RAY NKONYENI
MUNICIPALITY

The Game changer of South Coast development

KZN216
RAY NKONYENI LOCAL MUNICIPALITY

DRAFT BUDGET AND MTREF 2023/24

PREPARED BY: BUDGET AND TREASURY OFFICE

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Assessment Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed ratable value is multiplied by the rate in the rand.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.

Capital Expenditure – Spending on assets such as land, buildings, and machinery. Any capital expenditure must be reflected as an asset on the Municipality's Statement of Financial Position.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual piece of legislation that shows the number of allocations from national to local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which the Annual Financial Statements are prepared.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
Operating Expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorized expenditure – Generally, spending without, or more than, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In RAY NKONYENI LOCAL Municipality this means at directorate level.

3. Executive Summary

The application of sound financial management principles for the compilation of the RAY NKONYENI LOCAL Municipality's Budget is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainability, economically and equitably to all communities.

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

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

National Treasury's MFMA Circular No. 123 were used to guide the compilation of the 2023/24 MTREF which indicates the following amongst other things: guidance on budgeting for municipalities affected by redetermination of boundaries.

3.1 MFMA Circulars

NT has since issued **circular *122, and 123*** in relation to this phenomenon on matters how the municipalities should consider on tabled annual budget before presented for approval. This budget circular is a follow-up to the one issued on 09 December 2022, and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2023/24 Medium Term Revenue and Expenditure Framework (MTREF) and as with previous annual budget circulars it should be read within this context. Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within thecurrent economic climate.

3.1.1 Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash-backed accumulated funds from previous years' surpluses not Committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17(2).

Achievement of this requirement in totality effectively means that a Council has surplus in its budget by ensuring that a budgeted outflow does not exceed planned inflows.

Under old budget formats income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance, the Budgeted Statement of Financial Position, and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability.

3.1.2 A Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium, and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore, the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and close to the final approved budget.

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

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost and electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;

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

- The 2023/24 Budget priorities and targets, as well as the base line allocations contained in that Draft Budget were adopted as the upper limits for the new baselinesfor the 2023/24 draft budget;
- The 2023 Division of Revenue Bill issued in February 2023;
- The Provincial Treasury hereby publishes transfers to municipalities in terms of Section29(2) of the Division of Revenue Act, 2023 there will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;

4. Table 1 Consolidated Overview

KZN216 Ray Nkonyeni - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 406	534 367	559 482
Service charges	187 077	195 945	214 942	253 618	236 691	236 691	236 691	245 147	257 160	269 246
Investment revenue	4 670	3 513	5 182	5 397	7 067	7 067	7 067	8 511	8 928	9 348
Transfer and subsidies - Operational	267 372	288 551	256 804	285 102	285 279	285 279	285 279	390 026	322 807	337 979
Other own revenue	56 072	135 993	141 612	131 888	118 573	118 573	118 573	98 017	102 820	107 652
Total Revenue (excluding capital transfers and contributions)	943 500	1 071 334	1 083 016	1 174 628	1 139 727	1 139 727	1 139 727	1 251 108	1 226 081	1 283 707
Employee costs	393 829	428 524	446 000	447 279	462 586	462 586	462 586	484 629	508 376	532 270
Remuneration of councillors	29 909	28 366	26 249	31 434	31 434	31 434	31 434	31 164	32 691	34 228
Depreciation and amortisation	92 725	100 268	93 859	101 619	101 619	101 619	101 619	106 706	111 935	117 196
Finance charges	5 606	12 479	19 931	12 922	12 902	12 902	12 902	9 958	10 446	10 937
Inventory consumed and bulk purchases	107 647	120 110	136 545	149 809	150 151	150 151	150 151	173 972	183 073	191 678
Transfers and subsidies	8 486	6 635	9 890	13 178	13 078	13 078	13 078	14 888	15 617	16 351
Other expenditure	395 205	306 878	392 589	415 344	398 928	398 928	398 928	437 320	366 162	370 179
Total Expenditure	1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 170 699	1 258 637	1 228 300	1 272 838
Surplus/(Deficit)	(89 908)	68 073	(42 047)	3 043	(30 971)	(30 971)	(30 971)	(7 530)	(2 219)	10 869
Transfers and subsidies - capital (monetary allocations)	81 858	92 244	158 945	132 360	193 287	193 287	193 287	109 848	201 561	211 035
Transfers and subsidies - capital (in-kind)	15 628	2 339	6 597	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	7 578	162 656	123 494	135 403	162 316	162 316	162 316	102 318	199 342	221 904
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	7 578	162 656	123 494	135 403	162 316	162 316	162 316	102 318	199 342	221 904
Capital expenditure & funds sources										
Capital expenditure	163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Transfers recognised - capital	158 739	83 793	138 668	115 052	168 076	168 076	168 076	95 520	98 376	103 000
Borrowing	–	–	1 867	7 166	7 976	7 976	7 976	–	–	–
Internally generated funds	(18 576)	14 517	33 256	58 521	54 704	54 704	54 704	20 799	21 818	22 844
Total sources of capital funds	140 163	98 310	173 791	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Financial position										
Total current assets	350 576	534 358	630 556	553 761	672 729	672 729	672 729	683 163	651 670	618 698
Total non current assets	1 776 808	1 882 418	1 987 740	1 878 708	2 116 876	2 116 876	2 116 876	1 997 352	2 005 612	2 014 259
Total current liabilities	255 999	290 521	345 489	321 834	370 177	370 177	370 177	303 486	78 570	(170 109)
Total non current liabilities	141 716	168 642	191 699	150 842	176 331	176 331	176 331	191 699	191 699	191 699
Community wealth/Equity	1 722 090	1 906 948	2 087 905	1 959 793	2 243 097	2 243 097	2 243 097	2 185 331	2 387 014	2 611 368
Cash flows										
Net cash from (used) operating	1 404 340	873 995	362 920	154 964	176 314	176 314	176 314	134 867	55 033	57 619
Net cash from (used) investing	(82 943)	(114 488)	(185 208)	(179 130)	(237 264)	(237 264)	(237 264)	(139 110)	(145 927)	(152 785)
Net cash from (used) financing	(13 246)	(16 932)	(35 816)	(17 810)	(17 810)	(17 810)	(17 810)	–	–	–
Cash/cash equivalents at the year end	1 391 964	742 574	284 709	101 096	52 831	52 831	52 831	127 347	36 453	(58 712)
Cash backing/surplus reconciliation										
Cash and investments available	1 746 289	1 820 824	1 902 707	1 903 524	1 993 834	1 993 834	1 993 834	1 914 526	1 838 761	1 759 434
Application of cash and investments	(123 723)	(213 007)	(405 855)	(150 024)	(288 794)	(288 794)	(299 602)	(348 419)	(458 328)	(622 178)
Balance - surplus (shortfall)	1 870 013	2 033 831	2 308 562	2 053 548	2 282 627	2 282 627	2 293 435	2 262 945	2 297 088	2 381 612
Asset management										
Asset register summary (WDV)	1 776 808	1 882 418	1 987 740	1 878 708	2 084 699	2 084 699	2 084 699	1 893 493	1 792 805	1 687 383
Depreciation	92 517	94 351	88 490	99 500	99 500	99 500	99 500	104 475	109 594	114 745
Renewal and Upgrading of Existing Assets	39 990	42 404	67 097	68 927	116 234	116 234	116 234	47 230	47 720	49 963
Repairs and Maintenance	46 463	44 148	44 345	54 115	60 576	60 576	60 576	193 770	111 846	117 103
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	81 107	73 117	76 380	89 698	84 728	84 728	84 728	90 453	94 988	99 581
Households below minimum service level							–			
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Total revenue is R 1,361 billion including both operational and capital revenue and increase by R 27.942 million over the 2022/23 MTREF.

Total operating expenditure excluding capital expenditure for the 2023/24 budget will be R 1,258.6 billion and overall budgeted performance is showing a surplus of R 102.318 million. Included on the budget performance is item for depreciation and asset impairment to the value of R 106.7 million and it is funded as per the Circular No. 115.

Capital expenditure for the year as per the budget amounts to R 116.319 million. This budget is funded through national and provincial grants as well as internal funds.

5. Operating Revenue Framework

For RAY NKONYENI LOCAL Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 100 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and

The following table is a summary of the 2023/24 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source.

KZN216 Ray Nkonyeni - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 406	534 367	559 482
Service charges	187 077	195 945	214 942	253 618	236 691	236 691	236 691	245 147	257 160	269 246
Investment revenue	4 670	3 513	5 182	5 397	7 067	7 067	7 067	8 511	8 928	9 348
Transfer and subsidies - Operational	267 372	288 551	256 804	285 102	285 279	285 279	285 279	390 026	322 807	337 979
Other own revenue	56 072	135 993	141 612	131 888	118 573	118 573	118 573	98 017	102 820	107 652
Total Revenue (excluding capital transfers and contributions)	943 500	1 071 334	1 083 016	1 174 628	1 139 727	1 139 727	1 139 727	1 251 108	1 226 081	1 283 707

Revenue generated from rates, services charges and transfers from grants forms a significantpercentage of the revenue basket for the municipality. Rates, service charge revenues and transfers and grants comprise more than two thirds of the total revenue mix.

In the 2023/24 financial year, revenue from rates, services charges, other revenue, and operational grants totaled to R 1,251 billion. Property rate revenue increased from R 492.118 million to R 509.406 million, tariffs have been increased by CPI percentage of 5.3%. The municipality uses the CPI as stated from Circular No. 123 for most of the revenue items. Services charges-Electricity tariffs have been increased by 18.4%.

Property rates are the first largest revenue source amounting R509 million rand in 2023/24.

Second and third largest sources are revenue from the operational grants followed by service charges which are R390.026 million and 245.147 million respectively.

Other revenue' which consists of various items such as income received from construction contract revenue, permits and licenses, building plan fees, connection fees, transport fees and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensurethey are cost reflective, and market related.

Table 3 Budgeted financial performance by Municipal Vote

KZN216 Ray Nkonyeni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	134 602	141 263	157 558	182 857	170 943	170 943	170 943	182 436	191 375	200 370
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	52 475	54 682	57 384	70 761	65 748	65 748	65 748	62 711	65 784	68 876
Sale of Goods and Rendering of Services		5 261	64 424	53 502	68 150	38 303	38 303	38 303	9 571	10 040	10 512
Agency services		3 101	5 400	4 965	4 894	6 044	6 044	6 044	5 371	5 634	5 899
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		4 051	4 825	5 554	3 727	3 727	3 727	3 727	6 982	7 324	7 668
Interest earned from Current and Non Current Assets		4 670	3 513	5 182	5 397	7 067	7 067	7 067	8 511	8 928	9 348
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		5 542	3 785	3 897	2 610	3 710	3 710	3 710	3 498	3 669	3 842
Licence and permits		445	473	269	975	855	855	855	636	667	698
Operational Revenue		1 543	3 006	2 067	1 862	2 228	2 228	2 228	1 106	1 160	1 215
Non-Exchange Revenue											
Property rates	2	428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 406	534 367	559 482
Surcharges and Taxes		–	10	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		8 973	16 546	30 190	22 158	29 658	29 658	29 658	31 062	32 584	34 115
Licences or permits		5 703	5 094	7 870	6 849	9 056	9 056	9 056	9 628	10 099	10 574
Transfer and subsidies - Operational		267 372	288 551	256 804	285 102	285 279	285 279	285 279	390 026	322 807	337 979
Interest		18 928	23 401	25 602	20 662	24 992	24 992	24 992	30 164	31 642	33 129
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		130	–	0	–	–	–	–	–	–	–
Other Gains		2 396	9 029	7 697	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribu		**943 500**	**1 071 334**	**1 083 016**	**1 174 628**	**1 139 727**	**1 139 727**	**1 139 727**	**1 251 108**	**1 226 081**	**1 283 707**
Expenditure											
Employee related costs	2	393 829	428 524	446 000	447 279	462 586	462 586	462 586	484 629	508 376	532 270
Remuneration of councillors		29 909	28 366	26 249	31 434	31 434	31 434	31 434	31 164	32 691	34 228
Bulk purchases - electricity	2	101 930	108 129	122 720	137 074	137 074	137 074	137 074	162 706	170 679	178 701
Inventory consumed	8	5 716	11 981	13 825	12 735	13 078	13 078	13 078	11 265	12 394	12 977
Debt impairment	3	(118 795)	(28 876)	23 235	–	–	–	–	2 231	2 341	2 451
Depreciation and amortisation		92 725	100 268	93 859	101 619	101 619	101 619	101 619	106 706	111 935	117 196
Interest		5 606	12 479	19 931	12 922	12 902	12 902	12 902	9 958	10 446	10 937
Contracted services		182 898	190 921	213 910	244 881	230 936	230 936	230 936	272 493	193 696	189 607
Transfers and subsidies		8 486	6 635	9 890	13 178	13 078	13 078	13 078	14 888	15 617	16 351
Irrecoverable debts written off		189 051	6 916	11 221	9 984	9 984	9 984	9 984	10 513	11 028	11 547
Operational costs		141 770	135 628	143 732	160 480	158 007	158 007	158 007	152 083	159 097	166 574
Losses on disposal of Assets		281	2 289	491	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**1 033 408**	**1 003 261**	**1 125 063**	**1 171 585**	**1 170 699**	**1 170 699**	**1 170 699**	**1 258 637**	**1 228 300**	**1 272 838**
Surplus/(Deficit)		**(89 908)**	**68 073**	**(42 047)**	**3 043**	**(30 971)**	**(30 971)**	**(30 971)**	**(7 530)**	**(2 219)**	**10 869**
Transfers and subsidies - capital (monetary	6	81 858	92 244	158 945	132 360	193 287	193 287	193 287	109 848	201 561	211 035
Transfers and subsidies - capital (in-kind)	6	15 628	2 339	6 597	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**

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

municipality. Revenue tariffs have been increased by the CPI rates of 5.3% for the 2024 budget and Electricity service charges has increased by 18.4%.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs, and other charges as low as possible. Municipalities must justify in their budget documentation all increases more than the 5.3 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment. In line with circular 123 guidelines the municipality implemented a tariffincrement of 5.3%.

5.1. Property Rates

National Treasury's MFMA Circular No. 58 and 59 deals, inter alia with the implementation ofthe Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties. The implementation of these regulations was donein the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R85 000 and R50 000 reduction on the market value of a property forresidential and vacant land categories respectively, will be granted in terms of the municipality's own Property Rates Policy;

- 100 per cent rebate will be granted to registered indigents and child headed householdin terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons whose household income equal 2 state pensions, 4 state pensions and 6 state pensions will receive a rebate of 75%, 50% and 25 % respectively in terms of Rates policy.
- Indigents, in terms of the indigent policy are exempt from paying rates if the value of the property is less than R350 000.00.

The categories of rate-able properties for purposes of levying rates the proposed rates increase for the 2022/23 financial year is 5.3 per cent and the table below reflect individual municipality tariff for rates since the new valuation and new tariffs will be implemented in 2023/24 budget year.

5.1. Sale of Electricity and Impact of Tariff Increases

The service charges electricity budget for 2023/24 is R 182.436 million. The consumer tariff was increased by 18.4 per cent as per NERSA guidelines to offset the additional bulk purchase cost from 1 July 2022. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

5.2. Waste Removal and Impact of Tariff budget

The Service charges waste removal budget for 2023/24 is R 62. 711. The municipality has implemented a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to solid waste are maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Waste removal tariffs have been increased by CPI of 5.3%for the 2024 budget year.

5.3. Waste Removal and Impact of Tariff Increases

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5.4. Other Tariff of Charges

Other tariff of charges such licenses and permits, town planning, fines and other revenue havebeen increased by 5.3 per cent and tariff of charges is attached as annexure.

6. Operating Expenditure Framework

The Municipality's expenditure framework for the 2023/24 budget and MTREF is informed bythe following:

- Budget constraint (operating expenditure should not exceed operating revenue) unlessthere are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of theMFMA;
- Operational gains and efficiencies will be directed to funding the capital budget andother core services;

Employee related costs and Remuneration of Councilors

KZN216 Ray Nkonyeni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue Framework	
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25
	1	A	B	C	D	E	F	G	H
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		–	–	–	28 393	28 393	28 393	19 040	19 973
Pension and UIF Contributions		–	–	–	–	–	–	758	795
Medical Aid Contributions		–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–
Cellphone Allowance		–	–	–	3 042	3 042	3 042	2 815	2 953
Housing Allowances		–	–	–	–	–	–	5 953	6 245
Other benefits and allowances		–	–	–	–	–	–	2 599	2 726
Sub Total - Councillors		–	–	–	31 434	31 434	31 434	31 164	32 691
% increase	4		–	–	–	–	–	(0.9%)	4.9%
Senior Managers of the Municipality	2								
Basic Salaries and Wages		8 977	8 124	7 328	4 393	3 537	3 537	3 946	4 139
Pension and UIF Contributions		–	(0)	80	189	192	192	192	201
Medical Aid Contributions		–	–	72	78	230	230	230	242
Overtime		–	–	–	–	–	–	–	–
Performance Bonus		957	760	866	1 059	1 059	1 059	1 059	1 110
Motor Vehicle Allowance	3	–	–	495	1 158	964	964	1 060	1 112
Cellphone Allowance	3	110	102	109	115	114	114	114	120
Housing Allowances	3	–	–	1 425	3 488	2 774	2 774	3 275	3 435
Other benefits and allowances	3	–	–	0	0	1	1	1	1
Payments in lieu of leave		–	–	239	–	332	332	332	348
Long service awards		–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		10 043	8 985	10 615	10 481	9 203	9 203	10 209	10 709
% increase	4		(10.5%)	18.1%	(1.3%)	(12.2%)	–	10.9%	4.9%
Other Municipal Staff									
Basic Salaries and Wages		252 033	262 827	274 958	275 817	275 808	275 808	289 760	303 959
Pension and UIF Contributions		47 046	48 393	49 382	51 763	52 372	52 372	50 460	52 933
Medical Aid Contributions		18 151	18 779	18 869	20 813	20 384	20 384	20 668	21 681
Overtime		14 484	18 011	18 959	14 695	19 395	19 395	18 985	19 915
Performance Bonus		20 478	20 949	21 372	23 805	21 807	21 807	22 473	23 574
Motor Vehicle Allowance	3	15 833	16 999	17 850	18 637	19 154	19 154	18 975	19 905
Cellphone Allowance	3	671	1 115	993	1 046	1 125	1 125	1 007	1 056
Housing Allowances	3	3 837	3 964	3 771	3 946	4 125	4 125	4 059	4 258
Other benefits and allowances	3	7 682	5 325	5 512	3 956	6 953	6 953	6 950	7 290
Payments in lieu of leave		12 754	4 453	3 802	4 200	13 591	13 591	22 480	23 582
Long service awards		3 080	6 412	5 264	2 270	2 819	2 819	2 751	2 886
Post-retirement benefit obligations	6	(12 262)	12 312	14 654	15 852	15 852	15 852	15 852	16 628
Sub Total - Other Municipal Staff		383 787	419 539	435 385	436 798	453 383	453 383	474 420	497 667
% increase	4		9.3%	3.8%	0.3%	3.8%	–	4.6%	4.9%
Total Parent Municipality		393 829	428 524	446 000	478 713	494 021	494 021	515 794	541 068
			8.8%	4.1%	7.3%	3.2%	–	4.4%	4.9%

The budget for employee related cost and remuneration of councilor's amounts to R 484.4 million for 2023/24 financial year. Employee related cost amounts to 38.5% of total operating budget in line with treasury guideline of 35%-40%. An increase in employee related cost in 2023/24 versus 2022/23 is due an increment as per SALGA 's collective agreement stating that employe related costs in terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 an increase based on the projected average CPI percentages for 2023 according to the Reserve Bank's Monetary Committee Statement for January 2023 of 5.4%, the municipality has also considered the decisions undertaken in the strategic session and have made a provision of R 2.34 million rand in our budget for increasing number of internship programmes to assist the unemployed graduates within the jurisdiction of Ray Nkonyeni municipality.

Other operating expenditure

Other expenditure includes items such as audit fees, subsistence and travelling, professionalfees, legal fees, bank charges, Budget Road shows, municipal running cost and all other expenditure forms part on the above-mentioned categories of expenses.

Overall expenditure budget

The overall operational expenditure budget for 2023/24 amount to 1,259 billion.

It must also be appreciated that the consumer price index, as measured by CPI, is not a goodmeasure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol, and medical services, whereas the cost drivers of a municipality are informed by itemssuch as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc.

The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or servicelevel reductions.

The percentage increases of Eskom bulk tariffs of 18.6% are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality.

6.1 Depreciation and Amortization

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 106,706 million for the 2023/24 financial and equates to 8.5 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

6.2 Repairs and maintenance

During the compilation of the 2022/23 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure and historic deferred maintenance especially roads. The municipality has an infrastructure maintenance plan to ensure that assets are in good condition.

Repairs and maintenance comprise of amongst others the purchase of fuel, diesel, materials for maintenance, potholes, cleaning materials and chemicals. This group of expenditure hasbeen prioritized to ensure sustainability of the municipality's infrastructure especially potholes. Budgeted Repairs budgeted amount for 2024 amounts to R193.77 million which translates to 15.4% of the operating budget and 12% against Carry Value of PPE using the latest audited Annual Financial Statements.

6.3 Bulk purchases

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The increase is 18.4 per cent as per NERSA Guidelines and budgeted R162.706 million for 2023/24.

6.4 Contracted services

Contracted services equal to 21.6 per cent of the expenditure budget and has been budgeted at R 272.5 million. Contracted Services made up of 3 categories n namely, Consultants and Professional Services, Contractors, and Outsourced services.

6.5 Free Basic Services: Basic Social Service Package

The social package assists households that are poor or face circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy and the policy is reviewed annually. The cost of the social package of the registered indigent households is largely financed by nationalgovernment through the local government equitable share received in terms of the annual Division of Revenue Act.

6.6 Finance Charges

Finance Charges amounted to R 9.9 million and that includes the finance charges of DBSA loan and the interest of financial leas.

6.7 Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The salient features of general expenses have beenthe following:

7. Capital Expenditure Framework

KZN216 Ray Nkonyeni - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - Mayor and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance and Administration		–	–	–	–	–	–	–	–	–	–
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		–	–	–	–	–	–	–	–	–	–
Vote 10 - Road Transport		–	–	–	–	–	–	–	–	–	–
Vote 11 - Environment Protection		–	–	–	–	–	–	–	–	–	–
Vote 12 - Energy Sources		–	–	–	–	–	–	–	–	–	–
Vote 13 - Other		–	–	–	–	–	–	–	–	–	–
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*	2										
Vote 1 - Mayor and Council		1 093	448	130	–	400	400	400	–	–	–
Vote 2 - Finance and Administration		1 203	59 698	39 405	3 075	6 125	6 125	6 125	3 801	3 987	4 174
Vote 3 - Internal Audit		439	46	115	185	185	185	185	200	210	220
Vote 4 - Community and Social Services		58 394	21 706	5 881	200	–	–	–	–	–	–
Vote 5 - Sport and Recreation		47	960	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		651	296	7 014	5 440	2 675	2 675	2 675	4 340	4 553	4 767
Vote 7 - Housing		8 262	50	115	273	353	353	353	180	189	198
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		21 361	35 461	98 653	99 409	131 567	131 567	131 567	93 990	96 771	101 319
Vote 10 - Road Transport		88 270	45 219	51 752	55 006	68 963	68 963	68 963	11 809	12 387	12 969
Vote 11 - Environment Protection		(6 126)	0	–	–	500	500	500	–	–	–
Vote 12 - Energy Sources		11 497	(8 666)	2 599	15 348	15 380	15 380	15 380	2 000	2 098	2 197
Vote 13 - Other		2 612	6 998	3 108	–	800	800	800	–	–	–
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		(24 213)	2 674	2 052	1 804	3 807	3 807	3 807	–	–	–
Capital single-year expenditure sub-total		163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Total Capital Expenditure - Vote		163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Capital Expenditure - Functional											
Governance and administration		2 893	60 238	39 705	3 280	6 740	6 740	6 740	4 001	4 197	4 394
Executive and council		1 251	494	186	20	430	430	430	–	–	–
Finance and administration		1 641	59 698	39 427	3 075	6 125	6 125	6 125	3 801	3 987	4 174
Internal audit		–	46	92	185	185	185	185	200	210	220
Community and public safety		66 888	22 938	12 521	5 813	2 728	2 728	2 728	4 520	4 741	4 964
Community and social services		58 373	21 706	5 881	200	–	–	–	–	–	–
Sport and recreation		47	960	–	–	–	–	–	–	–	–
Public safety		206	222	6 525	5 340	2 375	2 375	2 375	4 340	4 553	4 767
Housing		8 262	50	115	273	353	353	353	180	189	198
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		103 813	80 708	150 838	154 495	201 301	201 301	201 301	105 798	109 158	114 288
Planning and development		21 203	35 414	98 597	99 389	131 537	131 537	131 537	93 990	96 771	101 319
Road transport		88 736	45 293	52 241	55 106	69 263	69 263	69 263	11 809	12 387	12 969
Environmental protection		(6 126)	0	–	–	500	500	500	–	–	–
Trading services		(12 716)	(5 992)	4 650	17 152	19 188	19 188	19 188	2 000	2 098	2 197
Energy sources		11 497	(8 666)	2 599	15 348	15 380	15 380	15 380	2 000	2 098	2 197
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		(24 213)	2 674	2 052	1 804	3 807	3 807	3 807	–	–	–
Other		2 612	6 998	3 108	–	800	800	800	–	–	–
Total Capital Expenditure - Functional	3	163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Funded by:											
National Government		153 262	48 891	123 164	115 052	131 661	131 661	131 661	93 781	98 376	103 000
Provincial Government		5 477	26 495	4 618	–	36 415	36 415	36 415	1 739	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)		–	8 407	10 885	–	–	–	–	–	–	–
Transfers recognised - capital	4	158 739	83 793	138 668	115 052	168 076	168 076	168 076	95 520	98 376	103 000
Borrowing	6	–	–	1 867	7 166	7 976	7 976	7 976	–	–	–
Internally generated funds		(18 576)	14 517	33 256	58 521	54 704	54 704	54 704	20 799	21 818	22 844
Total Capital Funding	7	140 163	98 310	173 791	180 739	230 756	230 756	230 756	116 319	120 194	125 843

Total Capital Expenditure amounts to R 116.319 million. The main source of funding of the 2023/24 Capital budget of R 93.781 million is transfers recognized capital from National, R 20.799 million funded internal and R 1.739 million from provincial governments.The capital budget is aimed to facilitate service delivery where it is essential and address historical backlogs of our country.

Capital Budget (Excl. Vat)

• Integrated Urban Development Grant	R 77, 260	million
• Neighbourhood Grant	R 16, 521	million
• Margate Airport	R 1,739	million
• Internally generated funds	R 20,799	million
	R 116,319	million

PART 2 MAIN BUDGET TABLES

8. Annual Budget Tables

The following are the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations.

Table 8 MBRR Table A1 - Budget Summary

KZN216 Ray Nkonyeni - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 406	534 367	559 482
Service charges	187 077	195 945	214 942	253 618	236 691	236 691	236 691	245 147	257 160	269 246
Investment revenue	4 670	3 513	5 182	5 397	7 067	7 067	7 067	8 511	8 928	9 348
Transfer and subsidies - Operational	267 372	288 551	256 804	285 102	285 279	285 279	285 279	390 026	322 807	337 979
Other own revenue	56 072	135 993	141 612	131 888	118 573	118 573	118 573	98 017	102 820	107 652
Total Revenue (excluding capital transfers and contributions)	943 500	1 071 334	1 083 016	1 174 628	1 139 727	1 139 727	1 139 727	1 251 108	1 226 081	1 283 707
Employee costs	393 829	428 524	446 000	447 279	462 586	462 586	462 586	484 629	508 376	532 270
Remuneration of councillors	29 909	28 366	26 249	31 434	31 434	31 434	31 434	31 164	32 691	34 228
Depreciation and amortisation	92 725	100 268	93 859	101 619	101 619	101 619	101 619	106 706	111 935	117 196
Finance charges	5 606	12 479	19 931	12 922	12 902	12 902	12 902	9 958	10 446	10 937
Inventory consumed and bulk purchases	107 647	120 110	136 545	149 809	150 151	150 151	150 151	173 972	183 073	191 678
Transfers and subsidies	8 486	6 635	9 890	13 178	13 078	13 078	13 078	14 888	15 617	16 351
Other expenditure	395 205	306 878	392 589	415 344	398 928	398 928	398 928	437 320	366 162	370 179
Total Expenditure	1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 170 699	1 258 637	1 228 300	1 272 838
Surplus/(Deficit)	(89 908)	68 073	(42 047)	3 043	(30 971)	(30 971)	(30 971)	(7 530)	(2 219)	10 869
Transfers and subsidies - capital (monetary allocations)	81 858	92 244	158 945	132 360	193 287	193 287	193 287	109 848	201 561	211 035
Transfers and subsidies - capital (in-kind)	15 628	2 339	6 597	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	7 578	162 656	123 494	135 403	162 316	162 316	162 316	102 318	199 342	221 904
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	7 578	162 656	123 494	135 403	162 316	162 316	162 316	102 318	199 342	221 904
Capital expenditure & funds sources										
Capital expenditure	163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Transfers recognised - capital	158 739	83 793	138 668	115 052	168 076	168 076	168 076	95 520	98 376	103 000
Borrowing	–	–	1 867	7 166	7 976	7 976	7 976	–	–	–
Internally generated funds	(18 576)	14 517	33 256	58 521	54 704	54 704	54 704	20 799	21 818	22 844
Total sources of capital funds	140 163	98 310	173 791	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Financial position										
Total current assets	350 576	534 358	630 556	553 761	672 729	672 729	672 729	683 163	651 670	618 698
Total non current assets	1 776 808	1 882 418	1 987 740	1 878 708	2 116 876	2 116 876	2 116 876	1 997 352	2 005 612	2 014 259
Total current liabilities	255 999	290 521	345 489	321 834	370 177	370 177	370 177	303 486	78 570	(170 109)
Total non current liabilities	141 716	168 642	191 699	150 842	176 331	176 331	176 331	191 699	191 699	191 699
Community wealth/Equity	1 722 090	1 906 948	2 087 905	1 959 793	2 243 097	2 243 097	2 243 097	2 185 331	2 387 014	2 611 368
Cash flows										
Net cash from (used) operating	1 404 340	873 995	362 920	154 964	176 314	176 314	176 314	134 867	55 033	57 619
Net cash from (used) investing	(82 943)	(114 488)	(185 208)	(179 130)	(237 264)	(237 264)	(237 264)	(139 110)	(145 927)	(152 785)
Net cash from (used) financing	(13 246)	(16 932)	(35 816)	(17 810)	(17 810)	(17 810)	(17 810)	–	–	–
Cash/cash equivalents at the year end	1 391 964	742 574	284 709	101 096	52 831	52 831	52 831	127 347	36 453	(58 712)
Cash backing/surplus reconciliation										
Cash and investments available	1 746 289	1 820 824	1 902 707	1 903 524	1 993 834	1 993 834	1 993 834	1 914 526	1 838 761	1 759 434
Application of cash and investments	(123 723)	(213 007)	(405 855)	(150 024)	(288 794)	(288 794)	(299 602)	(348 419)	(458 328)	(622 178)
Balance - surplus (shortfall)	1 870 013	2 033 831	2 308 562	2 053 548	2 282 627	2 282 627	2 293 435	2 262 945	2 297 088	2 381 612
Asset management										
Asset register summary (WDV)	1 776 808	1 882 418	1 987 740	1 878 708	2 084 699	2 084 699	2 084 699	1 893 493	1 792 805	1 687 383
Depreciation	92 517	94 351	88 490	99 500	99 500	99 500	99 500	104 475	109 594	114 745
Renewal and Upgrading of Existing Assets	39 990	42 404	67 097	68 927	116 234	116 234	116 234	47 230	47 720	49 963
Repairs and Maintenance	46 463	44 148	44 345	54 115	60 576	60 576	60 576	193 770	111 846	117 103
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	81 107	73 117	76 380	89 698	84 728	84 728	84 728	90 453	94 988	99 581
Households below minimum service level							–			
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

- Table A1 is a budget summary and provides a concise overview of the municipality's budget from all the major financial perspectives (financial performance, capital expenditure and funding sources, financial position, cash flow, MFMA funding compliance and asset management).

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

Table 9 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

KZN216 Ray Nkonyeni - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional										
Governance and administration		685 361	762 315	751 083	791 303	792 237	792 237	840 943	882 150	923 611
Executive and council		205 945	267 278	234 071	260 646	260 646	260 646	285 237	299 214	313 277
Finance and administration		479 416	495 036	517 012	530 657	531 591	531 591	555 706	582 936	610 334
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		48 373	72 145	65 195	72 795	43 988	43 988	19 203	20 143	21 090
Community and social services		13 855	14 724	16 338	15 739	15 939	15 939	16 243	17 039	17 840
Sport and recreation		44	42	63	48	48	48	34	35	37
Public safety		481	418	86	176	176	176	150	158	165
Housing		33 993	56 961	48 708	56 832	27 824	27 824	2 775	2 911	3 048
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		102 428	116 717	200 259	168 251	240 071	240 071	242 674	254 565	266 529
Planning and development		7 627	87 076	156 851	132 124	174 508	174 508	113 160	118 705	124 284
Road transport		94 454	29 206	42 998	35 735	65 145	65 145	129 172	135 501	141 870
Environmental protection		347	435	411	392	418	418	342	359	376
Trading services		200 544	206 813	230 855	270 411	255 835	255 835	257 557	270 177	282 875
Energy sources		143 403	142 122	162 773	189 193	177 279	177 279	183 943	192 956	202 025
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		57 141	64 691	68 081	81 218	78 556	78 556	73 613	77 221	80 850
Other	4	4 279	7 928	1 166	4 228	883	883	579	607	636
Total Revenue - Functional	2	1 040 986	1 165 917	1 248 557	1 306 988	1 333 015	1 333 015	1 360 956	1 427 642	1 494 742
Expenditure - Functional										
Governance and administration		570 193	367 857	442 651	456 093	466 858	466 858	377 091	395 568	414 160
Executive and council		146 481	119 933	41 241	44 701	50 859	50 859	62 817	65 895	68 992
Finance and administration		392 220	223 641	369 223	375 353	376 105	376 105	274 431	287 878	301 409
Internal audit		31 492	24 282	32 187	36 039	39 894	39 894	39 843	41 795	43 759
Community and public safety		132 771	138 323	150 781	160 167	130 054	130 054	136 697	143 728	150 483
Community and social services		28 424	30 674	34 743	38 966	37 821	37 821	61 291	64 628	67 666
Sport and recreation		5 243	4 714	5 037	5 424	5 206	5 206	5 274	5 532	5 792
Public safety		48 237	35 193	50 559	49 505	48 140	48 140	52 057	54 608	57 175
Housing		50 866	67 742	60 442	66 272	38 888	38 888	18 075	18 960	19 851
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		27 732	192 766	210 874	210 333	219 055	219 055	356 507	273 815	286 684
Planning and development		32 878	36 003	43 238	50 101	42 323	42 323	44 164	46 328	48 505
Road transport		(22 205)	140 304	142 373	132 540	149 649	149 649	287 507	215 265	225 382
Environmental protection		17 059	16 458	25 264	27 693	27 083	27 083	24 835	12 222	12 797
Trading services		299 783	301 868	317 742	338 477	348 045	348 045	380 462	406 921	412 854
Energy sources		128 314	131 308	154 214	164 112	168 415	168 415	198 700	208 436	218 233
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		171 469	170 560	163 528	174 365	179 630	179 630	181 762	198 484	194 621
Other	4	2 929	2 447	3 015	6 515	6 685	6 685	5 650	5 927	6 206
Total Expenditure - Functional	3	1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 256 406	1 225 959	1 270 387
Surplus/(Deficit) for the year		7 578	162 656	123 494	135 403	162 316	162 316	104 550	201 683	224 354

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

- Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that both Electricity function and Waste management function can finance its services. As both service charges are reflecting a surplus.

- Other functions that show a deficit between revenue and expenditure are being financed from rates revenues, other revenue sources and transfers recognized operational from both National and provincial departments.

Table 10 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by vote)

KZN216 Ray Nkonyeni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote	1									
Vote 1 - Mayor and Council		205 634	267 278	234 071	260 646	260 646	260 646	285 237	299 214	313 277
Vote 2 - Finance and Administration		479 416	495 036	517 012	530 657	531 591	531 591	555 706	582 936	610 334
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		13 855	14 724	16 338	15 739	15 939	15 939	16 098	16 887	17 681
Vote 5 - Sport and Recreation		44	42	63	48	48	48	–	–	–
Vote 6 - Public Safety		10 157	19 295	30 879	24 971	32 081	32 081	33 156	34 781	36 416
Vote 7 - Housing		33 993	56 961	48 708	56 832	27 824	27 824	2 214	2 322	2 432
Vote 8 - Health		–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		7 938	87 076	156 851	132 124	174 508	174 508	113 160	118 705	124 284
Vote 10 - Road Transport		84 779	10 329	12 204	10 941	33 241	33 241	96 166	100 878	105 619
Vote 11 - Environment Protection		347	435	411	392	418	418	342	359	376
Vote 12 - Energy Sources		143 403	142 122	162 773	189 193	177 279	177 279	183 943	192 956	202 025
Vote 13 - Other		4 279	7 928	1 166	4 228	883	883	579	607	636
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		57 141	64 691	68 081	81 218	78 556	78 556	73 613	77 221	80 850
Total Revenue by Vote	2	**1 040 986**	**1 165 917**	**1 248 557**	**1 306 988**	**1 333 015**	**1 333 015**	**1 360 216**	**1 426 866**	**1 493 929**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Mayor and Council		144 394	115 621	39 390	42 854	49 201	49 201	60 994	63 982	66 990
Vote 2 - Finance and Administration		361 106	188 906	329 346	334 780	329 234	329 234	226 611	237 715	248 888
Vote 3 - Internal Audit		62 606	59 018	72 064	76 612	86 766	86 766	87 663	91 958	96 280
Vote 4 - Community and Social Services		28 783	31 152	35 429	39 877	37 915	37 915	61 541	64 890	67 940
Vote 5 - Sport and Recreation		5 243	4 714	5 037	5 424	5 206	5 206	5 074	5 322	5 572
Vote 6 - Public Safety		(64 601)	91 343	97 698	91 290	99 600	99 600	106 464	111 681	116 930
Vote 7 - Housing		50 866	67 742	60 442	66 272	38 888	38 888	18 075	18 960	19 851
Vote 8 - Health		–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		34 965	40 315	45 088	51 948	43 981	43 981	45 987	48 240	50 508
Vote 10 - Road Transport		90 274	83 676	94 550	89 844	98 095	98 095	232 850	157 929	165 352
Vote 11 - Environment Protection		17 059	16 458	25 264	27 693	27 083	27 083	24 835	12 222	12 797
Vote 12 - Energy Sources		128 314	131 308	154 214	164 112	168 415	168 415	198 700	208 436	218 233
Vote 13 - Other		2 929	2 447	3 015	6 515	6 685	6 685	5 650	5 927	6 206
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		171 469	170 560	163 528	174 365	179 630	179 630	181 762	198 484	194 621
Total Expenditure by Vote	2	**1 033 408**	**1 003 261**	**1 125 063**	**1 171 585**	**1 170 699**	**1 170 699**	**1 256 206**	**1 225 750**	**1 270 168**
Surplus/(Deficit) for the year	2	**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**104 010**	**201 117**	**223 762**

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. This means it is possible to present the operating surplus or deficit of a vote.

Table11 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

KZN216 Ray Nkonyeni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	134 602	141 263	157 558	182 857	170 943	170 943	170 943	182 436	191 375	200 370
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	52 475	54 682	57 384	70 761	65 748	65 748	65 748	62 711	65 784	68 876
Sale of Goods and Rendering of Services		5 261	64 424	53 502	68 150	38 303	38 303	38 303	9 571	10 040	10 512
Agency services		3 101	5 400	4 965	4 894	6 044	6 044	6 044	5 371	5 634	5 899
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		4 051	4 825	5 554	3 727	3 727	3 727	3 727	6 982	7 324	7 668
Interest earned from Current and Non Current Assets		4 670	3 513	5 182	5 397	7 067	7 067	7 067	8 511	8 928	9 348
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		5 542	3 785	3 897	2 610	3 710	3 710	3 710	3 498	3 669	3 842
Licence and permits		445	473	269	975	855	855	855	636	667	698
Operational Revenue		1 543	3 006	2 067	1 862	2 228	2 228	2 228	1 106	1 160	1 215
Non-Exchange Revenue											
Property rates	2	428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 406	534 367	559 482
Surcharges and Taxes		–	10	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		8 973	16 546	30 190	22 158	29 658	29 658	29 658	31 062	32 584	34 115
Licences or permits		5 703	5 094	7 870	6 849	9 056	9 056	9 056	9 628	10 099	10 574
Transfer and subsidies - Operational		267 372	288 551	256 804	285 102	285 279	285 279	285 279	390 026	322 807	337 979
Interest		18 928	23 401	25 602	20 662	24 992	24 992	24 992	30 164	31 642	33 129
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		130	–	0	–	–	–	–	–	–	–
Other Gains		2 396	9 029	7 697	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribu		**943 500**	**1 071 334**	**1 083 016**	**1 174 628**	**1 139 727**	**1 139 727**	**1 139 727**	**1 251 108**	**1 226 081**	**1 283 707**
Expenditure											
Employee related costs	2	393 829	428 524	446 000	447 279	462 586	462 586	462 586	484 629	508 376	532 270
Remuneration of councillors		29 909	28 366	26 249	31 434	31 434	31 434	31 434	31 164	32 691	34 228
Bulk purchases - electricity	2	101 930	108 129	122 720	137 074	137 074	137 074	137 074	162 706	170 679	178 701
Inventory consumed	8	5 716	11 981	13 825	12 735	13 078	13 078	13 078	11 265	12 394	12 977
Debt impairment	3	(118 795)	(28 876)	23 235	–	–	–	–	2 231	2 341	2 451
Depreciation and amortisation		92 725	100 268	93 859	101 619	101 619	101 619	101 619	106 706	111 935	117 196
Interest		5 606	12 479	19 931	12 922	12 902	12 902	12 902	9 958	10 446	10 937
Contracted services		182 898	190 921	213 910	244 881	230 936	230 936	230 936	272 493	193 696	189 607
Transfers and subsidies		8 486	6 635	9 890	13 178	13 078	13 078	13 078	14 888	15 617	16 351
Irrecoverable debts written off		189 051	6 916	11 221	9 984	9 984	9 984	9 984	10 513	11 028	11 547
Operational costs		141 770	135 628	143 732	160 480	158 007	158 007	158 007	152 083	159 097	166 574
Losses on disposal of Assets		281	2 289	491	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**1 033 408**	**1 003 261**	**1 125 063**	**1 171 585**	**1 170 699**	**1 170 699**	**1 170 699**	**1 258 637**	**1 228 300**	**1 272 838**
Surplus/(Deficit)		**(89 908)**	**68 073**	**(42 047)**	**3 043**	**(30 971)**	**(30 971)**	**(30 971)**	**(7 530)**	**(2 219)**	**10 869**
Transfers and subsidies - capital (monetary	6	81 858	92 244	158 945	132 360	193 287	193 287	193 287	109 848	201 561	211 035
Transfers and subsidies - capital (in-kind)	6	15 628	2 339	6 597	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**7 578**	**162 656**	**123 494**	**135 403**	**162 316**	**162 316**	**162 316**	**102 318**	**199 342**	**221 904**

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total operating revenue is R1,251 billion and total capital revenue is R 109.8 million in 2023/24
2. Total revenue for 2023/24 financial year is R1.360 billion.
3. Revenue to be generated from property rates is R509.4 million in the 2023/24 financialyear therefore remains a main funding source for the municipality.
4. Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government amounts to R390.0 million. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF. The municipality is not

grants dependent since major part of revenue is own funding however we still must ensurethat we collect every single cent that is due to us.

Table 12 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source

KZN216 Ray Nkonyeni - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - Mayor and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance and Administration		–	–	–	–	–	–	–	–	–	–
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		–	–	–	–	–	–	–	–	–	–
Vote 10 - Road Transport		–	–	–	–	–	–	–	–	–	–
Vote 11 - Environment Protection		–	–	–	–	–	–	–	–	–	–
Vote 12 - Energy Sources		–	–	–	–	–	–	–	–	–	–
Vote 13 - Other		–	–	–	–	–	–	–	–	–	–
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*	2										
Vote 1 - Mayor and Council		1 093	448	130	–	400	400	400	–	–	–
Vote 2 - Finance and Administration		1 203	59 698	39 405	3 075	6 125	6 125	6 125	3 801	3 987	4 174
Vote 3 - Internal Audit		439	46	115	185	185	185	185	200	210	220
Vote 4 - Community and Social Services		58 394	21 706	5 881	200	–	–	–	–	–	–
Vote 5 - Sport and Recreation		47	960	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		651	296	7 014	5 440	2 675	2 675	2 675	4 340	4 553	4 767
Vote 7 - Housing		8 262	50	115	273	353	353	353	180	189	198
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		21 361	35 461	98 653	99 409	131 567	131 567	131 567	93 990	96 771	101 319
Vote 10 - Road Transport		88 270	45 219	51 752	55 006	68 963	68 963	68 963	11 809	12 387	12 969
Vote 11 - Environment Protection		(6 126)	0	–	–	500	500	500	–	–	–
Vote 12 - Energy Sources		11 497	(8 666)	2 599	15 348	15 380	15 380	15 380	2 000	2 098	2 197
Vote 13 - Other		2 612	6 998	3 108	–	800	800	800	–	–	–
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		(24 213)	2 674	2 052	1 804	3 807	3 807	3 807	–	–	–
Capital single-year expenditure sub-total		163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Total Capital Expenditure - Vote		163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Capital Expenditure - Functional											
Governance and administration		2 893	60 238	39 705	3 280	6 740	6 740	6 740	4 001	4 197	4 394
Executive and council		1 251	494	186	20	430	430	430	–	–	–
Finance and administration		1 641	59 698	39 427	3 075	6 125	6 125	6 125	3 801	3 987	4 174
Internal audit		–	46	92	185	185	185	185	200	210	220
Community and public safety		66 888	22 938	12 521	5 813	2 728	2 728	2 728	4 520	4 741	4 964
Community and social services		58 373	21 706	5 881	200	–	–	–	–	–	–
Sport and recreation		47	960	–	–	–	–	–	–	–	–
Public safety		206	222	6 525	5 340	2 375	2 375	2 375	4 340	4 553	4 767
Housing		8 262	50	115	273	353	353	353	180	189	198
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		103 813	80 708	150 838	154 495	201 301	201 301	201 301	105 798	109 158	114 288
Planning and development		21 203	35 414	98 597	99 389	131 537	131 537	131 537	93 990	96 771	101 319
Road transport		88 736	45 293	52 241	55 106	69 263	69 263	69 263	11 809	12 387	12 969
Environmental protection		(6 126)	0	–	–	500	500	500	–	–	–
Trading services		(12 716)	(5 992)	4 650	17 152	19 188	19 188	19 188	2 000	2 098	2 197
Energy sources		11 497	(8 666)	2 599	15 348	15 380	15 380	15 380	2 000	2 098	2 197
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		(24 213)	2 674	2 052	1 804	3 807	3 807	3 807	–	–	–
Other		2 612	6 998	3 108	–	800	800	800	–	–	–
Total Capital Expenditure - Functional	3	163 490	164 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Funded by:											
National Government		153 262	48 891	123 164	115 052	131 661	131 661	131 661	93 781	98 376	103 000
Provincial Government		5 477	26 495	4 618	–	36 415	36 415	36 415	1 739	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)		–	8 407	10 885	–	–	–	–	–	–	–
Transfers recognised - capital	4	158 739	83 793	138 668	115 052	168 076	168 076	168 076	95 520	98 376	103 000
Borrowing	6	–	–	1 867	7 166	7 976	7 976	7 976	–	–	–
Internally generated funds		(18 576)	14 517	33 256	58 521	54 704	54 704	54 704	20 799	21 818	22 844
Total Capital Funding	7	140 163	98 310	173 791	180 739	230 756	230 756	230 756	116 319	120 194	125 843

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification,and funding source

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
- Single-year capital expenditure has been appropriated at R 116.319 million (Excl. VAT) forthe 2023/24 financial year.
- Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service deliveryimperatives of the municipality. For funding assessment of the MTREF,these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
- The capital programme is funded from capital and provincial grants and transfers andinternally generated funds.
- Capital Projects expenditure and funding in Table A5 have been budgeted for excluding VAT.

Table 13 MBRR Table A6 - Budgeted Financial Position

KZN216 Ray Nkonyeni - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSETS											
Current assets											
Cash and cash equivalents		101 204	142 813	131 591	115 523	67 025	67 025	67 025	85 333	(49 634)	(190 945)
Trade and other receivables from exchange transactions	1	70 614	88 305	94 249	119 541	121 645	121 645	121 645	143 554	195 377	249 637
Receivables from non-exchange transactions	1	145 185	233 845	286 899	247 026	356 307	356 307	356 307	333 984	383 274	434 879
Current portion of non-current receivables		–	143	–	143	–	–	–	–	–	–
Inventory	2	3 142	2 908	7 058	3 301	7 109	7 109	7 109	(4 207)	(16 602)	(29 579)
VAT		27 680	63 094	107 281	65 305	117 493	117 493	117 493	121 348	136 105	151 555
Other current assets		2 751	3 248	3 477	2 922	3 151	3 151	3 151	3 151	3 151	3 151
Total current assets		**350 576**	**534 358**	**630 556**	**553 761**	**672 729**	**672 729**	**672 729**	**683 163**	**651 670**	**618 698**
Non current assets											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		200 147	290 226	307 811	205 741	307 811	307 811	307 811	307 811	307 811	307 811
Property, plant and equipment	3	1 574 471	1 589 705	1 676 867	1 668 460	1 805 164	1 805 164	1 805 164	1 685 640	1 693 018	1 700 743
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		1 820	2 071	2 205	2 071	2 205	2 205	2 205	2 205	2 205	2 205
Intangible assets		370	416	857	2 436	1 697	1 697	1 697	1 697	2 578	3 501
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**1 776 808**	**1 882 418**	**1 987 740**	**1 878 708**	**2 116 876**	**2 116 876**	**2 116 876**	**1 997 352**	**2 005 612**	**2 014 259**
TOTAL ASSETS		**2 127 383**	**2 416 776**	**2 618 295**	**2 432 469**	**2 789 605**	**2 789 605**	**2 789 605**	**2 680 515**	**2 657 282**	**2 632 957**
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		8 938	8 621	14 580	1 378	10 798	10 798	10 798	(12 546)	(41 003)	(70 796)
Consumer deposits		30 691	32 039	32 846	33 452	34 258	34 258	34 258	32 846	32 846	32 846
Trade and other payables from exchange transactions	4	129 290	127 667	134 016	159 098	176 278	176 278	176 278	117 189	5 015	(125 624)
Trade and other payables from non-exchange transactions	5	39 579	42 624	49 376	48 336	34 172	34 172	34 172	51 326	(32 959)	(121 205)
Provision		32 729	34 652	35 473	34 652	35 473	35 473	35 473	35 473	35 473	35 473
VAT		10 093	40 545	74 576	40 545	74 576	74 576	74 576	74 576	74 576	74 576
Other current liabilities		4 678	4 373	4 622	4 373	4 622	4 622	4 622	4 622	4 622	4 622
Total current liabilities		**255 999**	**290 521**	**345 489**	**321 834**	**370 177**	**370 177**	**370 177**	**303 486**	**78 570**	**(170 109)**
Non current liabilities											
Financial liabilities	6	29 543	44 534	49 160	26 734	33 792	33 792	33 792	49 160	49 160	49 160
Provision	7	29 453	33 114	41 487	33 114	41 487	41 487	41 487	41 487	41 487	41 487
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		82 721	90 994	101 052	90 994	101 052	101 052	101 052	101 052	101 052	101 052
Total non current liabilities		**141 716**	**168 642**	**191 699**	**150 842**	**176 331**	**176 331**	**176 331**	**191 699**	**191 699**	**191 699**
TOTAL LIABILITIES		**397 715**	**459 163**	**537 188**	**472 676**	**546 508**	**546 508**	**546 508**	**495 184**	**270 269**	**21 589**
NET ASSETS		**1 729 668**	**1 957 613**	**2 081 107**	**1 959 793**	**2 243 097**	**2 243 097**	**2 243 097**	**2 185 331**	**2 387 014**	**2 611 368**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	1 610 446	1 906 948	2 087 905	1 848 149	2 243 097	2 243 097	2 243 097	2 185 331	2 387 014	2 611 368
Reserves and funds	9	111 644	–	–	111 644	–	–	–	–	–	–
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	**1 722 090**	**1 906 948**	**2 087 905**	**1 959 793**	**2 243 097**	**2 243 097**	**2 243 097**	**2 185 331**	**2 387 014**	**2 611 368**

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice and improves understand ability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves

The statement of financial position shows that the municipality is financially health as assets exceeds liabilities.

Table 14 MBRR Table A7 - Budgeted Cash Flow Statement

KZN216 Ray Nkonyeni - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		371 333	406 074	437 643	468 731	441 404	441 404	441 404	483 936	507 649	531 508
Service charges		181 072	200 532	212 962	228 256	213 022	213 022	213 022	232 890	244 302	255 784
Other revenue		59 364	63 997	228 121	44 677	47 718	47 718	47 718	26 628	27 932	29 245
Transfers and Subsidies - Operational	1	283 702	386 761	314 043	341 677	312 796	312 796	312 796	394 190	327 175	342 552
Transfers and Subsidies - Capital	1	128 451	92 509	159 345	132 360	178 233	178 233	178 233	109 848	115 231	120 646
Interest		–	–	1 520	5 397	7 047	7 047	7 047	8 511	8 928	9 348
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		380 418	(275 878)	(983 465)	(1 040 034)	(997 806)	(997 806)	(997 806)	(1 111 178)	(1 165 738)	(1 220 527)
Finance charges		–	–	(336)	(12 922)	(12 922)	(12 922)	(12 922)	(9 958)	(10 446)	(10 937)
Transfers and Subsidies	1	–	–	(6 913)	(13 178)	(13 178)	(13 178)	(13 178)	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 404 340	873 995	362 920	154 964	176 314	176 314	176 314	134 867	55 033	57 619
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		(82 943)	(114 488)	(185 208)	(179 130)	(237 264)	(237 264)	(237 264)	(139 110)	(145 927)	(152 785)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(82 943)	(114 488)	(185 208)	(179 130)	(237 264)	(237 264)	(237 264)	(139 110)	(145 927)	(152 785)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	7 976	7 976	7 976	7 976	–	–	–
Increase (decrease) in consumer deposits		–	–	–	2 700	2 700	2 700	2 700	–	–	–
Payments											
Repayment of borrowing		(13 246)	(16 932)	(35 816)	(28 486)	(28 486)	(28 486)	(28 486)	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(13 246)	(16 932)	(35 816)	(17 810)	(17 810)	(17 810)	(17 810)	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		1 308 152	742 574	141 896	(41 976)	(78 760)	(78 760)	(78 760)	(4 244)	(90 894)	(95 166)
Cash/cash equivalents at the year begin:	2	83 812	–	142 813	143 072	131 591	131 591	131 591	131 591	127 347	36 453
Cash/cash equivalents at the year end:	2	1 391 964	742 574	284 709	101 096	52 831	52 831	52 831	127 347	36 453	(58 712)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely toresult from the implementation of the budget.
3. The cash levels of the Municipality are not stabilized overthe MTREF and prior years.
4. In 2023/24 the cash flow starts to turn around and improvesagain.
5. The 2023/24 MTREF has been informed by the planning principle of ensuringadequate cash reserves over the medium-term.
6. Cash flow reflect a positive balance after defraying all the expenditure for thefinancial year.

Table 15 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN216 Ray Nkonyeni - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	1 391 964	742 574	284 709	101 096	52 831	52 831	52 831	127 347	36 453	(58 712)
Other current investments > 90 days		(1 220 145)	(511 455)	(58 869)	133 968	135 839	135 839	135 839	101 539	109 289	117 404
Investments - Property, plant and equipment	1	1 574 471	1 589 705	1 676 867	1 668 460	1 805 164	1 805 164	1 805 164	1 685 640	1 693 018	1 700 743
Cash and investments available:		1 746 289	1 820 824	1 902 707	1 903 524	1 993 834	1 993 834	1 993 834	1 914 526	1 838 761	1 759 434
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		–	–	–	0	(100)	(100)	(100)	–	–	–
Unspent borrowing		4 791	29 543	42 102	15 679	10 808	10 808		9 726	29 759	15 151
Statutory requirements	2	24 818	52 462	32 552	19 765	42 764	42 764	42 764	46 619	61 376	76 826
Other working capital requirements	3	(191 347)	(334 036)	(520 604)	(225 101)	(382 360)	(382 360)	(382 360)	(444 859)	(589 556)	(754 248)
Other provisions		37 407	39 025	40 094	39 025	40 094	40 094	40 094	40 094	40 094	40 094
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	608	–	–	608	–	–	–	–	–	–
Total Application of cash and investments:		(123 723)	(213 007)	(405 855)	(150 024)	(288 794)	(288 794)	(299 602)	(348 419)	(458 328)	(622 178)
Surplus(shortfall)		1 870 013	2 033 831	2 308 562	2 053 548	2 282 627	2 282 627	2 293 435	2 262 945	2 297 088	2 381 612

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

a. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
b. In essence 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/commitments that exist.
c. 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".
d. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
e. From the table for the municipality is operating at a surplus.
f. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2023/24 MTREF was funded as it reflects a positive balance in funding measurement.
g. This reflects that the budget will be able to pay it expenditure for the current year and be able to pay it obligations. It is assumed that all grants will be spend 100% and if not, it is cash backed since our budget reflect a positive after all the current years expenditure paid and its liabilities.

As part of the budgeting and planning guidelines that informed the compilation of the 2023/24 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFM.

Table 16 MBRR Table A9 - Asset Management

KZN216 Ray Nkonyeni - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CAPITAL EXPENDITURE										
Total New Assets	1	123 500	122 485	143 726	111 812	114 522	114 522	69 089	72 474	75 880
Roads Infrastructure		51 270	33 292	74 206	44 417	43 475	43 475	35 759	37 511	39 274
Storm water Infrastructure		15 882	3 470	4 422	2 609	4 609	4 609	4 609	4 834	5 062
Electrical Infrastructure		10 893	(9 322)	1 988	12 435	12 719	12 719	1 500	1 574	1 647
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	500	500	–	–	–
Infrastructure		*78 045*	*27 441*	*80 616*	*59 461*	*61 303*	*61 303*	*41 868*	*43 919*	*45 983*
Community Facilities		59 222	7 742	2 590	10 870	17 651	17 651	12 000	12 588	13 180
Sport and Recreation Facilities		4 314	3 580	2 954	3 913	3 913	3 913	6 500	6 819	7 139
Community Assets		*63 536*	*11 321*	*5 544*	*14 783*	*21 564*	*21 564*	*18 500*	*19 407*	*20 319*
Heritage Assets		–	150	160	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2 325	17 087	15 833	8 261	4 261	4 261	–	–	–
Housing		0	–	–	–	–	–	–	–	–
Other Assets		*2 325*	*17 087*	*15 833*	*8 261*	*4 261*	*4 261*	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	909	2 190	840	840	840	881	923
Intangible Assets		–	–	*909*	*2 190*	*840*	*840*	*840*	*881*	*923*
Computer Equipment		(40 048)	10 018	15 720	5 298	6 194	6 194	5 840	6 126	6 414
Furniture and Office Equipment		(2 889)	1 630	1 629	1 749	2 469	2 469	381	399	418
Machinery and Equipment		(13 613)	1 098	4 641	2 120	2 941	2 941	1 660	1 741	1 823
Transport Assets		36 144	51 340	18 674	17 950	14 950	14 950	–	–	–
Land		–	2 400	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	20 901	12 255	10 612	27 547	45 204	45 204	29 500	30 946	32 400
Roads Infrastructure		29 679	6 748	1 958	15 043	26 109	26 109	17 500	18 358	19 220
Storm water Infrastructure		–	–	–	–	7 043	7 043	–	–	–
Electrical Infrastructure		305	635	587	2 913	2 661	2 661	1 500	1 574	1 647
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		(9 083)	–	5 138	8 696	8 696	8 696	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		(0)	(165)	–	–	500	500	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*20 901*	*7 219*	*7 683*	*26 652*	*45 009*	*45 009*	*19 000*	*19 931*	*20 868*
Community Facilities		–	5 036	2 120	896	196	196	10 500	11 015	11 532
Sport and Recreation Facilities		–	–	808	–	–	–	–	–	–
Community Assets		–	*5 036*	*2 928*	*896*	*196*	*196*	*10 500*	*11 015*	*11 532*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets	6	19 088	30 149	56 485	41 380	71 029	71 029	17 730	16 775	17 563
Roads Infrastructure		3 049	–	17 115	24 702	22 302	22 302	11 000	11 539	12 081
Storm water Infrastructure		0	0	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	2 354	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		1 054	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***4 104***	***0***	***19 470***	***24 702***	***22 302***	***22 302***	***11 000***	***11 539***	***12 081***
Community Facilities		5 806	14 475	29 542	16 156	48 727	48 727	5 730	4 187	4 384
Sport and Recreation Facilities		9 085	15 552	–	522	–	–	1 000	1 049	1 098
Community Assets		***14 891***	***30 027***	***29 542***	***16 678***	***48 727***	***48 727***	***6 730***	***5 236***	***5 482***
Heritage Assets		94	37	(26)	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	85	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	***85***	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	7 500	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	163 490	164 889	210 823	180 739	230 756	230 756	116 319	120 194	125 843
Roads Infrastructure		83 999	40 041	93 279	84 163	91 886	91 886	64 259	67 408	70 576
Storm water Infrastructure		15 882	3 470	4 422	2 609	11 652	11 652	4 609	4 834	5 062
Electrical Infrastructure		11 198	(8 687)	2 576	15 348	15 380	15 380	3 000	3 147	3 295
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		(9 083)	–	7 492	8 696	8 696	8 696	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		1 054	(165)	–	–	500	500	–	–	–
Information and Communication Infrastructure		–	–	–	–	500	500	–	–	–
Infrastructure		***103 050***	***34 659***	***107 770***	***110 815***	***128 614***	***128 614***	***71 868***	***75 389***	***78 933***
Community Facilities		65 028	27 253	34 251	27 921	66 574	66 574	28 230	27 789	29 095
Sport and Recreation Facilities		13 399	19 132	3 763	4 435	3 913	3 913	7 500	7 868	8 237
Community Assets		***78 427***	***46 385***	***38 014***	***32 356***	***70 487***	***70 487***	***35 730***	***35 657***	***37 333***
Heritage Assets		94	186	134	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2 325	17 172	15 833	8 261	4 261	4 261	–	–	–
Housing		0	–	–	–	–	–	–	–	–
Other Assets		***2 325***	***17 172***	***15 833***	***8 261***	***4 261***	***4 261***	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	909	2 190	840	840	840	881	923
Intangible Assets		–	–	***909***	***2 190***	***840***	***840***	***840***	***881***	***923***
Computer Equipment		(40 048)	10 018	23 220	5 298	6 194	6 194	5 840	6 126	6 414
Furniture and Office Equipment		(2 889)	1 630	1 629	1 749	2 469	2 469	381	399	418
Machinery and Equipment		(13 613)	1 098	4 641	2 120	2 941	2 941	1 660	1 741	1 823
Transport Assets		36 144	51 340	18 674	17 950	14 950	14 950	–	–	–
Land		–	2 400	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		163 490	164 889	210 823	180 739	230 756	230 756	116 319	120 194	125 843

ASSET REGISTER SUMMARY - PPE (WDV)	5	1 776 808	1 882 418	1 987 740	1 878 708	2 084 699	2 084 699	1 893 493	1 792 805	1 687 383
Roads Infrastructure		700 037	679 840	745 646	718 265	795 464	795 464	694 616	641 085	585 039
Storm water Infrastructure		49 074	55 566	59 988	58 175	71 640	71 640	57 468	54 825	52 057
Electrical Infrastructure		86 485	88 366	90 942	103 714	106 322	106 322	87 902	84 713	81 374
Water Supply Infrastructure		346	346	346	346	346	346	346	346	346
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		15 408	15 408	22 900	24 103	31 596	31 596	18 490	13 864	9 020
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		1 054	5 763	5 763	1 854	9 763	9 763	9 063	12 525	16 149
Information and Communication Infrastructure		–	–	–	–	500	500	–	–	–
Infrastructure		***852 404***	***845 289***	***925 585***	***906 457***	***1 015 632***	***1 015 632***	***867 885***	***807 358***	***743 986***
Community Assets		598 736	562 798	539 918	592 873	535 282	535 282	512 782	482 492	450 779
Heritage Assets		1 820	2 071	2 205	2 071	2 205	2 205	2 205	2 205	2 205
Investment properties		200 147	290 226	307 811	205 741	307 811	307 811	307 811	307 811	307 811
Other Assets		1 077	18 077	31 396	19 588	32 565	32 565	30 759	30 091	29 391
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		370	416	857	2 436	1 697	1 697	1 697	2 578	3 501
Computer Equipment		4 499	4 443	8 649	6 883	9 338	9 338	8 977	9 321	9 681
Furniture and Office Equipment		4 497	5 156	5 615	5 128	6 379	6 379	4 309	2 939	1 504
Machinery and Equipment		2 337	2 681	5 871	3 719	7 812	7 812	6 481	7 121	7 791
Transport Assets		38 736	52 054	60 624	61 627	66 770	66 770	51 379	41 681	31 527
Land		72 185	99 208	99 208	72 185	99 208	99 208	99 208	99 208	99 208
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 776 808	1 882 418	1 987 740	1 878 708	2 084 699	2 084 699	1 893 493	1 792 805	1 687 383
EXPENDITURE OTHER ITEMS		**138 980**	**138 498**	**132 835**	**153 615**	**160 076**	**160 076**	**298 245**	**221 441**	**231 848**
Depreciation	7	92 517	94 351	88 490	99 500	99 500	99 500	104 475	109 594	114 745
Repairs and Maintenance by Asset Class	3	**46 463**	**44 148**	**44 345**	**54 115**	**60 576**	**60 576**	**193 770**	**111 846**	**117 103**
Roads Infrastructure		30 130	25 258	22 754	23 817	29 817	29 817	162 048	83 658	87 590
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 644	1 927	3 282	3 357	6 257	6 257	11 425	11 985	12 548
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	2 319	2 433	2 547
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***32 774***	***27 185***	***26 036***	***27 174***	***36 074***	***36 074***	***175 792***	***98 076***	***102 685***
Community Facilities		211	485	617	985	1 111	1 111	500	525	549
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***211***	***485***	***617***	***985***	***1 111***	***1 111***	***500***	***525***	***549***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2 176	5 627	5 092	10 140	6 732	6 732	5 300	5 560	5 821
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***2 176***	***5 627***	***5 092***	***10 140***	***6 732***	***6 732***	***5 300***	***5 560***	***5 821***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		**2**	**166**	**28**	**300**	**150**	**150**	**150**	**315**	**329**
Machinery and Equipment		**1 397**	**1 625**	**1 911**	**2 548**	**2 398**	**2 398**	**1 598**	**1 676**	**1 755**
Transport Assets		**9 903**	**9 059**	**10 661**	**12 969**	**14 111**	**14 111**	**10 430**	**5 696**	**5 964**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		**138 980**	**138 498**	**132 835**	**153 615**	**160 076**	**160 076**	**298 245**	**221 441**	**231 848**
Renewal and upgrading of Existing Assets as % of total capex		*24.5%*	*25.7%*	*31.8%*	*38.1%*	*50.4%*	*50.4%*	*40.6%*	*39.7%*	*39.7%*
Renewal and upgrading of Existing Assets as % of deprecn		*43.2%*	*44.9%*	*75.8%*	*69.3%*	*116.8%*	*116.8%*	*45.2%*	*43.5%*	*43.5%*
R&M as a % of PPE		*3.0%*	*2.8%*	*2.6%*	*3.2%*	*3.4%*	*3.4%*	*10.7%*	*6.6%*	*6.9%*
Renewal and upgrading and R&M as a % of PPE		*5.0%*	*5.0%*	*6.0%*	*7.0%*	*8.0%*	*8.0%*	*13.0%*	*9.0%*	*10.0%*

Explanatory notes to Table A9 - Asset Management

1 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.

2 National Treasury has recommended that municipalities should allocate at least 40 per cent of the capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. However, since there is a lack of infrastructure in the municipality. Major part of funds is injected to new capital projects,

it does not meet this recommendation and funds are directed to new and existing capital asset and while 15.4% to repairs and maintenance.

Table 16 MBRR Table A10 – Basic Service Delivery Measurement

KZN216 Ray Nkonyeni - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided	8	–	–	–	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)		185 000	185 000	185 000	220 000	220 000	220 000	220 000	220 000	220 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–						
Sanitation (Rand per household per month)		82	82	82	126	126	126	145	153	163
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		240	240	240	240	240	240	240	240	240
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment) (impermissable values per section 17 of MPRA)**		3 056	3 031	4 882	3 104	7 123	7 123	7 657	8 117	8 604
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		76 227	67 689	70 037	85 504	74 996	74 996	80 029	83 950	87 896
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)**		–	2	0	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		658	947	–	–	1 013	1 013	1 067	1 119	1 172
Municipal Housing - rental rebates		1 166	1 449	1 461	1 090	1 596	1 596	1 699	1 801	1 909
Housing - top structure subsidies	6	–	–		–					
Other		–	–		–					
Total revenue cost of subsidised services provided		81 107	73 117	76 380	89 698	84 728	84 728	90 453	94 988	99 581

Basic Service Delivery Measurement

1 The municipality does not provide services such as water, sanitation, energy and refuse removal.

2 Water and sanitation are provided by uGu District municipality, energy is supplied both by municipality and Eskom.
3 Refuse removal is done in urban area and the rural part of the municipality uses its own dump site.
4 Service delivery non-financial information is available in the IDP document.

Assumptions used in preparation of the budget over the MTREF

Collection and expenditure rates

Property rates	95%
Penalties and Collection Charges	95%
Electricity	95%
Refuse Removal	95%
Rental of facilities	100%
Interest earned in investment	100%
Interest earned on outstanding debts	80%
Fines	1%
Licenses and permits	95%
Agency Fees	100%
Transfers and Grants – operational	100%
Transfers and Grants – Capital	100%
Other revenue	100%
Expenditure	
Employee related cost	100%
Remuneration of councilors	100%
Debt impairment	100%
Bulk Purchases	100%
Finance Charges	100%
Contracted services	100%
Transfers and Grants	100%
Other Expenditure	100%
Other Material	98%

Part 3: Supporting Documentation

Overview of the annual budget process

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

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aim of the Budget Steering Committee is to ensure:

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

Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2011) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule in August 2022. Key dates applicable to the process were:

July 2022– Prepare joint process plan for IDP, PMS and Budget and advertise draft IDP review;
August 2022–Submit process plan to IDP forum, portfolio committees and council. Liaise with national and provincial governments for planning and budgeting process;
September 2022– Assessment of objectives, strategies and projects against cross cutting issues. Assessment of alignment of IDP strategies & projects for medium term in relation to NSDP and PGDF. Determine funding availability & requirements per sector plan and where relevant prepare business plan/ terms of reference and roll out accordingly;
October 2022 – Review and confirm objectives, strategies and projects at IDPRF workshop. Review capital, institutional, operational, maintenance projects. Estimate available resources and provide guidance for way forward for budgeting;
November 2022–Submit revised projects to Treasury. Submit first Draft IDP to IDP steering committee and council for in principle approval

December 2022 – Submit budget instructions and 2022/23 budget framework to all relevant persons. Submit draft IDP to COGTA for assessment. Preparation of summary of available funds (internal and external);
January 2023 - Council considers the 2021/2022 Mid-year Review and Adjustments Budget;
February 2023 – Assess financial feasibility of proposed new projects based on existing and potential funds. Consideration of draft budget;
March 2023 - Tabling in Council of the draft 2023/24 IDP and 2023/24 Draft MTREF for public consultation;
April 2023 – Public consultation;
May 2023 –Finalization of the 2023/24 IDP and 2023/24 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and tabling of the 2023/24 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council. These are the IDP and Budget process schedule for individual municipalities and both municipalities did not deviate from processes.

IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

Registration of community needs;
Compilation of departmental business plans including key performance indicators and targets;
Financial planning and budgeting process;
Public participation process;
Compilation of the SDBIP, and
The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2023/24 budget, based on the approved 2022/23 Budget, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2023/24 budget, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2022/23 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

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

Municipality growth
Policy priorities and strategic objectives
Asset maintenance
Economic climate and trends (i.e., inflation)
Performance trends
The approved 2022/23 adjustments budget and performance against the SDBIP
Cash Flow Management Strategy
Debtor payment levels
Investment possibilities
The need for tariff increases versus the ability of the community to pay for services;
Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 89 and 91 has been taken into consideration in the planning and prioritisation process.

Community Consultation

The draft budget will be published after the adoption by council on 28 March 2023.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury, and other national and provincial departments in accordance with section 23 of theMFMA, to provide an opportunity for them to make inputs.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects will be addressed, as part of the 2023/24 original budget.

Overview of alignment of annual budget with IDP

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

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality's strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

Green Paper on National Strategic Planning of 2009;
Government Programme of Action;
Development Facilitation Act of 1995;
Provincial Growth and Development Strategy (GGDS);
National and Provincial spatial development perspectives;
Relevant sector plans such as transportation, legislation and policy;
National Key Performance Indicators (NKPIs);
Accelerated and Shared Growth Initiative (ASGISA);
National Development Plan (NDP)
National Spatial Development Perspective (NSDP) and
The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. 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. The following table highlights the IDP's six strategic objectives for the 2022/23 Budget and further planning refinements that have directly informed the compilation of the budget:

IDP Strategic Objectives

2023/24 Financial Year
1. Financial Viability
2. Basic Service delivery and infrastructure
3. Good governance and public participation
4. Local economic Development
5. Municipal transformation and institutional development
6. Spatial analysis and environmental management

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

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

Table SA1 Budgeted Financial Performance

KZN216 Ray Nkonyeni - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates		504 535	515 020	534 514	584 127	567 114	567 114	567 114	589 435	618 317	647 378
Less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		76 227	67 689	70 037	85 504	74 996	74 996	74 996	80 029	83 950	87 896
Net Property Rates		428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 406	534 367	559 482
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		134 602	141 265	157 558	182 857	170 943	170 943	170 943	182 436	191 375	200 370
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		–	2	0	–	–	–	–	–	–	–
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - Electricity		134 602	141 263	157 558	182 857	170 943	170 943	170 943	182 436	191 375	200 370
Service charges - Water	6										
Total Service charges - Water									–	–	–
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - Water		–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management											
Total Service charges - Waste Water Management									–	–	–
Less Revenue Foregone (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management	6										
Total refuse removal revenue		53 132	55 628	57 384	70 761	66 761	66 761	66 761	63 778	66 903	70 048
Total landfill revenue									–		–
Less Revenue Foregone (in excess of one removal a week to indigent households)		658	947	–	–	1 013	1 013	1 013	1 067	1 119	1 172
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Management		52 475	54 682	57 384	70 761	65 748	65 748	65 748	62 711	65 784	68 876
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	261 010	270 951	282 286	280 210	279 345	279 345	279 345	293 706	308 098	322 578
Pension and UIF Contributions		47 046	48 393	49 461	51 952	52 564	52 564	52 564	50 653	53 134	55 632
Medical Aid Contributions		18 151	18 779	18 941	20 891	20 615	20 615	20 615	20 899	21 923	22 953
Overtime		14 484	18 011	18 959	14 695	19 395	19 395	19 395	18 985	19 915	20 851
Performance Bonus		21 435	21 709	22 239	24 863	22 866	22 866	22 866	23 531	24 684	25 845
Motor Vehicle Allowance		15 833	16 999	18 345	19 795	20 118	20 118	20 118	20 035	21 017	22 005
Cellphone Allowance		780	1 217	1 102	1 161	1 239	1 239	1 239	1 121	1 176	1 232
Housing Allowances		3 837	3 964	5 197	7 434	6 898	6 898	6 898	7 334	7 694	8 055
Other benefits and allowances		7 356	4 645	4 903	2 796	6 042	6 042	6 042	6 038	6 334	6 632
Payments in lieu of leave		12 754	4 453	4 041	4 200	13 922	13 922	13 922	22 812	23 930	25 055
Long service awards		3 080	6 412	5 264	2 270	2 819	2 819	2 819	2 751	2 886	3 021
Post-retirement benefit obligations	4	(12 262)	12 312	14 654	15 852	15 852	15 852	15 852	15 852	16 628	17 410
Entertainment		–	–	–	–	–	–	–			
Scarcity		–	–	–	–	–	–	–			
Acting and post related allowance		326	680	609	1 160	912	912	912	912	957	1 002
In kind benefits		–	–	–	–	–	–	–			
sub-total	5	393 829	428 524	446 000	447 279	462 586	462 586	462 586	484 629	508 376	532 270
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–			
Total Employee related costs	1	393 829	428 524	446 000	447 279	462 586	462 586	462 586	484 629	508 376	532 270
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		92 307	94 137	88 021	99 500	99 500	99 500	99 500	104 475	109 594	114 745
Lease amortisation		210	213	469	–	–	–	–			
Capital asset impairment		208	5 917	5 369	2 119	2 119	2 119	2 119	2 231	2 341	2 451
Total Depreciation and amortisation	1	92 725	100 268	93 859	101 619	101 619	101 619	101 619	106 706	111 935	117 196
Bulk purchases - electricity											
Electricity bulk purchases		101 930	108 129	122 720	137 074	137 074	137 074	137 074	162 706	170 679	178 701
Total bulk purchases	1	101 930	108 129	122 720	137 074	137 074	137 074	137 074	162 706	170 679	178 701
Transfers and grants											
Cash transfers and grants		3 008	2 987	5 081	5 378	6 438	6 438	331	13 068	13 708	14 352
Non-cash transfers and grants		5 478	3 648	4 809	7 800	6 640	6 640	1 595	1 820	1 909	1 999
Total transfers and grants	1	8 486	6 635	9 890	13 178	13 078	13 078	1 927	14 888	15 617	16 351
Irrecoverable debts written off											
Outsourced Services		77 536	76 091	86 746	105 100	112 101	112 101	112 101	109 565	114 204	106 379
Consultants and Professional Services		6 626	8 949	15 957	15 870	18 030	18 030	18 030	14 170	14 864	15 563
Contractors		98 736	105 881	111 207	123 910	100 806	100 806	100 806	148 757	64 628	67 665
Total contracted services		182 898	190 921	213 910	244 881	230 936	230 936	230 936	272 493	193 696	189 607
Operational Costs											
Collection costs		–	1 023	1 401	1 500	2 280	2 280	2 280	2 508	2 631	2 755
Contributions to 'other' provisions		–	763	812	–	–	–	–	–	–	–
Audit fees		4 268	4 322	4 684	4 000	4 000	4 000	4 000	4 000	4 196	4 393
Other Operational Costs		137 501	129 520	136 836	154 980	151 727	151 727	151 727	145 575	152 270	159 427
Total Operational Costs	1	141 770	135 628	143 732	160 480	158 007	158 007	158 007	152 083	159 097	166 574
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		–	–	–	–	–	–	–	45 092	47 301	49 524
Inventory Consumed (Project Maintenance)		–	–	–	–	–	–	–	180	189	198
Contracted Services		46 463	44 148	44 345	54 115	60 576	60 576	60 576	136 100	51 351	53 764
Other Expenditure		–	–	–	–	–	–	–	12 398	13 006	13 617
Total Repairs and Maintenance Expenditure	9	46 463	44 148	44 345	54 115	60 576	60 576	60 576	193 770	111 846	117 103
Inventory Consumed											
Inventory Consumed - Water		–	–	–	–	–	–	–	–	–	–
Inventory Consumed - Other		11 662	10 547	13 278	12 735	13 078	13 078	13 078	11 265	12 394	12 977
Total Inventory Consumed & Other Material		11 662	10 547	13 278	12 735	13 078	13 078	13 078	11 265	12 394	12 977

Explanatory notes to Table SA1 – Supporting detail to Budgeted financial performance

This is thee supporting table that support the amounts of revenue by source and expenditure by source in table A4.

Table SA2 Matrix Financial Performance Budget

KZN216 Ray Nkonyeni - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Mayor and Council	Vote 2 - Finance and Administration	Vote 3 - Internal Audit	Vote 4 - Community and Social Services	Vote 5 - Sport and Recreation	Vote 6 - Public Safety	Vote 7 - Housing	Vote 8 - Health	Vote 9 - Planning and Development	Vote 10 - Road Transport	Vote 11 - Environment Protection	Vote 12 - Energy Sources	Vote 13 - Other	Vote 14 - Waste Water Management	Vote 15 - Waste Management	Total
R thousand	1																
Revenue		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Exchange Revenue																	
Service charges - Electricity		–	–	–	–	–	–	–	–	–	–	–	182 436	–	–	–	182 436
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	62 711	62 711
Sale of Goods and Rendering of Services		–	1 863	–	59	–	2 010	2 214	–	2 767	–	342	–	59	–	96	9 410
Agency services		–	863	–	–	–	–	–	–	–	4 508	–	–	–	–	–	5 371
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		–	188	–	–	–	–	–	–	–	–	–	1 262	67	–	4 903	6 420
Interest earned from Current and Non Current Assets		–	8 511	–	–	–	–	–	–	–	–	–	–	–	–	–	8 511
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	1 739	–	583	–	–	–	–	–	–	–	–	370	–	795	3 487
Licence and permits		–	–	–	–	–	1	–	–	–	612	–	–	–	–	23	636
Operational Revenue		–	1 022	–	–	–	–	–	–	–	–	–	–	83	–	–	1 106
Non-Exchange Revenue																	
Property rates		–	509 406	–	–	–	–	–	–	–	–	–	–	–	–	–	509 406
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	30 520	–	–	290	–	–	245	–	–	–	31 055
Licences or permits		–	–	–	–	–	625	–	–	255	8 748	–	–	–	–	–	9 628
Transfer and subsidies - Operational		285 237	1 950	–	15 457	–	–	–	–	–	82 298	–	–	–	–	5 084	390 026
Interest		–	30 164	–	–	–	–	–	–	–	–	–	–	–	–	–	30 164
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribution		285 237	555 706	–	16 098	–	33 156	2 214	–	3 312	96 166	342	188 943	579	–	73 613	1 250 368
Expenditure																	
Employee related costs		548	106 925	28 194	34 108	4 006	87 563	17 371	–	28 763	52 856	–	14 722	3 988	–	105 584	484 629
Remuneration of councillors		31 164	–	–	–	–	–	–	–	–	–	–	–	–	–	–	31 164
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	162 706	–	–	–	162 706
Inventory consumed		–	700	110	969	250	520	70	–	217	580	10	58	70	–	7 612	11 266
Debt impairment		1 911	320	–	–	–	–	–	–	–	–	–	–	–	–	–	2 231
Depreciation and amortisation		10 605	8 925	–	21 945	–	–	–	–	–	51 030	2 520	5 040	–	–	4 410	104 475
Interest		–	9 692	–	–	–	–	–	–	–	–	–	266	–	–	–	9 958
Contracted services		333	20 040	47 371	1 977	792	3 450	5	–	2 470	115 935	22 061	8 330	1 103	–	48 425	272 293
Transfers and subsidies		800	50	1 220	–	–	–	–	–	12 818	–	–	–	–	–	–	14 888
Irrecoverable debts written off		–	6 023	–	–	–	4 490	–	–	–	–	–	–	–	–	–	10 513
Operational costs		15 632	73 936	10 756	2 542	26	10 441	628	–	1 720	12 349	344	7 577	489	–	15 730	152 083
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		60 994	226 611	87 663	61 541	5 074	106 464	18 076	–	45 987	232 850	24 935	198 700	5 650	–	181 762	1 256 208
Surplus/(Deficit)		224 243	329 096	(87 663)	(45 443)	(5 074)	(73 308)	(15 861)	–	(42 676)	(136 685)	(24 493)	(14 757)	(5 071)	–	(108 148)	(5 838)
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	–	–	–	109 848	–	–	–	–	–	–	109 848
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		224 243	329 096	(87 663)	(45 443)	(5 074)	(73 308)	(15 861)	–	67 173	(136 685)	(24 493)	(14 757)	(5 071)	–	(108 148)	104 010

Table SA3 Detail financial position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		27 426	34 734	40 734	53 443	36 955	36 955	36 955	31 067	31 960	73 394
Water		364	421	551	601	661	661	661	699	740	801
Waste		44 889	53 909	62 264	60 710	71 270	71 270	71 270	70 423	76 656	87 594
Waste Water		19	53	19	19	53	19	19	53	19	19
Other trade receivables from exchange transactions		43 365	30 639	29 372	46 424	26 209	26 209	26 209	39 908	31 260	109 630
Gross Trade and other receivables from exchange transactions		116 218	119 736	131 938	163 203	156 221	156 221	156 221	181 139	232 654	267 212
Less: Impairment for debt		(47 865)	(31 423)	(27 577)	(43 865)	(27 577)	(27 577)	(27 577)	(27 577)	(27 577)	(27 577)
Impairment for Electricity		(3 367)	(3 009)	(7 419)	(7 111)	(7 419)	(7 419)	(7 419)	(7 419)	(7 419)	(7 419)
Impairment for Water		–	–	–	–	–	–	–	–	–	–
Impairment for Waste		(21 867)	(20 677)	(20 790)	(34 266)	(20 790)	(20 790)	(20 790)	(20 790)	(20 790)	(20 790)
Impairment for Waste Water		–	–	–	–	–	–	–	–	–	–
Impairment for other trade receivables from exchange transactions		(20 632)	(3 440)	(4 473)	(12 473)	(4 473)	(4 473)	(4 473)	(4 473)	(4 473)	(4 473)
Total net Trade and other receivables from Exchange Transactions		70 614	88 305	94 248	119 541	128 645	128 645	128 645	143 594	195 277	240 635
Receivables from non-exchange transactions											
Property rates		339 260	299 109	340 006	327 430	390 622	390 622	390 622	371 040	399 279	429 318
Less: Impairment of Property rates		(110 089)	(94 684)	(114 420)	(139 261)	(119 984)	(119 984)	(119 984)	(114 420)	(114 420)	(114 420)
Net Property rates		229 169	204 425	225 576	188 169	270 637	270 637	270 637	257 114	284 848	313 898
Other receivables from non-exchange transactions		17 538	18 540	63 667	38 667	62 040	62 040	62 040	49 020	115 256	142 798
Impairment for other receivables from non-exchange transactions		(1 546)	(3 027)	(7 875)	1 428	(7 875)	(7 875)	(7 875)	(12 195)	(16 875)	(21 667)
Net other receivables from non-exchange transactions		15 992	15 423	55 791	37 947	54 165	54 165	54 165	36 825	98 381	120 131
Total net Receivables from non-exchange transactions		245 160	219 848	281 366	247 026	324 802	324 802	324 802	293 939	383 229	434 029
Inventories											
Water											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Water Inventory Volume		–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–
Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Natural Source		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	–	–	–	–	–	–	–	–	–
Billed Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Billed Metered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
Unbilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Meter		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Uncontrolled Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	–	–	–	–	–	–
Closing Balance Water		–	–	–	–	–	–	–	–	–	–
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–
Consumables											
Standard Rated											
Opening Balance		23 991	22 191	43 491	43 491	36 116	36 116	36 116	36 116	46 851	34 407
Acquisitions		10 279	10 802	16 242	13 126	13 126	13 126	13 126	–	–	–
Issues	7	–	(3 4)	(11 792)	(13 786)	(13 076)	(13 076)	(13 076)	(11 265)	(12 394)	(13 675)
Adjustments	8	–	–	(18)	–	–	–	–	–	–	–
Write-offs	9	(178)	(28)	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		33 191	42 491	36 116	42 834	36 167	36 167	36 167	46 851	34 457	21 488
Zero Rated											
Opening Balance		(19 353)	(30 010)	(40 548)	(40 548)	(51 561)	(51 561)	(51 561)	(51 561)	(51 561)	(51 561)
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	(11 982)	(10 538)	(11 042)	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		(31 335)	(40 548)	(51 561)	(40 548)	(51 561)	(51 561)	(51 561)	(51 561)	(51 561)	(51 561)
Finished Stock											
Opening Balance		(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Finished Stock		(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)
Materials and Supplies											
Opening Balance		11	11	11	11	(51)	(51)	(51)	(51)	(51)	(51)
Acquisitions		–	–	421	–	–	–	–	–	–	–
Issues	7	–	–	(536)	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		11	11	(51)	11	(51)	(51)	(51)	(51)	(51)	(51)
Work-in-progress											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–	–
Housing Stock											
Opening Balance		–	–	–	–	630	630	630	630	630	630
Acquisitions		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	630	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–
Closing Balance - Housing Stock		–	–	630	–	630	630	630	630	630	630
Land											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–
Adjustments		–	–	–	–	–	–	–	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–	–
Closing Balance - Land		–	–	–	–	–	–	–	–	–	–
Closing Balance - Inventory & Consumables		3 142	3 908	7 898	3 391	7 168	7 168	7 168	(4 247)	(16 842)	(29 975)
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. Finance leases)		3 330 979	3 270 989	3 420 506	3 482 100	3 540 604	3 540 604	3 540 604	3 549 733	3 652 726	3 776 186
Leases recognised as PPE	3	31 489	31 363	55 180	62 453	73 518	73 518	73 518	55 180	55 180	55 180
Less: Accumulated depreciation		1 687 372	1 722 440	1 815 805	1 874 273	1 915 208	1 915 208	1 915 208	1 920 261	2 029 875	2 144 621
Total Property, plant and equipment (PPE)	2	1 674 071	1 580 912	1 679 881	1 668 280	1 698 894	1 698 894	1 698 894	1 684 652	1 678 031	1 686 745
LIABILITIES											
Current liabilities - Financial liabilities											
Short-term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		8 028	8 621	14 540	1 278	10 798	10 798	10 798	(13 548)	(41 063)	(79 798)
Total Current liabilities - Financial liabilities		8 028	8 621	14 540	1 278	10 798	10 798	10 798	(13 548)	(41 063)	(79 798)
Trade and other payables from exchange transactions											
Trade and other payables from exchange transactions	5	126 266	127 667	134 018	136 088	176 276	176 276	176 276	117 186	5 015	(125 924)
Other trade payables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Trade payables from non-exchange transactions: Unspent conditional transfers	10	39 579	42 624	49 376	49 309	34 372	34 372	34 372	31 335	(20 946)	(121 298)
Trade payables from non-exchange transactions: Other		–	–	–	0	(388)	(388)	(388)	–	–	–
VAT		10 863	40 640	74 578	40 640	74 578	74 578	74 578	74 578	74 578	74 578
Total Trade and other payables from exchange transactions	2	176 708	210 931	257 972	247 036	285 837	285 837	285 837	243 098	48 646	(172 644)
Non-current liabilities - Financial liabilities											
Borrowing	4	112	2 109	49 180	28 734	30 782	30 782	30 782	49 180	49 180	49 180
Other financial liabilities		28 430	42 425	–	–	–	–	–	–	–	–
Total Non-current liabilities - Financial liabilities		28 542	44 534	49 180	28 734	30 782	30 782	30 782	49 180	49 180	49 180
Other non-current liabilities - Provisions											
National Govt [illegible]		–	–	–	–	–	–	–	–	–	–
Refuse site rehabilitation		11 919	12 860	19 800	12 860	19 800	19 800	19 800	19 800	19 800	19 800
Other		17 534	20 421	22 655	20 421	22 655	22 655	22 655	22 655	22 655	22 655
Total Other non-current liabilities - Non-current		29 453	33 114	42 487	33 114	42 487	42 487	42 487	42 487	42 487	42 487
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)											
Accumulated surplus/(deficit) - opening balance		1 864 361	1 812 413	1 857 513	1 712 748	2 080 791	2 080 791	2 080 791	2 080 791	2 165 331	2 267 914
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		1 864 361	1 812 413	1 857 513	1 712 748	2 080 791	2 080 791	2 080 791	2 080 791	2 165 331	2 267 914
Surplus/(Deficit)		7 579	182 888	123 484	135 403	162 318	162 318	162 318	104 880	201 980	224 394
Transfers to/from Reserves		–	–	–	–	–	–	–	–	–	–
Depreciation offset		–	–	–	–	–	–	–	–	–	–
Other adjustments		28 493	(17 428)	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	1 900 434	1 977 873	2 081 197	1 848 149	2 242 997	2 242 997	2 243 097	2 185 671	2 367 314	2 491 308
Reserves											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves		5 000	–	–	5 000	–	–	–	–	–	–
Revaluation		111 039	–	–	111 039	–	–	–	–	–	–
Total Reserves	2	111 039	–	–	111 039	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1 739 395	1 977 873	2 081 197	1 959 793	2 242 997	2 242 997	2 243 097	2 185 671	2 367 314	2 491 308

Explanatory notes to Table SA3

This table is a supporting table to table A6, and it has detailed information that is summarized in table A6.

Table SA4 Reconciliation of IDP strategic objectives and Budget

KZN216 Ray Nkonyeni - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
				1 040 986	1 165 917	1 248 557	1 306 988	1 333 015	1 333 015	1 360 956	1 427 642	1 494 742
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	1 040 986	1 165 917	1 248 557	1 306 988	1 333 015	1 333 015	1 360 956	1 427 642	1 494 742

Table SA5 Reconciliation of IDP Strategic objectives and budget

KZN216 Ray Nkonyeni Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
To provide access to basic services				1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 258 637	1 228 300	1 272 838
Allocations to other priorities												
#REF!			1	1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 258 637	1 228 300	1 272 838

Table SA6 Reconciliation of IDP Strategic objectives

KZN216 Ray Nkonyeni - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
To provide access to basic services				163 490	164 889	210 823	180 739	230 756	230 756	116 319	120 194	125 843
Allocations to other priorities			3									
Total Capital Expenditure			1	163 490	164 889	210 823	180 739	230 756	230 756	116 319	120 194	125 843

Table SA7 Measurable performance objectives

KZN216 Ray Nkonyeni - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue Framework	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25
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)									

Table SA8 performance indicators

KZN216 Ray Nkonyeni - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.8%	2.9%	5.0%	3.5%	3.5%	3.5%	3.5%	0.8%	0.9%	0.9%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.0%	2.7%	5.1%	3.5%	3.6%	3.6%	3.6%	0.8%	0.9%	0.9%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	12.1%	12.7%	12.7%	12.7%	0.0%	0.0%	0.0%
Safety of Capital											
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%
Liquidity											
Current Ratio	Current assets/current liabilities	1.4	1.8	1.8	1.7	1.8	1.8	1.8	2.3	8.3	(3.6)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.8	1.8	1.7	1.8	1.8	1.8	2.3	8.3	(3.6)
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.8	0.7	0.7	0.5	0.5	0.5	0.8	1.9	(0.3)
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		89.8%	94.3%	95.8%	92.7%	89.8%	89.8%	72.3%	72.5%	72.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		89.0%	85.7%	88.8%	85.0%	85.3%	85.3%	85.3%	93.8%	93.8%	93.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	39.9%	55.1%	65.5%	44.4%	69.2%	69.2%	69.2%	60.7%	66.1%	67.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		9.3%	17.2%	47.1%	157.4%	333.7%	333.7%	333.7%	92.0%	13.8%	214.0%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase										
	Water treatment works										
	Natural sources										
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)	41.7%	40.0%	41.2%	38.1%	40.6%	40.6%	40.6%	38.7%	41.5%	41.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	41.7%	40.0%	41.2%	40.8%	43.3%	43.3%		41.2%	44.1%	44.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.9%	4.1%	4.1%	4.6%	5.3%	5.3%		15.5%	9.1%	9.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	10.4%	10.5%	10.5%	9.8%	10.0%	10.0%	10.0%	9.3%	10.0%	10.0%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	55.7	28.7	32.0	33.1	33.1	33.1	133.9	140.1	131.2	137.3
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	90.1%	112.8%	146.8%	96.6%	171.1%	171.1%	171.1%	173.4%	184.3%	194.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	25.9	11.4	3.9	1.3	0.7	0.7	0.7	1.5	0.4	(0.7)

Table SA10 Funding measurements

KZN216 Ray Nkonyeni Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures												
Cashcash equivalents at the year end - R'000	18(1)b	1	1 391 964	742 574	264 709	101 096	52 831	52 831	52 831	127 347	36 453	(58 712)
Cash + Investments at the yr end less applications - R'000	18(1)b	2	1 870 013	2 033 831	2 308 562	2 053 548	2 282 627	2 282 627	2 293 435	2 262 945	2 297 088	2 381 612
Cash year end/monthly employee/supplier payments	18(1)b	3	25.9	11.4	3.9	1.3	0.7	0.7	0.7	1.5	0.4	(0.7)
Surplus(Deficit) excluding depreciation offsets: R'000	18(1)	4	7 578	162 656	123 494	135 403	162 316	162 316	162 316	102 318	199 342	221 904
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1.5%)	(0.4%)	4.7%	(9.1%)	(6.0%)	(6.0%)	(2.5%)	(1.1%)	(1.3%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	92.0%	87.8%	108.8%	84.2%	83.2%	83.2%	83.2%	88.2%	88.2%	88.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7		(4.5%)	3.4%	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%
Capital payments % of capital expenditure	18(1)c;19	8	50.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	12.1%	12.7%	12.7%	12.7%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	49.3%	18.3%	(3.8%)	30.3%	0.0%	0.0%	(0.1%)	21.2%	18.3%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3.0%	2.8%	2.6%	3.2%	3.4%	3.4%	10.7%	6.6%	6.9%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	12.8%	7.4%	5.0%	15.2%	19.6%	19.6%	19.6%	25.4%	25.7%	25.7%

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

Supporting Indicators												
% incr total service charges (incl prop rates)	18(1)a			4.5%	5.6%	10.7%	(3.1%)	0.0%	0.0%	3.5%	4.9%	4.7%
% incr Property Tax	18(1)a			4.4%	3.8%	7.4%	(1.3%)	0.0%	0.0%	3.5%	4.9%	4.7%
% incr Service charges - Electricity	18(1)a			4.9%	11.5%	16.1%	(6.5%)	0.0%	0.0%	6.7%	4.9%	4.7%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			4.2%	4.9%	23.3%	(7.1%)	0.0%	0.0%	(4.6%)	4.9%	4.7%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		615 385	643 276	679 419	752 241	728 809	728 809	728 809	754 553	791 527	828 728
Service charges			615 385	643 276	679 419	752 241	728 809	728 809	728 809	754 553	791 527	828 728
Property rates			428 308	447 331	464 477	498 623	492 118	492 118	492 118	509 496	534 367	559 482
Service charges - electricity revenue			134 692	141 263	157 558	182 857	170 943	170 943	170 943	182 436	191 375	200 370
Service charges - water revenue			–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue			–	–	–	–	–	–	–	–	–	–
Service charges - refuse removal			52 475	54 682	57 384	70 761	65 748	65 748	65 748	62 711	65 784	68 876
Agency services			3 101	5 400	4 965	4 894	6 044	6 044	6 044	5 371	5 634	5 899
Capital expenditure excluding capital grant funding			4 751	81 096	72 155	65 687	62 680	62 680	62 680	20 799	21 818	22 844
Cash receipts from ratepayers	18(1)a		611 769	670 603	878 725	741 664	702 144	702 144	702 144	743 453	779 882	816 537
Ratepayer & Other revenue	18(1)a		664 880	765 415	867 780	880 402	843 655	843 655	843 655	843 375	884 700	926 281
Change in consumer debtors (current and non-current)			N/A	106 495	58 853	(14 438)	111 242	111 242	111 242	(414)	101 113	105 885
Operating and Capital Grant Revenue	18(1)a		349 230	380 795	415 748	417 462	478 566	478 566	478 566	466 874	524 368	549 013
Capital expenditure - total	20(1)(vi)		163 490	194 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Capital expenditure - renewal	20(1)(vi)		20 901	12 255	10 612	27 547	45 204	45 204	45 204	29 500	30 946	32 400
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										–	–	–
Average annual collection rate (arrears inclusive)												
DoRA operating												
Local Government Financial Management Grant												
Expanded Public Works Programme Integrated Grant												
Municipal Infrastructure Grant												
Equitable Share												
National Departmental Agencies												
										–	–	–
DoRA capital												
List capital grants												
Energy Efficiency and Demand Side Management Grant												
Integrated National Electrification Programme Grant												
Municipal Infrastructure Grant												
										–	–	–
Trend												
Change in consumer debtors (current and non-current)			N/A	106 495	58 853	(14 438)	111 242	111 242	111 242	(414)	101 113	105 885
Total Operating Revenue			943 500	1 071 334	1 083 016	1 174 628	1 139 727	1 139 727	1 139 727	1 251 108	1 226 081	1 283 707
Total Operating Expenditure			1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 170 699	1 258 637	1 228 300	1 272 838
Operating Performance Surplus/(Deficit)			(89 908)	68 073	(42 047)	3 043	(30 971)	(30 971)	(30 971)	(7 530)	(2 219)	10 869
Cash and Cash Equivalents (30 June 2024)										127 347		
Revenue												
% Increase in Total Operating Revenue				13.5%	1.1%	8.5%	(3.0%)	0.0%	0.0%	9.8%	(2.0%)	4.7%
% Increase in Property Rates Revenue				4.4%	3.8%	7.4%	(1.3%)	0.0%	0.0%	3.5%	4.9%	4.7%
% Increase in Electricity Revenue				4.9%	11.5%	16.1%	(6.5%)	0.0%	0.0%	6.7%	4.9%	4.7%
% Increase in Property Rates & Services Charges				4.5%	5.6%	10.7%	(3.1%)	0.0%	0.0%	3.5%	4.9%	4.7%
Expenditure												
% Increase in Total Operating Expenditure				(2.9%)	12.1%	4.1%	(0.1%)	0.0%	0.0%	7.5%	(2.4%)	3.6%
% Increase in Employee Costs				8.8%	4.1%	0.3%	3.4%	0.0%	0.0%	4.8%	4.9%	4.7%
% Increase in Electricity Bulk Purchases				6.1%	13.5%	11.7%	0.0%	0.0%	0.0%	18.7%	4.9%	4.7%
Average Cost Per Budgeted Employee Position (Remuneration)					55 750 050.03	417 627.54				452 501.84		
Average Cost Per Councillor (Remuneration)					364 565.98	436 587.00				432 835.56		
R&M % of PPE			3.0%	2.8%	2.6%	3.2%	3.4%	3.4%	3.4%	10.7%	6.6%	6.9%
Asset Renewal and R&M as a % of PPE			5.0%	5.0%	6.0%	7.0%	8.0%	8.0%	8.0%	13.0%	9.0%	10.0%
Debt Impairment % of Total Billable Revenue			0.0%	(4.5%)	3.4%	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%
Capital Revenue												
Internally Funded & Other (R'000)			(18 578)	14 517	33 256	58 521	54 704	54 704	54 704	20 799	21 818	22 844
Borrowing (R'000)			–	–	1 867	7 196	7 976	7 976	7 976	–	–	–
Grant Funding and Other (R'000)			158 739	83 793	138 668	115 062	168 076	168 076	168 076	95 520	98 376	103 000
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	94.7%	89.1%	87.3%	87.3%	87.3%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	5.3%	10.9%	12.7%	12.7%	12.7%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			113.3%	85.2%	79.8%	63.7%	72.8%	72.8%	72.8%	82.1%	81.8%	81.8%
Capital Expenditure												
Total Capital Programme (R'000)			163 490	194 889	210 823	180 739	230 756	230 756	230 756	116 319	120 194	125 843
Asset Renewal			39 990	42 404	67 097	68 827	116 234	116 234	116 234	47 230	47 720	49 963
Asset Renewal % of Total Capital Expenditure			28.5%	43.1%	38.6%	38.1%	50.4%	50.4%	50.4%	40.6%	39.7%	39.7%
Cash												
Cash Receipts % of Rate Payer & Other			92.0%	87.8%	108.8%	84.2%	83.2%	83.2%	83.2%	88.2%	88.2%	88.2%
Cash Coverage Ratio			25.93	11.36	3.86	1.32	0.69	0.69	0.69	1.47	0.44	(0.68)
Borrowing												
Most recent Credit Rating										0		
Capital Charges to Operating			1.8%	2.9%	5.0%	3.5%	3.5%	3.5%	3.5%	0.8%	0.9%	0.9%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	12.1%	12.7%	12.7%	12.7%	0.0%	0.0%	0.0%
Reserves												
Uncommitted reserves after application of cash and investments			1 870 013	2 033 831	2 308 562	2 053 548	2 282 627	2 282 627	2 293 435	2 262 945	2 297 088	2 381 612
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			12.0%	9.3%	9.2%	10.1%	9.9%	9.9%	9.9%	10.5%	10.5%	10.5%
High Level Outcome of Funding Compliance												
Total Operating Revenue			943 500	1 071 334	1 083 016	1 174 628	1 139 727	1 139 727	1 139 727	1 251 108	1 226 081	1 283 707
Total Operating Expenditure			1 033 408	1 003 261	1 125 063	1 171 585	1 170 699	1 170 699	1 170 699	1 258 637	1 228 300	1 272 838
Surplus/(Deficit) Budgeted Operating Statement			(89 908)	68 073	(42 047)	3 043	(30 971)	(30 971)	(30 971)	(7 530)	(2 219)	10 869
Surplus/(Deficit) Considering Reserves and Cash Backing			1 870 013	2 033 831	2 308 562	2 053 548	2 282 627	2 282 627	2 293 435	2 262 945	2 297 088	2 381 612
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded =		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

References
15. Subject to figures provided in Schedule.

Table SA11 Property rates summary

KZN216 Ray Nkonyeni - Supporting Table SA11 Property rates summary

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Valuation:	1									
Date of valuation:			01/07/2016	01/07/2016	01/07/2016	2016/01/07	2016/01/07	2016/01/07	2022/01/07	1/72022
Financial year valuation used			**2017/18**	**2018/19**	**2019/20**					
Municipal by-laws s6 in place? (Y/N)	2		YES	YES	YES	Y	Y	YES		
Municipal/assistant valuer appointed? (Y/N)			Yes	Yes	YES	Y	Y	YES		
Municipal partnership s38 used? (Y/N)			N	N	N	Y	Y	N		
No. of assistant valuers (FTE)	3		**14**	**14**	14	**14**	**14**	14	**14**	**14**
No. of data collectors (FTE)	3		7	7	7	7	7	7	7	7
No. of internal valuers (FTE)	3		–	–	–	-	-	–	-	-
No. of external valuers (FTE)	3		7	7	7	7	7	7	7	7
No. of additional valuers (FTE)	4		–	–	–	-	-	–	-	-
Valuation appeal board established? (Y/N)			YES	YES	YES	Y	Y	YES		
Implementation time of new valuation roll (mths)			60	60	60			60	44 933	44 933
No. of properties	5		41 339	41 339	42 213	46 401	46 401	42 213	42 213	42 213
No. of sectional title values	5					13 845	13 845			
No. of unreasonably difficult properties s7(2)						-	-			
No. of supplementary valuations			1	1	1	6	6	1	1	1
No. of valuation roll amendments			3	3	3			3	3	3
No. of objections by rate payers			13	13	13			13	13	13
No. of appeals by rate payers			1	1	1	81	81	1	1	1
No. of successful objections	8		4	4	12	1 363	1 363	12	12	12
No. of successful objections > 10%	8		4	4	1	442	442	1	1	1
Supplementary valuation					793 658 000			793 658 000	793 658 000	793 658 000
Public service infrastructure value (Rm)	5		0	0	0	0	0	0	0	0
Municipality owned property value (Rm)			0	0	0	0	0	0	0	0
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)					0			0	0	0
Valuation reductions-nature reserves/park (Rm)					0			0	0	0
Valuation reductions-mineral rights (Rm)					–			–	–	–
Valuation reductions-R15,000 threshold (Rm)					0			0	0	0
Valuation reductions-public worship (Rm)					0			0	0	0
Valuation reductions-other (Rm)					0			0	0	0
Total valuation reductions:		–	–	–	**0**	–	–	**0**	**0**	**0**
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
Rating:										
Residential rate used to determine rate for other categories? (Y/N)			Yes	Yes	Yes	Y	Y	Yes	Y	Y
Differential rates used? (Y/N)	5		Yes	Yes	Yes	Y	Y	Yes	Y	Y
Limit on annual rate increase (s20)? (Y/N)			Yes	Yes	Yes			Yes		
Special rating area used? (Y/N)			Yes	Yes	Yes	Y	Y	Yes	Y	Y
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)			Yes	Yes	Yes	Y	Y	Yes	Y	Y
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6				413			413	413	413
Rate revenue expected to collect (R'000)	6				393			393	393	393
Expected cash collection rate (%)					95.0%			95.0%	95.0%	95.0%
Special rating areas (R'000)	7				3			3	3	3
Rebates, exemptions - indigent (R'000)					19			19	19	19
Rebates, exemptions - pensioners (R'000)					648			648	648	648
Rebates, exemptions - bona fide farm. (R'000)					1 219			1 219	1 219	1 219
Rebates, exemptions - other (R'000)					3 748			3 748	3 748	3 748
Phase-in reductions/discounts (R'000)					–			–	–	–
Total rebates,exemptns,reductns,disca (R'000)		–	–	–	**5 633**	–	–	**5 633**	**5 633**	**5 633**

References

Table SA12a Property rates by category

KZN216 Ray Nkonyeni - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Current Year 2022/23												
Valuation:												
No. of properties												
No. of sectional title property values												
No. of unreasonably difficult properties s7(2)												
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Flat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)	2											
Total valuation reductions:												
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
Rating:												
Average rate	3											
Rate revenue budget (R '000)												
Rate revenue expected to collect (R'000)												
Expected cash collection rate (%)	4											
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)												
Rebates, exemptions - pensioners (R'000)												
Rebates, exemptions - bona fide farm. (R'000)												
Rebates, exemptions - other (R'000)												
Phase-in reductions/discounts (R'000)												
Total rebates,exemptns,reductns,discs (R'000)												

References

Table SA12b Property rates category

KZN216 Ray Nkonyeni - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Current Year 2022/23												
Valuation:												
No. of properties		1 327	395	5	33 801				1 673			
No. of sectional title property values					13 845							
No. of unreasonably difficult properties s7(2)					–							
No. of supplementary valuations		6	6	6	6				6			
Supplementary valuation (Rm)		4 486 960	728 248	7 500	28 788 947				3 235 564			
No. of valuation roll amendments		-	-	-	3				-			
No. of objections by rate-payers		-	-	-	1				-			
No. of appeals by rate-payers		-	-	-	1				-			
No. of appeals by rate-payers finalised		-	-	-	1				-			
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation (select)		-	-	-	6				-			
Frequency of valuation (select)		-	-	-	6				-			
Method of valuation used (select)		Market	Market	Market	Market				Market			
Base of valuation (select)		land &impr	land &impr	land &impr	land &impr				land &impr			
Phasing-in properties s21 (number)		No	No	No	No				No			
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes				Yes			
Flat rate used? (Y/N)		No	No	No	No				No			
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform				Uniform			
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)		–	–	–	–				0			
Valuation reductions-nature reserves/park (Rm)		–	–	–	–				–			
Valuation reductions-mineral rights (Rm)		–	–	–	–				–			
Valuation reductions-R15,000 threshold (Rm)		–	–	–	0				–			
Valuation reductions-public worship (Rm)		–	–	–	–				–			
Valuation reductions-other (Rm)	2	0	–	–	0				–			
Total valuation reductions:												
Total value used for rating (Rm)	6	0	0	0	0				0			
Total land value (Rm)	6	0	0	–	0				0			
Total value of improvements (Rm)	6	0	0	–	0				–			
Total market value (Rm)	6	0	0	0	0				0			
Rating:												
Average rate	3	0.019438	0.019438	0.022868	0.011434				0.002858			
Rate revenue budget (R '000)		78	14	0	300				13			
Rate revenue expected to collect (R'000)		74	14	0	285				13			
Expected cash collection rate (%)	4	95.0%	100.0%	100.0%	95.0%				100.0%			
Special rating areas (R'000)		–	–	–	3				–			
Rebates, exemptions - indigent (R'000)		–	–	–	–				–			
Rebates, exemptions - pensioners (R'000)		–	–	–	6				–			
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–				–			
Rebates, exemptions - other (R'000)		7	–	–	60				–			
Phase-in reductions/discounts (R'000)		–	–	–					–			
Total rebates,exemptns,reductns,discs (R'000)		7	–	–	66	–	–	–	–	–	–	–

Table SA13a Service Tariffs by category

KZN216 Ray Nkonyeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Property rates *(rate in the Rand)*	1								
Residential properties			0.0108	0.0114	0.0119	0.0124	0.0125	0.0132	0.0132
Residential properties - vacant land			0.0216	0.0229	0.0239	0.0248	0.0251	0.0265	0.0265
Formal/informal settlements							-	-	-
Small holdings							-	-	-
Farm properties - used			0.0027	0.0029	0.0030	0.0031	0.0031	0.0033	0.0033
Farm properties - not used							0.0031	0.0033	0.0033
Industrial properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	0.0225
Business and commercial properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	0.0225
Communal land - residential							0.0013	0.0013	0.0013
Communal land - small holdings							0.0013	0.0013	0.0013
Communal land - farm property							0.0013	0.0013	0.0013
Communal land - business and commercial							0.0013	0.0013	0.0013
Communal land - other			0.0011	0.0011	0.0012	0.0012	0.0013	0.0013	0.0013
State-owned properties			0.0183	0.0194	0.0203	0.0211	0.0213	0.0225	0.0225
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			0.0027	0.0029	0.0030	0.0031	0.0031	0.0033	0.0033
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-			
Property rates by usage									
Business and commercial properties									
Industrial properties									
Mining properties			15 000	15 000	15 000	15 000	15 000	15 000	15 000
Residential properties			85 000	85 000	85 000	85 000	85 000	85 000	85 000
Agricultural properties									
Public benefit organisations					300 000	300 000	300 000	300 000	300 000
Public service purpose properties									
Public service infrastructure properties									
Vacant land									
Sport Clubs and Fields (Bitou only)									
Sectional Title Garages (Drakenstein only)									
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate									
General residential rebate		(describe structure)							
Indigent rebate or exemption		(fill in thresholds)							
Pensioners/social grants rebate or exemption		(fill in thresholds)							
Temporary relief rebate or exemption		(fill in thresholds)							
Bona fide farmers rebate or exemption		(fill in thresholds)							
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
Water usage - flat rate tariff *(c/kl)*									
Water usage - life line tariff		(fill in structure)							
Water usage - Block 1 (c/kl)		(fill in structure)							

Table SA14 Households Bills

KZN216 Ray Nkonyeni - Supporting Table SA14 Household bills

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		–	–	–	–	–	–	–	–	–	–
VAT on Services											
Total large household bill:		–	–	–	–	–	–	–	–	–	–
% increase/-decrease			–	–	–	–	–		–	–	–
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates					993.20	993.20	993.20	5.3%	1 040.87	1 086.67	1 135.57
Electricity: Basic levy					280.79	280.79	280.79	18.4%	301.77	315.05	329.23
Electricity: Consumption					–	–	–		–	–	–
Water: Basic levy					–	–	–		–	–	–
Water: Consumption					–	–	–		–	–	–
Sanitation					–	–	–		–	–	–
Refuse removal					138.87	138.87	138.87	5.3%	145.54	151.94	158.78
Other											
sub-total		–	–	–	**1 412.86**	**1 412.86**	**1 412.86**	**5.3%**	**1 488.18**	**1 553.66**	**1 623.58**
VAT on Services											
Total small household bill:		–	–	–	**1 412.86**	**1 412.86**	**1 412.86**	**5.3%**	**1 488.18**	**1 553.66**	**1 623.58**
% increase/-decrease			–	–	–	–	–		**5.3%**	**4.4%**	**4.5%**
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		–	–	–	–	–	–	–	–	–	–
VAT on Services											
Total small household bill:		–	–	–	–	–	–	–	–	–	–
% increase/-decrease			–	–	–	–	–		–	–	–

References

Table SA16 Investments

KZN216 Ray Nkonyeni - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [7]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Parent municipality														
Standard Bank - 1: 89140/356988 Ray Nkonyeni Local Muni		3	3	Y	1	3.6	0	0	######	31 382	238	–	–	31 620
Standard Bank - 2: 89139/356986 Ray Nkonyeni Local Muni		3	3	Y	1	3.6	0	0	######	234	2	–	–	236
Standard Bank - 3: 89141/356989 Ray Nkonyeni Local Muni		3	3	Y	1	3.6	0	0	######	11 106	84	–	–	11 190
Standard Bank - 4: 90439/364623 Ray Nkonyeni Local Muni		3	3	Y	1	3.6	0	0	######	503	4	–	–	507
Other - 5: 74873852518 Ray Nkonyeni Local Municipality		3	3	Y	1	3.6	0	0	######	15 668	133	–	–	15 802
Standard Bank - 6: 89111/356985 Ray Nkonyeni Local Muni		3	3	Y	1	3.6	0	0	######	47	0	–	–	48
Standard Bank - 7: 89111/357732 Ray Nkonyeni Local Muni		3	3	Y	1	3.6	0	0	######	10	0	–	–	11
FNB - 8: 62726614151 Ray Nkonyeni Local Municipality		3	3	Y	1	3.6	0	0	######	112 689	954	(108 550)	127 500	132 592
FNB - 9: 74873852518 Ray Nkonyeni Local Municipality		3	3	Y	1	3.6	0	0	######	3 281	29	–	–	3 310
														–
														–
														–
														–
														–
														–
														–
														–
														–
														–
														–
														–
														–
														–
														–
Municipality sub-total										174 921		(108 550)	127 500	195 315
TOTAL INVESTMENTS AND INTEREST	1									174 921		(108 550)	127 500	195 315

References

Table SA17 Borrowings

KZN216 Ray Nkonyeni - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality										
Annuity and Bullet Loans		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	29 430	38 993	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		4 791	112	3 109	15 679	10 808	10 808	9 726	29 759	15 151
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	**4 791**	**29 543**	**42 102**	**15 679**	**10 808**	**10 808**	**9 726**	**29 759**	**15 151**
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	**4 791**	**29 543**	**42 102**	**15 679**	**10 808**	**10 808**	**9 726**	**29 759**	**15 151**
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)		4 791	29 543	42 102	15 679	10 808	10 808	9 726	29 759	15 151
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	**4 791**	**29 543**	**42 102**	**15 679**	**10 808**	**10 808**	**9 726**	**29 759**	**15 151**
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	**4 791**	**29 543**	**42 102**	**15 679**	**10 808**	**10 808**	**9 726**	**29 759**	**15 151**

Table SA18 Transfers and Grants Receipts

KZN216 Ray Nkonyeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		218 925	273 225	240 639	268 672	268 722	268 722	374 569	312 124	318 915
Local Government Equitable Share		205 608	266 948	233 153	260 646	260 646	260 646	285 237	310 114	316 827
Energy Efficiency and Demand Side Management						50	50		60	
Expanded Public Works Programme Integrated Grant		4 405	3 949	5 536	6 076	6 076	6 076	5 084		
Local Government Financial Management Grant		2 500	2 000	1 950	1 950	1 950	1 950	1 950	1 950	2 088
Municipal Demarcation Transition Grant		311								
Municipal Disaster Grant		1 069	(0)							
Municipal Disaster Recovery Grant		5 032	328					82 298		
Provincial Government:		47 253	14 716	15 431	16 430	16 557	16 557	15 457	16 137	17 457
Infrastructure		34 380	407			127	127			
Capacity Building and Other		12 873	14 309	15 431	16 430	16 430	16 430	15 457	16 137	17 457
District Municipality:		26	–	–	–	–	–	–	–	–
Capacity Building and Other		26								
Other grant providers:		1 169	610	735	–	–	–	–	–	–
Local Government, Water and Related Service SE			483							
State Information Technology Agency (SITA)		119								
Transport, Education and Training SETA		1 050		735						
Unspecified			127							
Total Operating Transfers and Grants	5	267 372	288 551	256 804	285 102	285 279	285 279	390 026	328 261	336 372
Capital Transfers and Grants										
National Government:		78 876	69 924	145 933	132 360	151 410	151 410	107 848	97 628	85 144
Energy Efficiency and Demand Side Management		8 000		4 000	5 000	4 950	4 950		5 940	
Integrated Urban Development Grant			64 509	96 889	81 360	81 360	81 360	88 848	76 688	80 144
Municipal Disaster Recovery Grant		81								
Municipal Disaster Relief Grant						19 100	19 100			
Municipal Infrastructure Grant		70 795								
Neighbourhood Development Partnership Grant			5 415	45 044	46 000	46 000	46 000	19 000	15 000	5 000
Provincial Government:		16 210	12 652	7 593	–	41 877	41 877	2 000	–	–
Infrastructure		16 210	12 652	7 593		41 877	41 877	2 000		
District Municipality:		2 400	2 339	–	–	–	–	–	–	–
Capacity Building and Other		2 400	2 339							
Other grant providers:		–	9 669	12 015	–	–	–	–	–	–
European Union			9 669	12 015						
Total Capital Transfers and Grants	5	97 486	94 584	165 542	132 360	193 287	193 287	109 848	97 628	85 144
TOTAL RECEIPTS OF TRANSFERS & GRANTS		364 858	383 135	422 345	417 462	478 566	478 566	499 874	425 889	421 516

Explanatory notes to Table SA18 Grants and subsidies Receipts

1. This table reflects all expected grants receipts from national, provincial, and other organization.

2. National treasury and provincial treasury grants are gazette in DORA and provincial gazette.

Table SA 19 Grants and subsidies Expenditure

KZN216 Ray Nkonyeni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		244 143	333 875	361 331	255 876	348 635	348 635	374 569	312 124	318 915
Local Government Equitable Share		228 598	324 857	349 776	247 800	340 559	340 559	285 237	310 114	316 827
Energy Efficiency and Demand Side Management		4		40	50	50	50		60	
Expanded Public Works Programme Integrated Grant		5 509	5 344	9 553	6 076	6 076	6 076	5 084		
Local Government Financial Management Grant		3 355	1 801	1 963	1 950	1 950	1 950	1 950	1 950	2 088
Municipal Demarcation Transition Grant		149								
Municipal Disaster Grant		1 027	1 873							
Municipal Disaster Recovery Grant		4 495						82 298		
Municipal Infrastructure Grant		870								
Municipal Systems Improvement Grant		135								
Provincial Government:		51 000	53 848	49 371	66 941	38 060	38 060	15 457	16 137	17 457
Infrastructure		37 728	53 651	48 269	50 511	21 630	21 630			
Capacity Building and Other		13 272	197	1 102	16 430	16 430	16 430	15 457	16 137	17 457
Subsidy Main Roads										
Title Deeds Restoration										
Community Development Workers										
Community Library Services										
Regional Socio- Economic Project										
Local Government Public Employment Support Grant										
Thusong Service Centre										
Vredenburg Urban Revitalisation										
WC Financial Management Capacity Building										
WC Financial Management Support										
Financial Management Capability Grant (WC FMCG)										
Whole of Society Approach (WOSA)										
Municipal Electrical Master Plan Grant										
Capacity Building and Other:COVID food parcel grant										
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		295 143	387 723	410 701	322 817	386 695	386 695	390 026	328 261	336 372
Capital expenditure of Transfers and Grants										
National Government:		62 497	61 452	123 164	115 052	131 661	131 661	107 848	97 628	85 144
Energy Efficiency and Demand Side Management Grant					4 304	4 304	4 304		5 940	
Municipal Disaster Recovery Grant			50 165	83 691	70 748	70 748	70 748	88 848	76 688	80 144
Municipal Disaster Relief Grant						16 609	16 609			
Municipal Infrastructure Grant		62 497	6 578	(50)						
Neighbourhood Development Partnership Grant			4 709	39 523	40 000	40 000	40 000	19 000	15 000	5 000
Provincial Government:		3 032	10 689	4 618	–	36 415	36 415	2 000	–	–
Infrastructure		2 990	10 674	3 856		36 415	36 415	2 000		
Capacity Building and Other		42	15	762						
District Municipality:		–	–	–	–	–	–	–	–	–
Capacity Building and Other										
Other grant providers:		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		65 530	72 141	127 782	115 052	168 076	168 076	109 848	97 628	85 144
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		360 673	459 864	538 484	437 869	554 771	554 771	499 874	425 889	421 516

References

Table SA20 Reconciliation of transfers, grant receipts and unspent funds

KZN216 Ray Nkonyeni - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(311)	9 069	9 108	9 108	5 008	5 008			
Current year receipts		(6 905)	(5 949)	(15 608)	(8 026)	(8 026)	(8 026)	374 569	312 124	318 915
Conditions met - transferred to revenue		**(16 285)**	**(5 988)**	**(11 508)**	**(8 026)**	**(8 076)**	**(8 076)**	**374 569**	**312 124**	**318 915**
Conditions still to be met - transferred to liabilities		9 069	9 108	5 008	9 108	5 058	5 058			
Provincial Government:										
Balance unspent at beginning of the year		(3 519)	(3 519)	(4 577)	(4 577)	(4 817)	(4 817)			
Current year receipts		(13 259)	(15 774)	(22 251)	(15 430)	(15 557)	(15 557)	15 457	16 137	17 457
Conditions met - transferred to revenue		**(13 259)**	**(14 716)**	**(22 010)**	**(16 430)**	**(16 557)**	**(16 557)**	**15 457**	**16 137**	**17 457**
Conditions still to be met - transferred to liabilities		(3 519)	(4 577)	(4 817)	(3 577)	(3 817)	(3 817)			
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		(1 050)	(2 630)	(12 015)						
Conditions met - transferred to revenue		**(1 050)**	**(2 630)**	**(12 015)**	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		**(30 594)**	**(23 334)**	**(45 533)**	**(24 456)**	**(24 633)**	**(24 633)**	**390 026**	**328 261**	**336 372**
Total operating transfers and grants - CTBM	2	**5 550**	**4 531**	**191**	**5 531**	**1 241**	**1 241**	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(0)	(13 953)	(23 754)	(24 082)	(16 147)	(16 147)			
Current year receipts		(94 344)	(88 509)	(142 428)	(139 386)	(150 386)	(150 386)	93 781	79 729	74 038
Conditions met - transferred to revenue		**(80 391)**	**(78 708)**	**(150 035)**	**(139 386)**	**(158 436)**	**(158 436)**	**93 781**	**79 729**	**74 038**
Conditions still to be met - transferred to liabilities		(13 953)	(23 754)	(16 147)	(24 082)	(8 097)	(8 097)			
Provincial Government:										
Balance unspent at beginning of the year		(24 371)	(31 176)	(23 401)	(28 784)	(33 419)	(33 419)			
Current year receipts		(9 787)	(60 861)	(56 790)	(1 000)	(35 873)	(35 873)	1 739		
Conditions met - transferred to revenue		**(2 982)**	**(68 636)**	**(46 772)**	–	**(41 877)**	**(41 877)**	**1 739**	–	–
Conditions still to be met - transferred to liabilities		(31 176)	(23 401)	(33 419)	(29 784)	(27 415)	(27 415)			
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		**(83 373)**	**(147 344)**	**(196 807)**	**(139 386)**	**(200 313)**	**(200 313)**	**95 520**	**79 729**	**74 038**
Total capital transfers and grants - CTBM	2	**(45 129)**	**(47 155)**	**(49 567)**	**(53 866)**	**(35 513)**	**(35 513)**	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		**(113 967)**	**(170 678)**	**(242 340)**	**(163 842)**	**(224 946)**	**(224 946)**	**485 546**	**407 990**	**410 410**
TOTAL TRANSFERS AND GRANTS - CTBM		**(39 579)**	**(42 624)**	**(49 376)**	**(48 336)**	**(34 272)**	**(34 272)**	–	–	–

References

Table SA21 Grants and Subsidy made by the Municipality

KZN216 Ray Nkonyeni - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash Transfers to Organisations											
Municipal Entities		1 019	622	–	2 140	2 140	2 140	–	1 000	–	–
Private Enterprises		752	2 386	913	1 159	1 081	1 081	–	1 250	1 294	1 341
Total Cash Transfers To Organisations		1 770	3 008	913	3 299	3 221	3 221	–	2 250	1 294	1 341
Cash Transfers to Groups of Individuals											
Insert description											
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	6	1 770	3 008	913	3 299	3 221	3 221	–	2 250	1 294	1 341
TOTAL TRANSFERS AND GRANTS	6	1 770	3 008	913	3 299	3 221	3 221	–	2 250	1 294	1 341

Table SA22 Councilors and Staff Benefits

KZN216 Ray Nkonyeni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue Framework	
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25
	1	A	B	C	D	E	F	G	H
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		–	–	–	28 393	28 393	28 393	19 040	19 973
Pension and UIF Contributions		–	–	–	–	–	–	758	795
Medical Aid Contributions		–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–
Cellphone Allowance		–	–	–	3 042	3 042	3 042	2 815	2 953
Housing Allowances		–	–	–	–	–	–	5 953	6 245
Other benefits and allowances		–	–	–	–	–	–	2 599	2 726
Sub Total - Councillors		–	–	–	31 434	31 434	31 434	31 164	32 691
% increase	4		–	–	–	–	–	(0.9%)	4.9%
Senior Managers of the Municipality	2								
Basic Salaries and Wages		8 977	8 124	7 328	4 393	3 537	3 537	3 946	4 139
Pension and UIF Contributions		–	(0)	80	189	192	192	192	201
Medical Aid Contributions		–	–	72	78	230	230	230	242
Overtime		–	–	–	–	–	–	–	–
Performance Bonus		957	760	866	1 059	1 059	1 059	1 059	1 110
Motor Vehicle Allowance	3	–	–	495	1 158	964	964	1 060	1 112
Cellphone Allowance	3	110	102	109	115	114	114	114	120
Housing Allowances	3	–	–	1 425	3 488	2 774	2 774	3 275	3 435
Other benefits and allowances	3	–	–	0	0	1	1	1	1
Payments in lieu of leave		–	–	239	–	332	332	332	348
Long service awards		–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		10 043	8 985	10 615	10 481	9 203	9 203	10 209	10 709
% increase	4		(10.5%)	18.1%	(1.3%)	(12.2%)	–	10.9%	4.9%
Other Municipal Staff									
Basic Salaries and Wages		252 033	262 827	274 958	275 817	275 808	275 808	289 760	303 959
Pension and UIF Contributions		47 046	48 393	49 382	51 763	52 372	52 372	50 460	52 933
Medical Aid Contributions		18 151	18 779	18 869	20 813	20 384	20 384	20 668	21 681
Overtime		14 484	18 011	18 959	14 695	19 395	19 395	18 985	19 915
Performance Bonus		20 478	20 949	21 372	23 805	21 807	21 807	22 473	23 574
Motor Vehicle Allowance	3	15 833	16 999	17 850	18 637	19 154	19 154	18 975	19 905
Cellphone Allowance	3	671	1 115	993	1 046	1 125	1 125	1 007	1 056
Housing Allowances	3	3 837	3 964	3 771	3 946	4 125	4 125	4 059	4 258
Other benefits and allowances	3	7 682	5 325	5 512	3 956	6 953	6 953	6 950	7 290
Payments in lieu of leave		12 754	4 453	3 802	4 200	13 591	13 591	22 480	23 582
Long service awards		3 080	6 412	5 264	2 270	2 819	2 819	2 751	2 886
Post-retirement benefit obligations	6	(12 262)	12 312	14 654	15 852	15 852	15 852	15 852	16 628
Sub Total - Other Municipal Staff		383 787	419 539	435 385	436 798	453 383	453 383	474 420	497 667
% increase	4		9.3%	3.8%	0.3%	3.8%	–	4.6%	4.9%
Total Parent Municipality		393 829	428 524	446 000	478 713	494 021	494 021	515 794	541 068
			8.8%	4.1%	7.3%	3.2%	–	4.4%	4.9%

Explanatory notes to Table SA22 Councilors and Staff Benefits

1. The remuneration of councilors and staff are as per the councilor's upper limit approved by the MEC and staff as per SALGA respectively.

Table SA24 Summary of personnel

KZN216 Ray Nkonyeni - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2021/22			Current Year 2022/23			Budget Year 2023/24		
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)		72	–	72	72	–	72	72	–	72
Board Members of municipal entities	4									
Municipal employees	5	8	–	8	8	–	8	8	–	8
Municipal Manager and Senior Managers	3	40			40			40		
Other Managers	7	–			–			–		
Professionals		*5*			*5*			*5*		
Finance		–			–			–		
Spatial/town planning		–			–			–		
Information Technology		1			1			1		
Roads		–			–			–		
Electricity		–			–			–		
Water		–			–			–		
Sanitation		5			5			5		
Refuse		1			1			1		
Other		6			6			6		
Technicians		*6*			*6*			*6*		
Finance		2			2			2		
Spatial/town planning		9			9			9		
Information Technology		–			–			–		
Roads		–			–			–		
Electricity		–			–			–		
Water		19			19			19		
Sanitation		551			551			551		
Refuse		–			–			–		
Other		–			–			–		
Clerks (Clerical and administrative)		–			–			–		
Service and sales workers		122			122			122		
Skilled agricultural and fishery workers		307			307			307		
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	1 143	–	80	1 143	–	80	1 143	–	80

SA 25 Monthly Revenue and Expenditure

KZN216 Ray Nkonyeni - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue																
Exchange Revenue																
Service charges - Electricity		15 203	15 203	15 203	15 203	15 203	15 203	15 203	15 203	15 203	15 203	15 203	15 203	182 436	191 375	200 370
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		5 701	11 402	5 701	5 701	5 701	5 701	5 701	5 701	5 701	5 701	–	–	62 711	65 784	68 876
Sale of Goods and Rendering of Services		798	798	798	798	798	798	798	798	798	798	798	798	9 571	10 040	10 512
Agency services		448	448	448	448	448	448	448	448	448	448	448	448	5 371	5 634	5 899
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		582	582	582	582	582	582	582	582	582	582	582	582	6 982	7 324	7 668
Interest earned from Current and Non Current Assets		709	709	709	709	709	709	709	709	709	709	709	709	8 511	8 928	9 348
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		291	291	291	291	291	291	291	291	291	291	291	291	3 498	3 669	3 842
Licence and permits		53	53	53	53	53	53	53	53	53	53	53	53	636	667	698
Operational Revenue		92	92	92	92	92	92	92	92	92	92	92	92	1 106	1 160	1 215
Non-Exchange Revenue																
Property rates		46 310	92 619	46 310	46 310	46 310	46 310	46 310	46 310	46 310	46 310	–	–	509 406	534 367	559 482
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		2 588	2 588	2 588	2 588	2 588	2 588	2 588	2 588	2 588	2 588	2 588	2 588	31 062	32 584	34 115
Licences or permits		802	802	802	802	802	802	802	802	802	802	802	802	9 628	10 099	10 574
Transfer and subsidies - Operational		32 502	32 502	32 502	32 502	32 502	32 502	32 502	32 502	32 502	32 502	32 502	32 502	390 026	322 807	337 979
Interest		2 514	2 514	2 514	2 514	2 514	2 514	2 514	2 514	2 514	2 514	2 514	2 514	30 164	31 642	33 129
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contrib		**108 593**	**160 604**	**108 593**	**108 593**	**108 593**	**108 593**	**108 593**	**108 593**	**108 593**	**108 593**	**56 583**	**56 583**	**1 251 108**	**1 226 081**	**1 283 707**
Expenditure																
Employee related costs		195	46 839	46 839	46 839	46 839	46 839	46 839	46 839	46 839	62 690	46 839	195	484 629	508 376	532 270
Remuneration of councillors		–	3 116	3 116	3 116	3 116	3 116	3 116	3 116	3 116	3 116	3 116	–	31 164	32 691	34 228
Bulk purchases - electricity		–	16 271	16 271	16 271	16 271	16 271	16 271	16 271	16 271	16 271	16 271	–	162 706	170 679	178 701
Inventory consumed		976	1 112	1 112	1 112	1 112	1 112	1 112	1 112	1 112	1 112	210	75	11 265	12 394	12 977
Debt impairment		186	186	186	186	186	186	186	186	186	186	186	186	2 231	2 341	2 451
Depreciation and amortisation		8 706	8 706	8 706	8 706	8 706	8 706	8 706	8 706	8 706	8 706	8 706	10 938	106 706	111 935	117 196
Interest		808	834	834	834	834	834	834	834	834	834	834	808	9 958	10 446	10 937
Contracted services		11 173	25 851	25 851	25 851	25 851	25 851	25 851	25 851	25 851	25 851	21 668	6 990	272 493	193 696	189 607
Transfers and subsidies		168	1 118	1 118	1 118	1 118	1 118	1 118	1 118	4 486	1 118	1 118	168	14 888	15 617	16 351
Irrecoverable debts written off		876	876	876	876	876	876	876	876	876	876	876	876	10 513	11 028	11 547
Operational costs		7 312	14 273	14 273	14 273	14 273	14 273	14 273	14 273	14 273	14 273	11 636	4 675	152 083	159 097	166 574
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**30 401**	**119 183**	**119 183**	**119 183**	**119 183**	**119 183**	**119 183**	**119 183**	**122 550**	**135 034**	**111 462**	**24 911**	**1 258 637**	**1 228 300**	**1 272 838**
Surplus/(Deficit)		**78 193**	**41 421**	**(10 590)**	**(10 590)**	**(10 590)**	**(10 590)**	**(10 590)**	**(10 590)**	**(13 957)**	**(26 441)**	**(54 879)**	**31 672**	**(7 530)**	**(2 219)**	**10 869**
Transfers and subsidies - capital (monetary allocations)		9 154	9 154	9 154	9 154	9 154	9 154	9 154	9 154	9 154	9 154	9 154	9 154	109 848	201 561	211 035
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**87 347**	**50 575**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(4 803)**	**(17 287)**	**(45 725)**	**40 826**	**102 318**	**199 342**	**221 904**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**87 347**	**50 575**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(4 803)**	**(17 287)**	**(45 725)**	**40 826**	**102 318**	**199 342**	**221 904**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**87 347**	**50 575**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(4 803)**	**(17 287)**	**(45 725)**	**40 826**	**102 318**	**199 342**	**221 904**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**87 347**	**50 575**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(1 436)**	**(4 803)**	**(17 287)**	**(45 725)**	**40 826**	**102 318**	**199 342**	**221 904**

Table SA26 Budgeted Monthly Revenue and Expenditure

KZN216 Ray Nkonyeni - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote																
Vote 1 - Mayor and Council		23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	285 237	299 214	313 277
Vote 2 - Finance and Administration		50 168	96 478	50 168	50 168	50 168	50 168	50 168	50 168	50 168	50 168	3 858	3 858	555 706	582 936	610 334
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		1 342	1 342	1 342	1 342	1 342	1 342	1 342	1 342	1 342	1 342	1 342	1 342	16 098	16 887	17 681
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		2 763	2 763	2 763	2 763	2 763	2 763	2 763	2 763	2 763	2 763	2 763	2 763	33 156	34 781	36 416
Vote 7 - Housing		185	185	185	185	185	185	185	185	185	185	185	185	2 214	2 322	2 432
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	113 160	118 705	124 284
Vote 10 - Road Transport		8 014	8 014	8 014	8 014	8 014	8 014	8 014	8 014	8 014	8 014	8 014	8 014	96 166	100 878	105 619
Vote 11 - Environment Protection		29	29	29	29	29	29	29	29	29	29	29	29	342	359	376
Vote 12 - Energy Sources		15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	183 943	192 956	202 025
Vote 13 - Other		48	48	48	48	48	48	48	48	48	48	48	48	579	607	636
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		6 610	12 311	6 610	6 610	6 610	6 610	6 610	6 610	6 610	6 610	908	908	73 613	77 221	80 850
Total Revenue by Vote		**117 686**	**169 696**	**117 686**	**117 686**	**117 686**	**117 686**	**117 686**	**117 686**	**117 686**	**117 686**	**65 675**	**65 675**	**1 360 216**	**1 426 866**	**1 493 929**
Expenditure by Vote to be appropriated																
Vote 1 - Mayor and Council		2 417	5 616	5 616	5 616	5 616	5 616	5 616	5 616	5 616	5 616	5 616	2 417	60 994	63 982	66 990
Vote 2 - Finance and Administration		4 850	20 106	20 106	20 106	20 106	20 106	20 106	20 106	20 106	35 958	20 106	4 850	226 611	237 715	248 888
Vote 3 - Internal Audit		4 878	7 791	7 791	7 791	7 791	7 791	7 791	7 791	7 791	7 791	7 791	4 878	87 663	91 958	96 280
Vote 4 - Community and Social Services		2 342	5 779	5 779	5 779	5 779	5 779	5 779	5 779	5 779	5 779	5 313	1 876	61 541	64 890	67 940
Vote 5 - Sport and Recreation		104	507	507	507	507	507	507	507	507	507	403	–	5 074	5 322	5 572
Vote 6 - Public Safety		1 728	10 562	10 562	10 562	10 562	10 562	10 562	10 562	10 562	10 562	9 258	424	106 464	111 681	116 930
Vote 7 - Housing		–	1 807	1 807	1 807	1 807	1 807	1 807	1 807	1 807	1 807	1 807	–	18 075	18 960	19 851
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		–	4 262	4 262	4 262	4 262	4 262	4 262	4 262	7 630	4 262	4 262	–	45 987	48 240	50 508
Vote 10 - Road Transport		4 307	22 435	22 435	22 435	22 435	22 435	22 435	22 435	22 435	22 435	22 381	4 253	232 850	157 929	165 352
Vote 11 - Environment Protection		2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	1 309	1 309	24 835	12 222	12 797
Vote 12 - Energy Sources		420	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	420	198 700	208 436	218 233
Vote 13 - Other		29	559	559	559	559	559	559	559	559	559	559	29	5 650	5 927	6 206
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		7 084	17 731	17 731	17 731	17 731	17 731	17 731	17 731	17 731	17 731	12 871	2 224	181 762	198 484	194 621
Total Expenditure by Vote		**30 381**	**119 163**	**119 163**	**119 163**	**119 163**	**119 163**	**119 163**	**119 163**	**122 530**	**135 014**	**111 462**	**22 680**	**1 256 206**	**1 225 750**	**1 270 168**
Surplus/(Deficit) before assoc.		**87 305**	**50 533**	**(1 477)**	**(1 477)**	**(1 477)**	**(1 477)**	**(1 477)**	**(1 477)**	**(4 845)**	**(17 329)**	**(45 787)**	**42 995**	**104 010**	**201 117**	**223 762**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**87 305**	**50 533**	**(1 477)**	**(1 477)**	**(1 477)**	**(1 477)**	**(1 477)**	**(1 477)**	**(4 845)**	**(17 329)**	**(45 787)**	**42 995**	**104 010**	**201 117**	**223 762**

Table SA27 Budgeted Monthly Revenue and Expenditure by (functional Classification)

KZN216 Ray Nkonyeni - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional																
Governance and administration		73 938	120 247	73 938	73 938	73 938	73 938	73 938	73 938	73 938	73 938	27 628	27 628	840 943	882 150	923 611
Executive and council		23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	23 770	285 237	299 214	313 277
Finance and administration		50 168	96 478	50 168	50 168	50 168	50 168	50 168	50 168	50 168	50 168	3 858	3 858	555 706	582 936	610 334
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	19 203	20 143	21 090
Community and social services		1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	16 243	17 039	17 840
Sport and recreation		3	3	3	3	3	3	3	3	3	3	3	3	34	35	37
Public safety		13	13	13	13	13	13	13	13	13	13	13	13	150	158	165
Housing		231	231	231	231	231	231	231	231	231	231	231	231	2 775	2 911	3 048
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		20 223	20 223	20 223	20 223	20 223	20 223	20 223	20 223	20 223	20 223	20 223	20 223	242 674	254 565	266 529
Planning and development		9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	9 430	113 160	118 705	124 284
Road transport		10 764	10 764	10 764	10 764	10 764	10 764	10 764	10 764	10 764	10 764	10 764	10 764	129 172	135 501	141 870
Environmental protection		29	29	29	29	29	29	29	29	29	29	29	29	342	359	376
Trading services		21 938	27 639	21 938	21 938	21 938	21 938	21 938	21 938	21 938	21 938	16 237	16 237	257 557	270 177	282 875
Energy sources		15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	15 329	183 943	192 956	202 025
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		6 610	12 311	6 610	6 610	6 610	6 610	6 610	6 610	6 610	6 610	908	908	73 613	77 221	80 850
Other		48	48	48	48	48	48	48	48	48	48	48	48	579	607	636
Total Revenue - Functional		117 747	169 758	117 747	117 747	117 747	117 747	117 747	117 747	117 747	117 747	65 737	65 737	1 360 956	1 427 642	1 494 742
Expenditure - Functional																
Governance and administration		12 144	33 695	33 695	33 695	33 695	33 695	33 695	33 695	33 695	49 547	33 695	12 144	377 091	395 568	414 160
Executive and council		2 417	5 798	5 798	5 798	5 798	5 798	5 798	5 798	5 798	5 798	5 798	2 417	62 817	65 895	68 992
Finance and administration		8 647	24 129	24 129	24 129	24 129	24 129	24 129	24 129	24 129	39 980	24 129	8 647	274 431	287 878	301 409
Internal audit		1 080	3 768	3 768	3 768	3 768	3 768	3 768	3 768	3 768	3 768	3 768	1 080	39 843	41 795	43 759
Community and public safety		3 131	13 294	13 294	13 294	13 294	13 294	13 294	13 294	13 294	13 294	12 039	1 876	136 697	143 728	150 483
Community and social services		2 321	5 758	5 758	5 758	5 758	5 758	5 758	5 758	5 758	5 758	5 292	1 855	61 291	64 628	67 666
Sport and recreation		124	527	527	527	527	527	527	527	527	527	403	–	5 274	5 532	5 792
Public safety		686	5 202	5 202	5 202	5 202	5 202	5 202	5 202	5 202	5 202	4 537	21	52 057	54 608	57 175
Housing		–	1 807	1 807	1 807	1 807	1 807	1 807	1 807	1 807	1 807	1 807	–	18 075	18 960	19 851
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		7 591	34 117	34 117	34 117	34 117	34 117	34 117	34 117	37 484	34 117	32 511	5 985	356 507	273 815	286 684
Planning and development		–	4 080	4 080	4 080	4 080	4 080	4 080	4 080	7 447	4 080	4 080	–	44 164	46 328	48 505
Road transport		5 370	27 815	27 815	27 815	27 815	27 815	27 815	27 815	27 815	27 815	27 122	4 677	287 507	215 265	225 382
Environmental protection		2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	1 309	1 309	24 835	12 222	12 797
Trading services		7 504	37 517	37 517	37 517	37 517	37 517	37 517	37 517	37 517	37 517	32 657	2 644	380 462	406 921	412 854
Energy sources		420	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	420	198 700	208 436	218 233
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		7 084	17 731	17 731	17 731	17 731	17 731	17 731	17 731	17 731	17 731	12 871	2 224	181 762	198 484	194 621
Other		29	559	559	559	559	559	559	559	559	559	559	29	5 650	5 927	6 206
Total Expenditure - Functional		30 401	119 183	119 183	119 183	119 183	119 183	119 183	119 183	122 550	135 034	111 462	22 680	1 256 406	1 225 959	1 270 387
Surplus/(Deficit) before assoc.		87 347	50 575	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(4 803)	(17 287)	(45 725)	43 057	104 550	201 683	224 354
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	87 347	50 575	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(4 803)	(17 287)	(45 725)	43 057	104 550	201 683	224 354

Table SA28 Budgeted Monthly Capital Expenditure (Municipal Vote)

KZN216 Ray Nkonyeni - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Multi-year expenditure *to be appropriated*	1															
Vote 1 - Mayor and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance and Administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Road Transport		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - Environment Protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Energy Sources		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*																
Vote 1 - Mayor and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance and Administration		–	300	–	–	3 300	201	–	–	–	–	–	–	3 801	3 987	4 174
Vote 3 - Internal Audit		17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
Vote 4 - Community and Social Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		376	376	376	376	376	376	376	376	376	376	292	292	4 340	4 553	4 767
Vote 7 - Housing		–	18	18	18	18	18	18	18	18	18	18	–	180	189	198
Vote 8 - Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		–	9 399	9 399	9 399	9 399	9 399	9 399	9 399	9 399	9 399	9 399	–	93 990	96 771	101 319
Vote 10 - Road Transport		20	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 161	–	11 809	12 387	12 969
Vote 11 - Environment Protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Energy Sources		–	200	200	200	200	200	200	200	200	200	200	–	2 000	2 098	2 197
Vote 13 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	412	11 490	11 190	11 190	14 490	11 391	11 190	11 190	11 190	11 190	11 086	308	116 319	120 194	125 843
Total Capital Expenditure	2	412	11 490	11 190	11 190	14 490	11 391	11 190	11 190	11 190	11 190	11 086	308	116 319	120 194	125 843

Table SA29 Budgeted Monthly Capital expenditure

KZN216 Ray Nkonyeni - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional	1															
Governance and administration		17	317	17	17	3 317	217	17	17	17	17	17	17	4 001	4 197	4 394
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		–	300	–	–	3 300	201	–	–	–	–	–	–	3 801	3 987	4 174
Internal audit		17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
Community and public safety		376	394	394	394	394	394	394	394	394	394	310	292	4 520	4 741	4 964
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		376	376	376	376	376	376	376	376	376	376	292	292	4 340	4 553	4 767
Housing		–	18	18	18	18	18	18	18	18	18	18	–	180	189	198
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		20	10 580	10 580	10 580	10 580	10 580	10 580	10 580	10 580	10 580	10 560	–	105 798	109 158	114 288
Planning and development		–	9 399	9 399	9 399	9 399	9 399	9 399	9 399	9 399	9 399	9 399	–	93 990	96 771	101 319
Road transport		20	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 161	–	11 809	12 387	12 969
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		–	200	200	200	200	200	200	200	200	200	200	–	2 000	2 098	2 197
Energy sources		–	200	200	200	200	200	200	200	200	200	200	–	2 000	2 098	2 197
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	412	11 490	11 190	11 190	14 490	11 391	11 190	11 190	11 190	11 190	11 086	308	116 319	120 194	125 843
Funded by:																
National Government		–	9 378	9 378	9 378	9 378	9 378	9 378	9 378	9 378	9 378	9 378	–	93 781	98 376	103 000
Provincial Government		–	174	174	174	174	174	174	174	174	174	174	–	1 739	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		–	9 552	9 552	9 552	9 552	9 552	9 552	9 552	9 552	9 552	9 552	–	95 520	98 376	103 000
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		412	1 938	1 638	1 638	4 938	1 839	1 638	1 638	1 638	1 638	1 534	308	20 799	21 818	22 844
Total Capital Funding		412	11 490	11 190	11 190	14 490	11 391	11 190	11 190	11 190	11 190	11 086	308	116 319	120 194	125 843

Table SA30 Budgeted Monthly Cash Flow

KZN216 Ray Nkonyeni - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash Receipts By Source													1		
Property rates	40 328	40 328	40 328	40 328	40 328	40 328	40 328	40 328	40 328	40 328	40 328	40 328	483 936	507 649	531 508
Service charges - electricity revenue	14 443	14 443	14 443	14 443	14 443	14 443	14 443	14 443	14 443	14 443	14 443	14 443	173 314	181 806	190 351
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	4 965	4 965	4 965	4 965	4 965	4 965	4 965	4 965	4 965	4 965	4 965	4 965	59 576	62 495	65 432
Rental of facilities and equipment	291	291	291	291	291	291	291	291	291	291	291	291	3 498	3 669	3 842
Interest earned - external investments	709	709	709	709	709	709	709	709	709	709	709	709	8 511	8 928	9 348
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits	855	855	855	855	855	855	855	855	855	855	855	855	10 263	10 766	11 272
Agency services	448	448	448	448	448	448	448	448	448	448	448	448	5 371	5 634	5 899
Transfers and Subsidies - Operational	55 194	24 117	24 117	24 117	68 701	24 117	24 117	24 117	53 244	24 117	24 117	24 117	394 190	327 175	342 552
Other revenue	625	625	625	625	625	625	625	625	625	625	625	625	7 495	7 863	8 232
Cash Receipts by Source	117 858	86 780	86 780	86 780	131 365	86 780	86 780	86 780	115 908	86 780	86 780	86 780	1 146 154	1 115 985	1 168 437
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36 616	–	–	–	36 616	–	–	–	36 616	–	–	–	109 848	115 231	120 646
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ 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	154 474	86 780	86 780	86 780	167 981	86 780	86 780	86 780	152 524	86 780	86 780	86 780	1 256 002	1 231 216	1 289 083
Cash Payments by Type															
Employee related costs	–	47 096	47 096	47 096	47 096	47 096	47 096	47 096	47 096	62 948	47 096	–	486 812	510 777	534 784
Remuneration of councillors	–	3 116	3 116	3 116	3 116	3 116	3 116	3 116	3 116	3 116	3 116	–	31 164	32 691	34 228
Finance charges	808	834	834	834	834	834	834	834	834	834	834	808	9 958	10 446	10 937
Bulk purchases - electricity	–	16 271	16 271	16 271	16 271	16 271	16 271	16 271	16 271	16 271	16 271	–	162 706	170 679	178 701
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	10 785	26 576	26 576	26 576	26 576	26 576	26 576	26 576	26 576	26 576	21 901	6 111	277 977	291 598	305 303
Transfers and subsidies - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	7 265	14 321	14 321	14 321	14 321	14 321	14 321	14 321	14 321	14 321	11 711	4 654	152 519	159 992	167 512
Cash Payments by Type	18 858	108 214	108 214	108 214	108 214	108 214	108 214	108 214	108 214	124 066	100 929	11 573	1 121 136	1 176 183	1 231 464
Other Cash Flows/Payments by Type															
Capital assets	412	13 802	13 502	13 502	16 472	13 703	13 502	13 502	13 502	13 502	13 398	308	139 110	145 927	152 785
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	19 270	122 016	121 716	121 716	124 686	121 917	121 716	121 716	121 716	137 568	114 327	11 881	1 260 246	1 322 110	1 384 249
NET INCREASE/(DECREASE) IN CASH HELD	135 204	(35 236)	(34 936)	(34 936)	43 295	(35 137)	(34 936)	(34 936)	30 808	(50 787)	(27 547)	74 900	(4 244)	(90 894)	(95 166)
Cash/cash equivalents at the month/year begin:	131 591	266 795	231 559	196 623	161 688	204 982	169 846	134 910	99 974	130 782	79 995	52 448	131 591	127 347	36 453
Cash/cash equivalents at the month/year end:	266 795	231 559	196 623	161 688	204 982	169 846	134 910	99 974	130 782	79 995	52 448	127 347	127 347	36 453	(58 712)

Table SA34a Capital Expenditure on new assets by asset class

KZN216 Ray Nkonyeni - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		78 045	27 441	80 616	59 461	61 303	61 303	41 868	43 919	45 983
Roads Infrastructure		51 270	33 292	74 206	44 417	43 475	43 475	35 759	37 511	39 274
Roads		31 447	23 006	35 615	25 113	24 283	24 283	18 500	19 407	20 319
Road Structures		19 781	10 287	38 591	19 304	19 193	19 193	17 259	18 105	18 956
Road Furniture		42	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		15 882	3 470	4 422	2 609	4 609	4 609	4 609	4 834	5 062
Drainage Collection		15 882	3 470	4 422	2 609	4 609	4 609	4 609	4 834	5 062
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		10 893	(9 322)	1 988	12 435	12 719	12 719	1 500	1 574	1 647
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		(223)	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		972	443	708	1 275	1 275	1 275	–	–	–
MV Switching Stations		295	803	1 280	3 204	1 965	1 965	500	525	549
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		9 849	(10 568)	–	7 957	9 479	9 479	1 000	1 049	1 098
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	500	500	–	–	–
Data Centres		–	–	–	–	500	500	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Community Assets	63 536	11 321	5 544	14 783	21 564	21 564	18 500	19 407	20 319
Community Facilities	59 222	7 742	2 590	10 870	17 651	17 651	12 000	12 588	13 180
Halls	38 551	3 734	1 400	10 435	11 526	11 526	11 000	11 539	12 081
Centres	19 041	–	–	–	–	–	–	–	–
Crèches	–	–	–	–	–	–	–	–	–
Clinics/Care Centres	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations	–	–	–	–	–	–	–	–	–
Testing Stations	–	–	–	–	–	–	–	–	–
Museums	–	–	–	–	–	–	–	–	–
Galleries	–	–	–	–	–	–	–	–	–
Theatres	–	–	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria	–	–	334	–	–	–	–	–	–
Police	–	–	–	–	–	–	–	–	–
Parks	–	–	–	435	35	35	1 000	1 049	1 098
Public Open Space	–	–	–	–	–	–	–	–	–
Nature Reserves	5 990	–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Stalls	–	–	856	–	6 090	6 090	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Airports	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	(4 360)	4 007	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	4 314	3 580	2 954	3 913	3 913	3 913	6 500	6 819	7 139
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	4 314	3 580	2 954	3 913	3 913	3 913	6 500	6 819	7 139
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	150	160	–	–	–	–	–	–
Monuments	–	–	–	–	–	–	–	–	–
Historic Buildings	–	–	–	–	–	–	–	–	–
Works of Art	–	–	–	–	–	–	–	–	–
Conservation Areas	–	–	–	–	–	–	–	–	–
Other Heritage	–	150	160	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Other assets	2 325	17 087	15 833	8 261	4 261	4 261	–	–	–
Operational Buildings	2 325	17 087	15 833	8 261	4 261	4 261	–	–	–
Municipal Offices	1 532	7 080	4 628	6 957	2 957	2 957	–	–	–
Pay/Enquiry Points	–	–	–	–	–	–	–	–	–
Building Plan Offices	–	–	–	–	–	–	–	–	–
Workshops	201	8 407	10 885	–	–	–	–	–	–
Yards	–	–	320	–	–	–	–	–	–
Stores	–	–	–	–	–	–	–	–	–
Laboratories	–	–	–	–	–	–	–	–	–
Training Centres	–	–	–	–	–	–	–	–	–
Manufacturing Plant	–	–	–	–	–	–	–	–	–
Depots	592	1 600	–	1 304	1 304	1 304	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Housing	0	–	–	–	–	–	–	–	–
Staff Housing	–	–	–	–	–	–	–	–	–
Social Housing	0	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	909	2 190	840	840	840	881	923
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	909	2 190	840	840	840	881	923
Water Rights	–	–	–	–	–	–	–	–	–
Effluent Licenses	–	–	–	–	–	–	–	–	–
Solid Waste Licenses	–	–	–	–	–	–	–	–	–
Computer Software and Applications	–	–	909	2 190	840	840	840	881	923
Load Settlement Software Applications	–	–	–	–	–	–	–	–	–
Unspecified	–	–	–	–	–	–	–	–	–
Computer Equipment	(40 048)	10 018	15 720	5 298	6 194	6 194	5 840	6 126	6 414
Computer Equipment	(40 048)	10 018	15 720	5 298	6 194	6 194	5 840	6 126	6 414
Furniture and Office Equipment	(2 889)	1 630	1 629	1 749	2 469	2 469	381	399	418
Furniture and Office Equipment	(2 889)	1 630	1 629	1 749	2 469	2 469	381	399	418
Machinery and Equipment	(13 613)	1 098	4 641	2 120	2 941	2 941	1 660	1 741	1 823
Machinery and Equipment	(13 613)	1 098	4 641	2 120	2 941	2 941	1 660	1 741	1 823
Transport Assets	36 144	51 340	18 674	17 950	14 950	14 950	–	–	–
Transport Assets	36 144	51 340	18 674	17 950	14 950	14 950	–	–	–
Land	–	2 400	–	–	–	–	–	–	–
Land	–	2 400	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Living resources	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Policing and Protection	–	–	–	–	–	–	–	–	–
Zoological plants and animals	–	–	–	–	–	–	–	–	–
Immature	-	-	-	-	-	-	-	-	-
Policing and Protection	–	–	–	–	–	–	–	–	–
Zoological plants and animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets 1	123 500	122 485	143 726	111 812	114 522	114 522	69 089	72 474	75 880

Table SA34b Capital expenditure on renewal of existing assets by class

KZN216 Ray Nkonyeni - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		20 901	7 219	7 683	26 652	45 009	45 009	19 000	19 931	20 868
Roads Infrastructure		29 679	6 748	1 958	15 043	26 109	26 109	17 500	18 358	19 220
Roads		29 679	5 438	402	11 304	20 870	20 870	13 500	14 162	14 827
Road Structures		–	1 310	1 556	3 739	5 239	5 239	4 000	4 196	4 393
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	7 043	7 043	–	–	–
Drainage Collection		–	–	–	–	7 043	7 043	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		305	635	587	2 913	2 661	2 661	1 500	1 574	1 647
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	288	–	–	500	525	549
MV Substations		305	635	587	1 250	2 161	2 161	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	1 375	500	500	1 000	1 049	1 098
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		(9 063)	–	5 138	8 696	8 696	8 696	–	–	–
Landfill Sites		(9 063)	–	5 138	8 696	8 696	8 696	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Seperation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		(0)	(165)	–	–	500	500	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		(0)	(165)	–	–	500	500	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		–	5 036	2 928	896	196	196	10 500	11 015	11 532
Community Facilities		–	5 036	2 120	896	196	196	10 500	11 015	11 532
Halls		–	5 036	2 120	896	196	196	10 500	11 015	11 532
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–

Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	808	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	808	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	**20 901**	**12 255**	**10 612**	**27 547**	**45 204**	**45 204**	**29 500**	**30 946**	**32 400**
Renewal of Existing Assets as % of total capex		*12.8%*	*7.4%*	*5.0%*	*15.2%*	*19.6%*	*19.6%*	*25.4%*	*25.7%*	*25.7%*
Renewal of Existing Assets as % of deprecn"		*22.6%*	*13.0%*	*12.0%*	*27.7%*	*45.4%*	*45.4%*	*28.2%*	*28.2%*	*28.2%*

Table SA34d Depreciation by asset class

KZN216 Ray Nkonyeni - Supporting Table SA34d Depreciation by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Depreciation by Asset Class/Sub-class										
Infrastructure		57 055	58 169	47 389	60 000	60 000	60 000	63 000	66 087	69 193
Roads Infrastructure		57 055	58 169	47 389	60 000	60 000	60 000	51 030	53 530	56 046
Roads		57 055	58 169	47 389	60 000	60 000	60 000	51 030	53 530	56 046
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	2 520	2 643	2 768
Drainage Collection		–	–	–	–	–	–	2 520	2 643	2 768
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	5 040	5 287	5 535
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	5 040	5 287	5 535
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	4 410	4 626	4 844
Landfill Sites		–	–	–	–	–	–	4 410	4 626	4 844
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		26 997	25 006	26 683	27 500	27 500	27 500	21 945	23 020	24 102
Community Facilities		26 997	25 006	26 683	27 500	27 500	27 500	21 945	23 020	24 102
Halls		26 997	25 006	26 683	27 500	27 500	27 500	18 769	19 688	20 614
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–

Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	3 176	3 332	3 488
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	6 980	7 270	7 611
Operational Buildings		–	–	–	–	–	–	6 930	7 270	7 611
Municipal Offices		–	–	–	–	–	–	6 930	7 270	7 611
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		210	213	459	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		210	213	459	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		210	213	459	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		1 399	1 216	1 549	1 500	1 500	1 500	1 575	1 652	1 730
Computer Equipment		1 399	1 216	1 549	1 500	1 500	1 500	1 575	1 652	1 730
Furniture and Office Equipment		1 024	898	1 097	1 000	1 000	1 000	1 050	1 101	1 153
Furniture and Office Equipment		1 024	898	1 097	1 000	1 000	1 000	1 050	1 101	1 153
Machinery and Equipment		1 552	824	1 197	1 000	1 000	1 000	1 050	1 101	1 153
Machinery and Equipment		1 552	824	1 197	1 000	1 000	1 000	1 050	1 101	1 153
Transport Assets		4 280	8 025	10 106	8 500	8 500	8 500	8 925	9 362	9 802
Transport Assets		4 280	8 025	10 106	8 500	8 500	8 500	8 925	9 362	9 802
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-

Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	92 617	94 361	88 480	89 500	99 500	99 500	104 475	109 594	114 745

Table SA35 Future Financial implications

KZN216 Ray Nkonyeni - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value
Capital expenditure	1							
Vote 1 - Mayor and Council		–	–	–				
Vote 2 - Finance and Administration		3 801	3 987	4 174				
Vote 3 - Internal Audit		200	210	220				
Vote 4 - Community and Social Services		–	–	–				
Vote 5 - Sport and Recreation		–	–	–				
Vote 6 - Public Safety		4 340	4 553	4 767				
Vote 7 - Housing		180	189	198				
Vote 8 - Health		–	–	–				
Vote 9 - Planning and Development		93 990	96 771	101 319				
Vote 10 - Road Transport		11 809	12 387	12 969				
Vote 11 - Environment Protection		–	–	–				
Vote 12 - Energy Sources		2 000	2 098	2 197				
Vote 13 - Other		–	–	–				
Vote 14 - Waste Water Management		–	–	–				
Vote 15 - Waste Management		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**116 319**	**120 194**	**125 843**	–	–	–	–
Future operational costs by vote	2							
Vote 1 - Mayor and Council								
Vote 2 - Finance and Administration								
Vote 3 - Internal Audit								
Vote 4 - Community and Social Services								
Vote 5 - Sport and Recreation								
Vote 6 - Public Safety								
Vote 7 - Housing								
Vote 8 - Health								
Vote 9 - Planning and Development								
Vote 10 - Road Transport								
Vote 11 - Environment Protection								
Vote 12 - Energy Sources								
Vote 13 - Other								
Vote 14 - Waste Water Management								
Vote 15 - Waste Management								
List entity summary if applicable								
Total future operational costs		–	–	–	–	–	–	–
Future revenue by source	3							
Exchange Revenue								
Service charges - Electricity								
Service charges - Water								
Service charges - Waste Water Management								
Service charges - Waste Management								
Agency services								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		**116 319**	**120 194**	**125 843**	–	–	–	–

References

Table SA36 List of Capital Project

CAPITAL ITEMS	Total Capital Budget	
ADMIN AND CORP MANAGEMENT SERVICES FURNITURE AND E	R	200,800.00
SPG Computers	R	189,996.00
Leaf blower	R	9,996.00
Margate Airport Upgrade - ward 6	R	1,739,130.00
INSTALLATION OF NEW STREET LIGHTS	R	1,000,000.00
UPGRADE OF MAIN HARDING ROAD	R	6,000,000.00
Upgrade of Reynold Street	R	5,000,000.00
Outdoor Facilities:OUTDOOR GYM FACILITIES	R	1,000,000.00
SPORTSFIELD MBENI (WARD 31)	R	4,000,000.00
Outdoor Facilities:Tatane Sportfield	R	2,500,000.00
Community Park in Ward 5	R	1,000,000.00
REHABILITATION OF COLLEGE ROAD SOUTHBROOM WARD 2	R	5,000,000.00
Rural Roads and Stormwater Rehabilitation	R	8,000,000.00
Ward 34 Gravel Road	R	500,000.00
MARGATE HALL RECONSTRUCTION WARD 2	R	8,000,000.00
ZG Hall Roof Repairs	R	1,500,000.00
Renovations: Izingolweni Halls	R	1,000,000.00
Ward 36 Nkulu community hall	R	4,000,000.00
DUMEZULU COMMUNITY HALL Phase 2	R	4,000,000.00
Nkulu Community Hall Ward 25	R	3,000,000.00
MBHELE PEDESTRIAN BRIDGE	R	500,000.00
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	R	3,000,000.00
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	R	3,000,000.00
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 14	R	5,000,000.00
MADALA TO MDLUNGWANA VEHICULAR BRIDGE WARD 24	R	759,130.00
PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	R	3,500,000.00
NKANGENI VEHICULAR BRIDGE WARD 25	R	500,000.00
Bhayiya Vehicular Bridge	R	500,000.00
Nhlangeni Vehicular Bridge	R	500,000.00
WARD 28 WALKWAYS AND GUARDRAILS (THEMBA NGUBELANG	R	1,000,000.00
WARD 12 PEDESTRIAN BRIDGE (OVER SUGAR MILL ROAD)	R	3,000,000.00
2019 RATIONALISATION OF OFFICE SPACE (UVONGO)	R	469,570.00
NGQUMBELA ROAD AND CAUSEWAY WARD 7	R	2,500,000.00
ROADS RESEALS	R	3,000,000.00
LONJANI TO KHUMBUZA ROAD	R	4,000,000.00
Bomvini School Road	R	500,000.00
Nkanyezini Road	R	500,000.00
Mandla Mzelemu Road	R	500,000.00
Corner House Ring Road	R	500,000.00
UPGRADE NELSON MANDELA DRIVE	R	3,521,740.00
Control Room Software	R	840,000.00
CCTV Microwave linking	R	2,000,000.00
INSTALLATION OF CCTV CAMERAS	R	1,500,000.00
CFO Furniture	R	130,000.00
COMPUTER EQUIPMENT	R	200,000.00
SCM Computers	R	100,000.00

SCM Industrial Shredder	R	70,000.00
Road Reseals	R	7,000,000.00
ROADS URBAN STORMWATER	R	4,608,590.00
POWER FACTOR CORRECTION EQUIPMENT	R	500,000.00
11kV INTERCONNECTOR - MARBURG TO P.S. SUB	R	500,000.00
MV INFRASTRUCTURE REFURBISHMENT & UPGRADES	R	500,000.00
MV NETWORK RING CONNECTIONS	R	500,000.00
Office Computer Equipment_Technical Services	R	50,000.00
Furniture and Equipment_Technical Services	R	50,000.00
Small Tools_Technial Services	R	80,000.00
I T Equipment	R	3,300,000.00
	R	**116,318,952.00**

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 monthly. Section 71 reporting to the Executive Mayor (within 10 working days).

Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department, of the five interns four have been appointed permanently. The remaining two are still under the training and municipality has an obligation to replace the vacant positions of the three interns.

Budget and Treasury Office

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

Audit Committee

An Audit Committee is shared with other municipalities within the district and is fully functional.

Service Delivery and Implementation Plan

The detail 2022/23 draft SDBIP document will be compiled and will be tabled before council.

Annual Report

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