidies		806	806	806	806	806	806	806	806	806	806	806	806	9,670	10,095	10,550
Other expenditure		2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	34,536	36,055	37,677
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	220,497	234,099	244,803
Surplus/(Deficit)		470	470	470	470	470	470	470	470	470	470	470	470	5,645	3,189	(8,710)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	36,754	39,523	41,722
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		3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	42,399	42,712	33,012
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	42,399	42,712	33,012

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

Choose name from list - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Revenue by Vote																
Vote 1 - Finance and Admin		17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	214,159	226,600	225,056
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		237	237	237	237	237	237	237	237	237	237	237	237	2,850	2,990	2,993
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		17	17	17	17	17	17	17	17	17	17	17	17	209	218	227
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(231)	(2,078)	(2,171)
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	40,057	42,971	45,325
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 Revenue by Vote		21,420	21,420	21,420	21,420	21,420	21,420	21,420	21,420	21,420	21,420	21,420	21,420	257,043	270,701	271,430
Expenditure by Vote to be appropriated																
Vote 1 - Finance and Admin		7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	84,421	88,114	92,056
Vote 2 - Executive and council		3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	40,201	42,301	44,380
Vote 3 - Community and social services		3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	37,757	39,436	41,210
Vote 4 - Internal Audit		223	223	223	223	223	223	223	223	223	223	223	223	2,672	2,790	2,915
Vote 5 - Waste Management		124	124	124	124	124	124	124	124	124	124	124	124	1,487	1,530	1,576
Vote 6 - Energy Sources		48	48	48	48	48	48	48	48	48	48	48	48	572	597	624
Vote 7 - Planning and Development		2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	32,748	35,903	37,615
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		326	326	326	326	326	326	326	326	326	326	326	326	3,917	4,093	4,277
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 Expenditure by Vote		16,981	16,981	16,981	16,981	16,981	16,981	16,981	16,981	16,981	16,981	16,981	16,981	203,773	214,762	224,653
Surplus/(Deficit) before assoc.		4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	53,270	55,939	46,776
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	4,439	53,270	55,939	46,776

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

Choose name from list - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional																
Governance and administration		17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	214,159	226,600	225,056
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	214,159	226,600	225,056
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		240	240	240	240	240	240	240	240	240	240	240	240	2,882	3,024	3,028
Community and social services		237	237	237	237	237	237	237	237	237	237	237	237	2,850	2,990	2,993
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		3	3	3	3	3	3	3	3	3	3	3	3	32	34	35
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	45,646	46,969	49,504
Planning and development		(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(231)	(2,078)	(2,171)
Road transport		3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	45,877	49,047	51,675
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		17	17	17	17	17	17	17	17	17	17	17	17	209	218	227
Energy sources		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		17	17	17	17	17	17	17	17	17	17	17	17	209	218	227
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		21,908	21,908	21,908	21,908	21,908	21,908	21,908	21,908	21,908	21,908	21,908	21,908	262,895	276,811	277,815
Expenditure - Functional																
Governance and administration		10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	127,293	133,204	139,351
Executive and council		3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	40,201	42,301	44,380
Finance and administration		7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	7,035	84,421	88,114	92,056
Internal audit		223	223	223	223	223	223	223	223	223	223	223	223	2,672	2,790	2,915
Community and public safety		3,414	3,414	3,414	3,414	3,414	3,414	3,414	3,414	3,414	3,414	3,414	3,414	40,974	42,794	44,719
Community and social services		3,248	3,248	3,248	3,248	3,248	3,248	3,248	3,248	3,248	3,248	3,248	3,248	38,975	40,707	42,539
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		167	167	167	167	167	167	167	167	167	167	167	167	1,999	2,087	2,180
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	50,172	55,975	58,532
Planning and development		2,936	2,936	2,936	2,936	2,936	2,936	2,936	2,936	2,936	2,936	2,936	2,936	35,236	40,337	42,249
Road transport		1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	14,935	15,637	16,283
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		172	172	172	172	172	172	172	172	172	172	172	172	2,058	2,127	2,200
Energy sources		48	48	48	48	48	48	48	48	48	48	48	48	572	597	624
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		124	124	124	124	124	124	124	124	124	124	124	124	1,487	1,530	1,576
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	220,497	234,099	244,803
Surplus/(Deficit) before assoc.		3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	42,399	42,712	33,012
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	42,399	42,712	33,012

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

Choose name from list - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Finance and Admin		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Finance and Admin		313	313	313	313	313	313	313	313	313	313	313	313	3,758	4,325	4,520
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		750	750	750	750	750	750	750	750	750	750	750	750	9,000	22,523	24,722
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		81	81	81	81	81	81	81	81	81	81	81	81	973	1,015	1,061
Vote 6 - Energy Sources		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	11,000	11,000
Vote 7 - Planning and Development		178	178	178	178	178	178	178	178	178	178	178	178	2,138	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,253	27,030	17,000	17,000
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,899	55,864	58,303
Total Capital Expenditure	2	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,899	55,864	58,303

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

Choose name from list - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Capital Expenditure - Functional	1															
Governance and administration		313	313	313	313	313	313	313	313	313	313	313	313	3,758	4,325	4,520
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		313	313	313	313	313	313	313	313	313	313	313	313	3,758	4,325	4,520
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		750	750	750	750	750	750	750	750	750	750	750	750	9,000	22,523	24,722
Community and social services		750	750	750	750	750	750	750	750	750	750	750	750	9,000	22,523	24,722
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	29,168	17,000	17,000
Planning and development		178	178	178	178	178	178	178	178	178	178	178	178	2,138	-	-
Road transport		2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,253	27,030	17,000	17,000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	12,973	12,015	12,061
Energy sources		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	11,000	11,000
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		81	81	81	81	81	81	81	81	81	81	81	81	973	1,015	1,061
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,899	55,864	58,303
Funded by:																
National Government		4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	50,168	50,523	52,722
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	4,181	50,168	50,523	52,722
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		44	44	44	44	44	44	44	44	44	44	44	44	523	545	570
Total Capital Funding		4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	50,691	51,068	53,292

Table 40 MBR SA 30 – Budgeted monthly cash flow

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand															
Cash Receipts By Source															
Property rates	988	988	988	988	988	988	988	988	988	988	988	988	11,856	12,378	12,935
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	8	8	8	8	8	8	8	8	8	8	8	8	94	98	102
Rental of facilities and equipment	20	20	20	20	20	20	20	20	20	20	20	20	237	247	258
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	151	151	151	151	151	151	151	151	151	151	151	151	1,817	1,897	1,982
Licences and permits	481	481	481	481	481	481	481	481	481	481	481	481	5,772	6,026	6,298
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	194,693	204,456	201,783
Other revenue	35	35	35	35	35	35	35	35	35	35	35	35	416	434	454
Cash Receipts by Source	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	17,907	214,885	225,536	223,812
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	49,254	50,523	52,722
/ 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	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	22,012	264,139	276,059	276,534
Cash Payments by Type															
Employee related costs	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	9,056	108,670	113,799	119,096
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	9	9	9	9	9	9	9	9	9	9	9	9	111	116	121
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	118	118	118	118	118	118	118	118	118	118	118	118	1,417	1,541	1,585
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	6,411	76,927	83,654	87,723
Cash Payments by Type	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	15,594	187,126	199,310	208,525
Other Cash Flows/Payments by Type															
Capital assets	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	49,254	14,952	52,722
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	19,698	236,380	214,262	261,247
NET INCREASE/(DECREASE) IN CASH HELD	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	2,313	27,759	61,797	15,286
Cash/cash equivalents at the monthly/year begin:	80,099	82,412	84,726	87,039	89,352	91,665	93,979	96,292	98,605	100,919	103,232	105,545	80,099	107,858	169,655
Cash/cash equivalents at the monthly/year end:	82,412	84,726	87,039	89,352	91,665	93,979	96,292	98,605	100,919	103,232	105,545	107,858	107,858	169,655	184,942

2.10 SDBIP's – Internal departments

Draft SDBIP for 2021/2022 financial year are attached to this report

2.11 Capital expenditure details

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

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

Choose name from list - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		146,599	164,626	187,441	42,000	51,634	51,634	29,168	17,000	17,000
Roads Infrastructure		143,738	159,073	184,579	33,000	47,634	47,634	29,168	17,000	17,000
Roads		143,651	159,073	184,579	33,000	47,634	47,634	29,168	17,000	17,000
Road Structures		86	0	0	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	2,691	-	-	-	-	-	-	-
Drainage Collection		-	2,691	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2,862	2,862	2,862	9,000	4,000	4,000	-	-	-
Community Assets										
Community Facilities		43,350	46,423	44,334	11,500	12,138	12,138	9,000	22,523	24,722
Halls		38,391	46,102	44,334	9,500	10,138	10,138	9,000	22,523	24,722
Centres		36,230	40,825	41,284	9,500	10,138	10,138	4,500	-	-
Crèches		-	-	-	-	-	-	4,500	9,000	9,000
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Libraries		2,162	2,162	2,162	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	888	888	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	2,227	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	13,523	15,722
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		4,959	321	-	2,000	2,000	2,000	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		4,959	321	-	2,000	2,000	2,000	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-

<u>Intangible Assets</u>		1,570	1,559	1,934	–	–	–	1,068	1,517	1,585
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		1,570	1,559	1,934	–	–	–	1,068	1,517	1,585
<i>Water Rights</i>		–	–	–	–	–	–	–	–	–
<i>Effluent Licenses</i>		–	–	–	–	–	–	–	–	–
<i>Solid Waste Licenses</i>		–	–	–	–	–	–	–	–	–
<i>Computer Software and Applications</i>		1,570	1,559	1,934	–	–	–	1,068	1,517	1,585
<i>Load Settlement Software Applications</i>		–	–	–	–	–	–	–	–	–
<i>Unspecified</i>		–	–	–	–	–	–	–	–	–
<u>Computer Equipment</u>		1,726	1,632	1,601	–	600	600	300	313	327
Computer Equipment		1,726	1,632	1,601	–	600	600	300	313	327
<u>Furniture and Office Equipment</u>		45	1,007	883	700	1,500	1,500	523	545	570
Furniture and Office Equipment		45	1,007	883	700	1,500	1,500	523	545	570
<u>Machinery and Equipment</u>		–	543	3,824	–	–	–	2,318	2,419	2,528
Machinery and Equipment		–	543	3,824	–	–	–	2,318	2,419	2,528
<u>Transport Assets</u>		–	898	2,640	500	500	500	–	–	–
Transport Assets		–	898	2,640	500	500	500	–	–	–
<u>Land</u>		659	659	659	–	–	–	–	–	–
Land		659	659	659	–	–	–	–	–	–
<u>Zoo's, Marine and Non-biological Animals</u>		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	193,950	217,347	243,317	54,700	66,372	66,372	42,376	44,318	46,733

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

Choose name from list - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1,247	3,543	3,851	3,700	2,700	2,700	3,867	4,040	4,222
Roads Infrastructure		1,247	3,543	3,851	3,700	2,700	2,700	3,867	4,040	4,222
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		1,247	3,543	3,851	3,700	2,700	2,700	3,867	4,040	4,222
Capital Spares		-	-	-	-	-	-	-	-	-
Computer Equipment		12	48	77	95	807	807	350	322	337
Computer Equipment		12	48	77	95	807	807	350	322	337
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	175	-	200	-	-	-	-	-
Machinery and Equipment		-	175	-	200	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	1,314	4,094	3,928	3,995	3,507	3,507	4,217	4,363	4,559
R&M as a % of PPE		0.5%	1.4%	1.3%	1.0%	1.0%	1.0%	0.7%	1.2%	1.2%
R&M as % Operating Expenditure		0.8%	2.0%	1.8%	1.9%	1.6%	1.6%	3.6%	2.0%	1.9%

Table 43 MBRR Table SA34d – Depreciation by asset class

Choose name from list - Supporting Table SA34d Depreciation by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		13,565	13,209	12,889	14,735	16,828	16,828	16,681	17,415	18,199
Roads Infrastructure		13,525	12,885	12,452	13,675	15,635	15,635	11,058	11,544	12,064
Roads		13,525	6,909	12,359	13,500	15,500	15,500	10,875	11,354	11,864
Road Structures		-	5,976	94	175	135	135	183	191	200
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	238	24	290	290	290	303	316	331
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	238	24	290	290	290	303	316	331
Solid Waste Infrastructure		40	44	412	770	903	903	5,320	5,555	5,805
Landfill Sites		-	-	383	320	453	453	4,950	5,168	5,401
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		40	44	30	450	450	450	370	387	404
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		2,111	4,193	5,932	6,834	6,632	6,632	5,642	5,890	6,155
Community Facilities		747	2,538	4,769	5,334	5,343	5,343	4,366	4,558	4,764
Halls		23	-	-	-	-	-	-	-	-
Centres		-	1,763	1,458	3,500	4,500	4,500	2,750	2,871	3,000
Crèches		-	23	21	30	23	23	31	33	34
Clinics/Care Centres		-	27	29	31	29	29	32	34	35
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	725	2,362	77	77	77	80	84	88
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Markets		724	-	-	-	-	-	-	-	-
Stalls		-	-	899	1,696	714	714	1,472	1,537	1,606
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1,365	1,655	1,163	1,500	1,290	1,290	1,276	1,332	1,392
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		1,365	1,655	1,163	1,500	1,290	1,290	1,276	1,332	1,392
Capital Spares		-	-	-	-	-	-	-	-	-
Other assets		3,785	1,715	1,155	1,367	1,277	1,277	1,172	1,223	1,278
Operational Buildings		3,785	1,715	1,155	1,367	1,277	1,277	1,172	1,223	1,278
Municipal Offices		-	-	1,155	1,367	1,277	1,277	1,172	1,223	1,278
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-

Capital Spares	3,785	1,715	–	–	–	–	–	–	–	
Housing	–	–	–	–	–	–	–	–	–	
Staff Housing	–	–	–	–	–	–	–	–	–	
Social Housing	–	–	–	–	–	–	–	–	–	
Capital Spares	–	–	–	–	–	–	–	–	–	
<u>Biological or Cultivated Assets</u>	–	–	–	–	–	–	–	–	–	
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–	
<u>Intangible Assets</u>	157	441	424	490	290	290	512	535	559	
Servitudes	–	–	–	–	–	–	–	–	–	
Licences and Rights	157	441	424	490	290	290	512	535	559	
Water Rights	–	–	–	–	–	–	–	–	–	
Effluent Licenses	–	–	–	–	–	–	–	–	–	
Solid Waste Licenses	–	–	–	–	–	–	–	–	–	
Computer Software and Applications	157	441	424	490	290	290	512	535	559	
Load Settlement Software Applications	–	–	–	–	–	–	–	–	–	
Unspecified	–	–	–	–	–	–	–	–	–	
<u>Computer Equipment</u>	387	320	284	450	270	270	470	491	513	
Computer Equipment	387	320	284	450	270	270	470	491	513	
<u>Furniture and Office Equipment</u>	242	393	408	300	463	463	214	223	233	
Furniture and Office Equipment	242	393	408	300	463	463	214	223	233	
<u>Machinery and Equipment</u>	396	1,602	1,153	580	420	420	406	424	443	
Machinery and Equipment	396	1,602	1,153	580	420	420	406	424	443	
<u>Transport Assets</u>	921	878	799	1,415	2,215	2,215	1,279	1,335	1,396	
Transport Assets	921	878	799	1,415	2,215	2,215	1,279	1,335	1,396	
<u>Land</u>	–	–	–	–	–	–	–	–	–	
Land	–	–	–	–	–	–	–	–	–	
<u>Zoo's, Marine and Non-biological Animals</u>	–	–	–	–	–	–	–	–	–	
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–	
Total Depreciation	1	21,565	22,750	23,044	26,171	28,396	28,396	26,376	27,537	28,776

2.12 Legislation compliance status

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

- In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.
- Internship programme
The municipality is participating in the Municipal Financial Management internship programme and has employed 5 interns undergoing training on various divisions of the Financial Services Department.
- Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
- Audit Committee
An Audit Committee has been established as is fully functional
- Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage a final plan will be finalized after the approval of the 2021/2022 MTERF in May 2021
- Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirement, draft annual report
- Policies
Budget related policies are being reviewed currently and will be finalized and approved by council in May 2021

2.13 Other supporting documents

IDP copy is attached to this document as annexure

2.14 Municipal manager's quality certificate

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

Print Name - **Nonhlanhla P Gamede**

Municipal manager of Umhlabuyalingana Municipality (KZN 271)

Signature

Date
