



Ugu District Municipality

UGU ADJUSTMENTS BUDGET 2020/2021

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1. BACKGROUND

The Annual Budget 2020/21 was adopted by Council on the 28th May 2020 in accordance with Chapter 4 of the Municipal Finance Management Act and its regulations. The management had taken the following into consideration on compilation of the annual budget:

- The Integrated Development Plan of the municipality as reviewed for the next five year period.
- The National and Provincial Developmental Priorities and the municipality's contribution to the achievements of national targets.
- The Financial Recovery Plan and Back to Basics strategy adopted in May 2013.
- The adopted Budget Related policies and by-laws of the municipality.
- The allocations and conditions in the Division of Revenue Act of 2020.

When the annual budget 2020/21 was prepared, the municipality had consulted the Provincial Treasury (PT) in terms of section 23(1)(b) of the Municipal Finance Management Act. During the engagement, the provincial treasury had indicated that the budget of the municipality was not funded. The National Treasury (NT) also sent a formal communication to the municipality, stating that the budget of the municipality was not funded. Furthermore, the NT gave the municipality a directive to revise their budget and submit a funded budget by 30 September 2020.

The municipality followed the directive from NT and prepare a special adjustments budget that was tabled to the council on 30 September 2020. The municipality made all the necessary attempts to cut down the current year's projected expenditure to a minimum that is required to provide the basic services to the community, however the outstanding debt that was carried over from the previous financial year remained a challenge. A budget funding plan was developed explaining how the municipality was going to turn around the negative cash flows of the municipality over a period six years.

The budget funding plan was submitted to the PT for comments. The PT assessed the municipality's budget funding plan and issued their assessment report in which they confirm that they support the plan and advised the municipality to submit their revised budget with the funding plan to the National Treasury.

In January 2021, the municipality had assessed it's performance for the first term of the current financial year and prepared a mid-term performance report that tabled in the council on the 30th January 2021.

2. FACTORS INFLUENCING THE ADJUSTMENTS BUDGET

2.1 The municipality has undertaken the following approached to adjust its budget:

- **Projected Revenues**

Although the mid-term report reflects that the municipality had realised less revenue compared to the budget, however the management is confident that the revenues of the municipality will pick during the second term. The implementation of the Budget Funding and Financial Recovery strategy was delayed by various factors including the second wave of the Covid-19 pandemic that happened during the first term of the current budget year. The municipality however remains positive that the implementation the Financial recovery plans take place in the second terms, hence the Revenue budget have not been

adjusted. The following elements of the Financial Turnaround Strategy will be implemented in the second term to improve the revenues and cash collections of the municipality –

- Insourcing the meter reading function to improve billing and revenue management, and
- Outsourcing then collection of the old outstanding debts to the external debt collection specialist.

The municipality has already started charging interest on outstanding debtors in the current financial year according to the revised Credit Control Policy.

- **Employee related cost**

The municipality has exceeded the projected expenditure on Employee Related expenditure during the first term by 13%. Some staff were dismissed after they had been involved in an illegal strike that took place during the 2019/20 financial year. The Water Services department was mostly affected by the staff movement as most of the union members belong to this department. The staff shortages had a negative effect on service delivery which results in the available staff having to work overtime to cover the gaps that were created from the vacant positions. Also, over-expenditure is caused by the overtime worked to deal with the breakages and breakdowns on the ageing infrastructure.

The municipality has increased the budget for overtime in the mid-term adjustments budget in order to avoid the unauthorised expenditure at the end of the financial year.

- **Remuneration of Councillors**

For the past three years, the councillor's allowances have not increased since the municipality has been receiving negative audit opinion. The MEC for Cogta in the province has created a culture that the councillors from the non-performing municipalities do not get their salary increases. On the other had the municipality has been making provision for the councillor's allowance increase in their budget. This has resulted in a big savings of R5.5m being realised in the budget for councillors allowed during mid-terms and the budget was adjusted downward to align with the actual expenditure. The savings was used to top up the budget for staff salaries that was overspend at mid-term

- **Outstanding Creditors balance from the previous financial year**

The municipality had committed R586 million from the previous financial year. Unfortunately, the municipality does not have much options to deal with this commitment, except to improve cash collections and reduce the current expenditure to a bear minimum that is required to provide the basic services to the community.

- **Debt Impairment**

Debt Impairment is normally calculated at year end for the AFS purposes, therefore the 100% budget savings on this line item at mid-terms is not a true reflection of the actual situation. This budget will definitely be utilised when the year-end adjustments are being processed, hence the budget for this line item was not adjusted at mi-term.

- **Depreciation**

The expenditure on Depreciation and Asset Impairment has exceeded the projection for the first term by 23%. The asset management is one of the outstanding modules in the new financial system, therefore all the calculations, including depreciation and amortisation are manual at this stage. Moreover the budget for this line item was adjusted downward during the special adjustments budget in September in order to deal with the unfunded budget situation that existed, however the Provincial Treasury did not support our actions

and advised us correct this error during mid-term, hence we have adjusted the budget for Depreciation upward.

- **Finance Charges**

The municipality had understated the annual budget for the Finance Cost in error and this has been corrected in the mid-term adjustments budget.

- **Bulk Water Purchases**

At mid-term, the municipality has underspent the budget on Bulk Water Purchases by 30%. The reason for the under-expenditure is emanating from various reason including the manual system of creditors accrual. The municipality is planning to implement an automated system of the creditors accruals to ensure accurate and complete reporting. The budget for Bulk Water Purchases will has not been adjusted during mid-term as there was no proper justification to do so. Nonetheless, the municipality will be expected to provide more water to schools where there is no infrastructure when school term begins in mid-February.

- **Contracted Services**

The municipality has realised a huge savings of 52% on Contracted services during mid-term due to the implementation of the cost saving measures. The savings was used to top-up the budgets on the other line items including Employee Related cost and Depreciation where the budget had been overspent during the first term. Also a huge saving was made on the budget for Repairs and Maintenance of Infrastructure where some units were assessed to be beyond repairs. These savings were transferred to the Capital budget to provide for the replacement units. This decision was prompted by the decision that was taken to cut down the Internally funded capital budget during the Special adjusted budget in September that was against the municipality's Infrastructure maintenance plan.

- **Capital budget**

As mentioned above, the municipality took a decision to cut down its budget for the Internal funded projects during the Special adjustments budget in September 2020. This decision was taken in order to deal with the challenge of an unfunded budget that existed , however it was against the municipality's Infrastructure maintenance plan. The municipality has decided to utilise the huge savings from the Repairs and maintenance budget to top up the budget for the Internally funded project.

2.2 IMPLEMENTATION OF THE 2020/2021 BUDGET

The financial results of all operations for the first term are summarised on the S72 report. In the first term of the financial year, the municipality has raised a total revenue of R203 696 191 from services charges compared to the projected revenue of R283 802 510 for the same period. This constitutes a shortfall of R80 106 319 from the projected revenue. The management remains confident that the municipality will realise its targeted revenue at the end of the year based on the turnaround strategy that is being implemented. It is upon this background that the management decided to not to adjust the projected revenue in the mid-term adjustments budget except to provide for the additional grants income that were rolled over from the previous financial year.

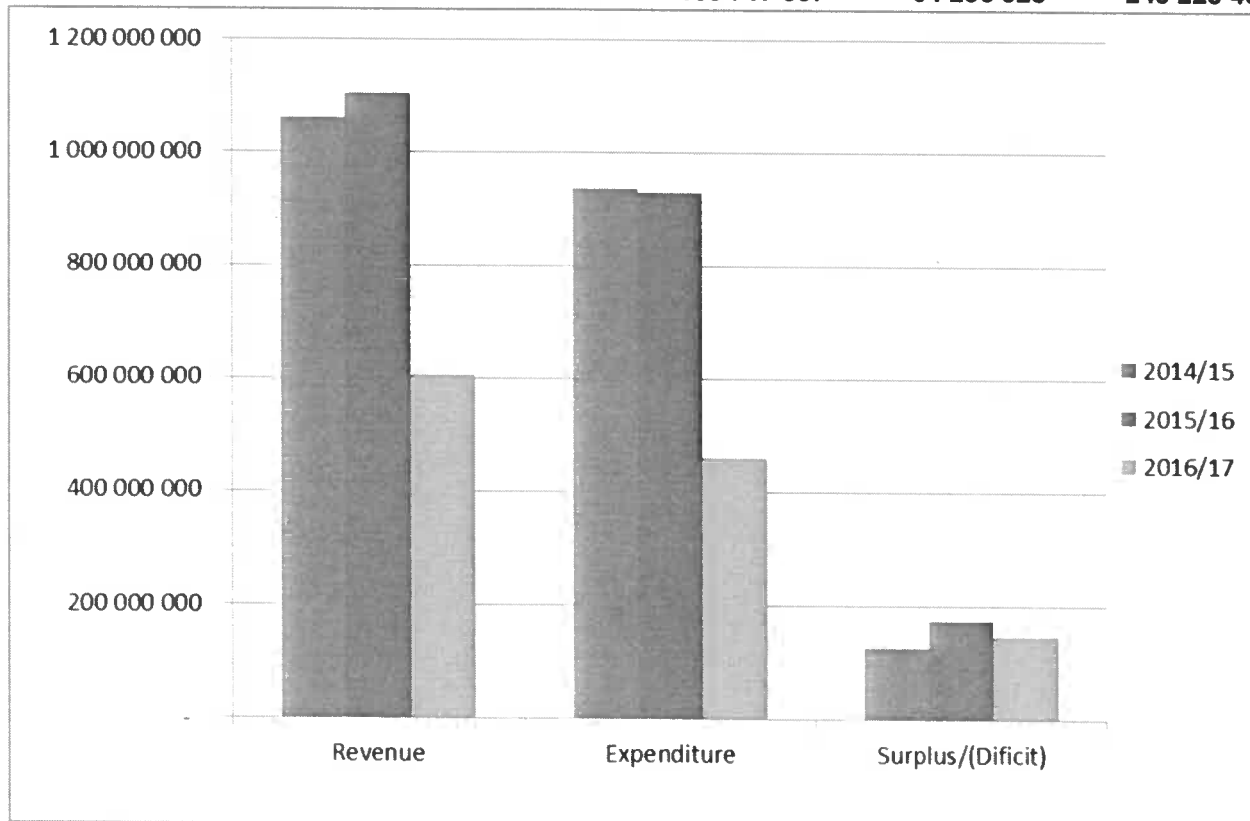
The municipality has exceeded the projected expenditure on the employee related cost in the first quarter of the financial year. This is due to the overtime done to repair breakages of the ageing infrastructure and cover for the vacant positions that were created through dismissals emanating from the illegal strike action that took place in 2019/20. The municipality The municipality had no option but to adjust the budget for the Employee related cost upward in order to avoid the unauthorised expenditure at the end of the year.

All deviations from the normal supply chain processes have been approved by the accounting officer. Monthly reports have been submitted to the Portfolio Committee, Executive Committee and Council. In line with the adopted procedure on dealing with Unauthorised, Irregular, Fruitless and Wasteful (UIF&W) expenditure, the register of UIF&W expenditure is submitted monthly to Internal Audit for investigation in terms of S32 of the MFMA. The provisions of the MFMA have been considered in as far as they apply in the implementation of the annual budget.

2.2 FINANCIAL PERFORMANCE OVERVIEW

REVENUE vs. EXPENDITURE

	2016/17	2017/18	2018/19	2019/20	2020/21
REVENUE	1 056 105 900	1 065 167 742	1 076 871 106	1 209 980 028	719 910 455
EXPENDITURE	972 072 145	1 057 953 458	1 236 589 043	1 244 216 956	476 686 993
SURPLUS / DEFICIT	84 032 755	7 214 284	-159 717 937	-34 236 928	243 223 462

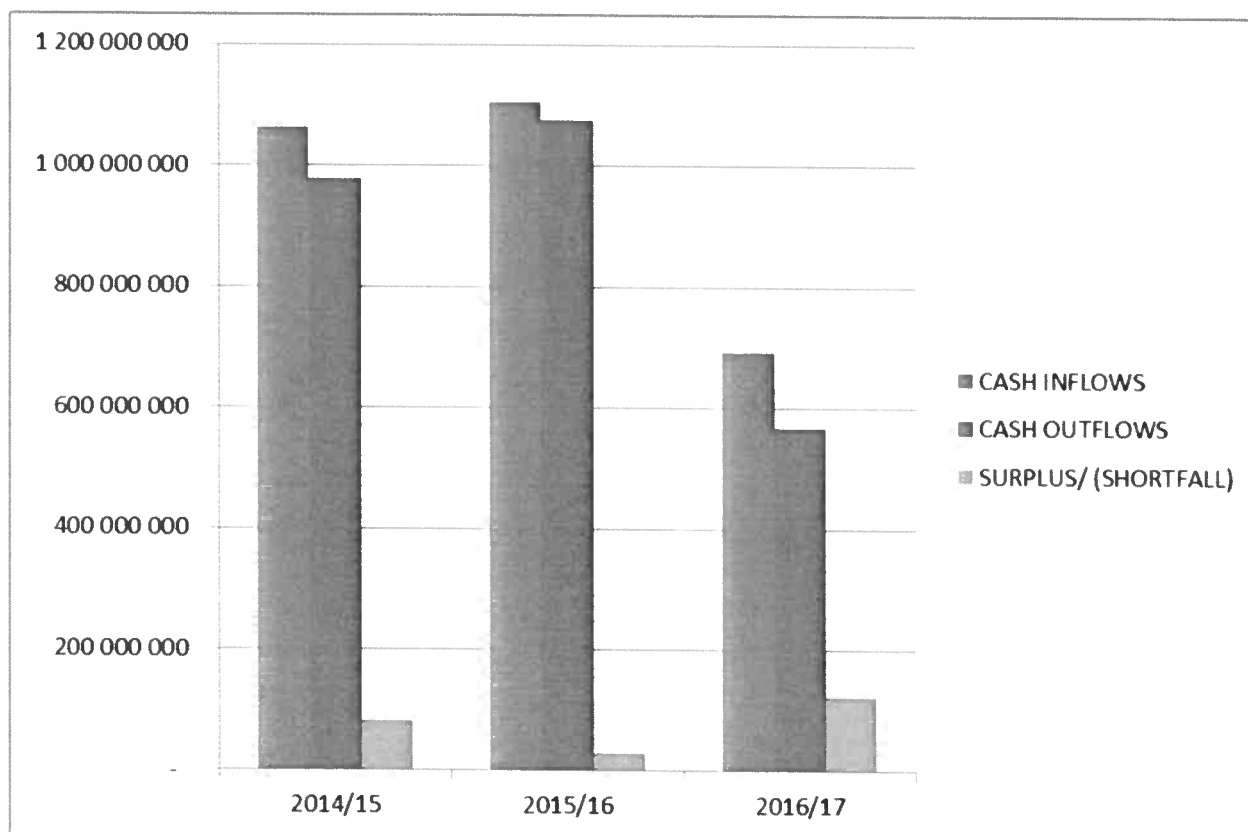


The municipality has incurred an operating deficit over the past 2 years, however for the first term of the current financial year, the municipality has realised an operating surplus. The performance in the first term has been an increase in revenue and decrease in expenditure compared to the same period last year. The increase in revenue is attributed by tariff increase that was approved by council in May 2020.

The total expenditure for the first term of the current financial year has decreased by 9.23% compared to the same period last year. The increase in expenditure is attributed the implementation of the cost containment measures.

2.3 CASH FLOWS

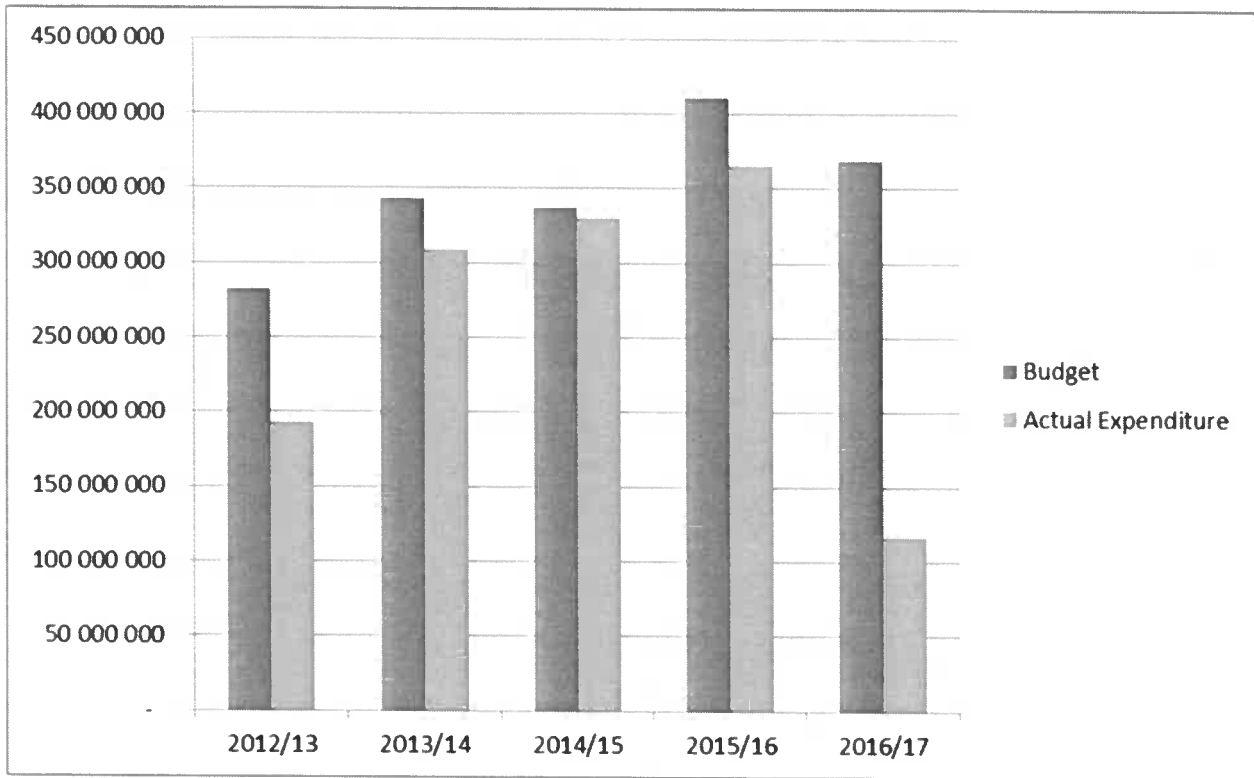
	2016/17	2017/18	2018/19	2019/20	2020/21
CASH INFLOWS	1 020 237 506	1 004 865 840	1 136 732 289	1 152 298 115	727 190 041
CASH OUTFLOWS	1 096 341 123	831 074 031	1 127 333 602	1 123 772 328	630 052 206
SURPLUS/ (SHORTFALL)	-76 103 617	173 791 809	9 398 687	28 525 787	97 137 834



The municipality has made improvements of 11.63% in cash inflows in the first term of the current financial year compared to the same period last year, and also the related cash outflows has decreased by 5.13% for the same periods comparatively. Although the cash inflows appears positive, there is a contribution from unspent conditional grants on the cash available at the end of December 2020.

2.4 CAPITAL EXPENDITURE

	2016/17	2017/18	2018/19	2019/20	2020/21
Budget	368 557 000	362 059 975	301 162 595	277 750 781	252 762 991
Actual Expenditure	318 845 695	290 548 713	300 110 160	256 060 690	72 654 291
% spent	86.51%	80.25%	99.65%	92.19%	28.74%



The municipality has spent 28.74% of its capital budget in the first term of the current financial year compared to 45.15% that was spent during the same period last year. The management committee is closely monitoring the implementation of the capital budget on a monthly basis, however, in the first term the committee has been focusing more on the implementation of the grant funded projects.

2.5 IMPACT OF THE NATIONAL AND PROVINCIAL ADJUSTMENTS BUDGET

No additional funding has been received by the municipality during the first terms of the current financial year except the additional equitable share of R58m that was received during the first quarter and appropriated in the special adjustments budget in September.

2.6 ANNUAL REPORT 2018/2019 CHALLENGES AND PROGRESS IN RESOLVING THE PROBLEMS THAT WERE IDENTIFIED IN THE ANNUAL REPORT

The Annual Report 2018/2019 did specifically identify key challenges and constraints experienced; the following focal areas of municipal performance were highlighted:

NO.	KEY CHALLENGES	PROGRESS MADE	CONSTRAINTS
1.	There were delays in some projects, which resulted in motivations for rollover submissions to the National Treasury as per the Division of Revenue Act. The outcomes of the requests for rollovers are still awaited.	The requested rollovers were approved and expenditure is ongoing. Current year spending is being closely monitored to prevent rollovers.	None.
2.	Lack of capacity to review the Spatial Development Framework (SDF) and the	The projects have been identified for outsourcing. Provincial Cogta has also	Budget constraints.

	Land Use Management System (LUMS).	been requested to assist.	
3.	The creation of job opportunities through LED initiatives remains very challenging	Current SCM Policy is under review to see how co-operatives and SMMEs can be catered for in the tender processes.	Strict legislation limits the participation of co-operatives and SMMEs in municipal projects.
4.	Consistently recorded increase in HIV prevalence.	Programmes are in place with the LMs and provincial health to educate on HIV prevention.	

Management confirms that all of the 2018/2019 municipal performance focal areas, continued to receive adequate time, energy and attention.

UGU DISTRICT MUNICIPALITY

**EXTRACT FROM THE DRAFT MINUTES OF THE MEETING OF THE
UGU DISTRICT MUNICIPAL COUNCIL HELD ON 27 MAY 2021**

5.1 Special Budget Adjustments 2020/21

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

- (a) That the report on the Special Budget Adjustments 2020/21 be and is hereby **NOTED**.
- (b) That the Special Budget Adjustments 2020/21 be and is hereby **APPROVED**.

CERTIFIED A TRUE COPY OF THE ORIGINAL



V. MAZIBUKO

GENERAL MANAGER: CORPORATE SERVICES

DC21 Ugu - Table B1 Adjustments Budget Summary -

Description	Budget Year 2020/21										Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget	
R thousands	A	A1	B	C	D	E	F	G	H			
Financial Performance												
Property rates	–	–	–	–	–	–	–	–	–	–	–	
Service charges	646,376	567,605	–	–	–	–	–	–	567,605	595,985	625,785	
Investment revenue	2,535	2,535	–	–	–	–	–	–	–	2,925	3,072	
Transfers recognised - operational	499,502	538,854	–	–	–	–	251	251	2,786	584,098	613,303	
Other own revenue	4,373	95,699	–	–	–	–	17,430	17,430	556,284	584,098	613,303	
							6,547	6,547	102,245	107,357	112,725	
Total Revenue (excluding capital transfers and contributions)	1,152,786	1,204,693	–	–	–	–	24,227	24,227	1,228,820	1,290,366	1,354,884	
Employee costs	376,709	372,149	–	–	–	–	34,065	34,065	406,214	426,525	447,851	
Remuneration of councillors	15,414	15,491	–	–	–	–	(5,494)	(5,494)	9,997	10,497	11,022	
Depreciation & asset impairment	169,763	150,509	–	–	–	–	2,314	2,314	152,823	160,464	168,488	
Finance charges	2,522	2,522	–	–	–	–	4,153	4,153	6,675	7,009	7,360	
Materials and bulk purchases	159,432	159,322	–	–	–	–	3,362	3,362	162,685	170,819	179,360	
Transfers and grants	19,023	19,323	–	–	–	–	–	–	19,323	20,290	21,304	
Other expenditure	604,113	473,702	–	–	–	–	(17,425)	(17,425)	456,277	479,091	503,046	
Total Expenditure	1,346,977	1,193,019	–	–	–	–	26,977	26,977	1,213,996	1,274,695	1,338,430	
Surplus/(Deficit)	(194,191)	11,674	–	–	–	–	3,250	3,250	14,925	15,671	16,454	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)												
	279,336	231,128	–	–	–	–	(47,357)	(47,357)	183,771	192,960	202,608	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - operational (see below - 485)	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) after capital transfers & contributions	85,145	242,802	–	–	–	–	(44,107)	(44,107)	198,696	208,630	219,062	
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	
Surplus/ (Deficit) for the year	85,145	242,802	–	–	–	–	(44,107)	(44,107)	198,696	208,630	219,062	
Capital expenditure & funds sources												
Capital expenditure	277,693	252,763	–	–	–	–	(386)	(386)	252,377	264,996	278,246	
Transfers recognised - capital	230,363	235,763	–	–	–	–	(26,162)	(26,162)	209,601	220,081	231,085	
Borrowing	–	–	–	–	–	–	–	–	–	–	–	
Internally generated funds	44,330	17,000	–	–	–	–	25,161	25,161	42,161	44,269	46,483	
Total sources of capital funds	274,693	252,763	–	–	–	–	(1,001)	(1,001)	251,782	264,350	277,567	
Financial position												
Total current assets	13,549	1,500,440	–	–	–	–	(902,004)	(902,004)	598,436	628,357	659,775	
Total non current assets	5,127,571	5,134,405	–	–	–	–	(1,148,584)	(1,148,584)	3,985,821	4,185,112	4,394,367	
Total current liabilities	487,483	1,962,417	–	–	–	–	(1,292,793)	(1,292,793)	669,623	703,105	738,260	
Total non current liabilities	7,966	87,137	–	–	–	–	(2,469)	(2,469)	84,668	88,902	93,347	
Community wealth/Equity	4,645,651	4,585,291	–	–	–	–	(755,326)	(755,326)	3,829,965	4,021,463	4,222,536	
Cash flows												
Net cash from (used) operating	–	1,499,447	–	–	–	–	(1,263,387)	(1,263,387)	236,060	247,863	260,256	
Net cash from (used) investing	3,960	256,723	–	–	–	–	(548,105)	(548,105)	(291,382)	(305,951)	(321,249)	
Net cash from (used) financing	21,664	21,664	–	–	–	–	50,151	50,151	71,815	75,406	79,178	
Cash/cash equivalents at the year end	25,624	1,777,834	–	–	–	–	(1,761,341)	(1,761,341)	93,243	110,580	128,744	
Cash backing/surplus reconciliation												
Cash and investments available	–	423,386	–	–	–	–	(198,233)	(198,233)	225,152	236,410	248,230	
Application of cash and investments	398,061	599,070	–	–	–	–	(370,311)	(370,311)	228,759	240,197	252,207	
Balance - surplus (shortfall)	(398,061)	(175,685)	–	–	–	–	172,078	172,078	(3,607)	(3,767)	(3,977)	
Asset Management												
Asset register summary (WDV)	4,970,538	4,980,812	–	–	–	–	(1,290,162)	(1,290,162)	3,690,650	4,017,993	4,218,892	
Depreciation & asset impairment	169,763	150,509	–	–	–	–	2,314	2,314	152,823	160,464	168,488	
Renewal and Upgrading of Existing Assets	113,443	101,475	–	–	–	–	42,322	42,322	143,797	150,987	158,537	
Repairs and Maintenance	94,429	104,879	–	–	–	–	(39,758)	(39,758)	65,121	68,377	71,796	
Free services												
Cost of Free Basic Services provided	–	46,889	–	–	–	–	–	–	46,889	49,233	51,695	
Revenue cost of free services provided	–	12,054	–	–	–	–	–	–	12,054	12,656	13,289	
Households below minimum service level												
Water	–	–	–	–	–	–	–	–	–	–	–	
Sanitation/sewerage	–	–	–	–	–	–	–	–	–	–	–	
Energy	–	–	–	–	–	–	–	–	–	–	–	
Refuse	–	–	–	–	–	–	–	–	–	–	–	

DC21 Ugu - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		159,736	243,475	-	-	-	-	13,366	13,366	256,841	269,683	283,167
Executive and council		4,468	4,468	-	-	-	-	-	-	4,468	4,691	4,926
Finance and administration		155,268	239,007	-	-	-	-	13,366	13,366	252,373	264,991	278,241
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		9,068	9,068	-	-	-	-	-	-	9,068	9,521	9,997
Community and social services		9,068	9,068	-	-	-	-	-	-	9,068	9,521	9,997
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		72,157	73,330	-	-	-	-	300	300	73,630	77,311	81,177
Planning and development		51,448	52,521	-	-	-	-	300	300	52,821	55,462	58,235
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		20,709	20,809	-	-	-	-	-	-	20,809	21,849	22,942
Trading services		1,197,378	1,109,949	-	-	-	-	(53,357)	(53,357)	1,056,592	1,109,421	1,164,892
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		1,088,563	1,001,133	-	-	-	-	(53,357)	(53,357)	947,776	995,165	1,044,923
Waste water management		108,816	108,816	-	-	-	-	-	-	108,816	114,256	119,969
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	16,561	16,561	16,561	17,389	18,259
Total Revenue - Functional	2	1,438,338	1,435,821	-	-	-	-	(23,130)	(23,130)	1,412,691	1,483,326	1,557,492
Expenditure - Functional												
Governance and administration		390,601	377,581	-	-	-	-	34,172	34,172	411,753	432,341	453,958
Executive and council		74,618	69,435	-	-	-	-	(3,240)	(3,240)	66,194	69,504	72,979
Finance and administration		315,922	307,886	-	-	-	-	32,386	32,386	340,271	357,285	375,149
Internal audit		61	261	-	-	-	-	5,027	5,027	5,287	5,552	5,829
Community and public safety		6,103	6,553	-	-	-	-	1,383	1,383	7,937	8,334	8,750
Community and social services		4,553	4,853	-	-	-	-	2,613	2,613	7,467	7,840	8,232
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		1,250	1,250	-	-	-	-	(1,250)	(1,250)	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		300	450	-	-	-	-	20	20	470	494	518
Economic and environmental services		70,785	69,985	-	-	-	-	(20,199)	(20,199)	49,785	52,275	54,888
Planning and development		53,341	52,541	-	-	-	-	(3,921)	(3,921)	48,621	51,052	53,604
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		17,443	17,443	-	-	-	-	(16,279)	(16,279)	1,165	1,223	1,284
Trading services		811,360	738,900	-	-	-	-	(10,152)	(10,152)	728,748	765,185	803,444
Energy sources		-	-	-	-	-	-	1,161	1,161	1,161	1,219	1,280
Water management		597,875	523,355	-	-	-	-	(17,811)	(17,811)	505,543	530,820	557,362
Waste water management		213,485	215,545	-	-	-	-	6,498	6,498	222,043	233,145	244,803
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	15,772	15,772	15,772	16,561	17,389
Total Expenditure - Functional	3	1,278,849	1,193,019	-	-	-	-	20,977	20,977	1,213,996	1,274,695	1,338,430
Surplus/ (Deficit) for the year		159,490	242,802	-	-	-	-	(44,107)	(44,107)	198,696	208,630	219,062

References

- Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
- Total Revenue by standard classification must reconcile to Total Operating Revenue shown in the Adjustments Budget Financial Performance (revenue and expenditure)
- Total Operating Expenditure by standard classification must reconcile to Total Operating Expenditure shown in the Adjustments Budget Financial Performance (revenue and expenditure)
- All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
- Increases of funds approved under MFMA section 31
- Adjustments approved in accordance with MFMA section 29
- Adjustments to transfers from National or Provincial Government
- Adjusts = 'Other' Adjustments proposed to be approved: including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
- $G = B + C + D + E + F$
- Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	552,868	474,097	-	-	-	-	-	-	474,097	497,802	522,692
Service charges - sanitation revenue	2	93,508	93,508	-	-	-	-	-	-	93,508	98,183	103,093
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		617	740	-	-	-	-	-	-	740	777	816
Interest earned - external investments		2,535	2,535	-	-	-	-	251	251	2,786	2,925	3,072
Interest earned - outstanding debtors		765	1,840	-	-	-	-	9	9	1,848	1,941	2,038
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		8	8	-	-	-	-	-	-	8	8	8
Licences and permits		400	500	-	-	-	-	-	-	500	525	551
Agency services		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		499,502	538,854	-	-	-	-	17,430	17,430	556,284	584,098	613,303
Other revenue	2	2,584	92,612	-	-	-	-	6,538	6,538	99,150	104,107	109,312
Gains		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,152,786	1,204,693	-	-	-	-	24,227	24,227	1,228,920	1,290,366	1,354,884
Expenditure By Type												
Employee related costs		376,709	372,149	-	-	-	-	34,065	34,065	406,214	426,525	447,851
Remuneration of councillors		15,414	15,491	-	-	-	-	(5,494)	(5,494)	9,997	10,497	11,022
Debt impairment		40,314	30,314	-	-	-	-	2,554	2,554	32,868	34,512	36,237
Depreciation & asset impairment		169,763	150,509	-	-	-	-	2,314	2,314	152,823	160,464	168,488
Finance charges		2,522	2,522	-	-	-	-	4,153	4,153	6,675	7,009	7,360
Bulk purchases		145,787	143,837	-	-	-	-	1	1	143,838	151,029	158,581
Other materials		13,646	15,486	-	-	-	-	3,362	3,362	18,847	19,790	20,779
Contracted services		191,964	205,384	-	-	-	-	(19,375)	(19,375)	186,009	195,310	205,075
Transfers and subsidies		19,023	19,323	-	-	-	-	-	-	19,323	20,290	21,304
Other expenditure		312,893	238,005	-	-	-	-	(613)	(613)	237,391	249,261	261,724
Losses		58,942	-	-	-	-	-	9	9	9	9	9
Total Expenditure		1,346,977	1,193,019	-	-	-	-	20,977	20,977	1,213,996	1,274,695	1,338,430
Surplus/(Deficit)		(194,191)	11,674	-	-	-	-	3,250	3,250	14,925	15,671	16,454
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		279,336	231,128	-	-	-	-	(47,357)	(47,357)	183,771	192,960	202,608
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		85,145	242,802	-	-	-	-	(44,107)	(44,107)	198,696	208,630	219,062
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		85,145	242,802	-	-	-	-	(44,107)	(44,107)	198,696	208,630	219,062
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		85,145	242,802	-	-	-	-	(44,107)	(44,107)	198,696	208,630	219,062
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		85,145	242,802	-	-	-	-	(44,107)	(44,107)	198,696	208,630	219,062

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SB1
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
5. Increases of funds approved under MFMA section 31
6. Adjustments approved in accordance with MFMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
9. $G = B + C + D + E + F$
10. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 5 A1	Accum. Funds 6 B	Multi-year capital 7 C	Unfore. Unavoid. 8 D	Nat. or Prov. Govt. 9 E	Other Adjusts. 10 F	Total Adjusts. 11 G	Adjusted Budget 12 H	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	21,861	21,861	21,861	22,954	24,102
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 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		-	-	-	-	-	-	215,584	215,584	215,584	226,363	237,681
Vote 14 - Waste Water Management		-	-	-	-	-	-	14,317	14,317	14,317	15,033	15,784
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	251,762	251,762	251,762	264,350	277,567
Single-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		29,800	25,000	-	-	-	-	(24,479)	(24,479)	521	547	574
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 - Environmental Protection		-	-	-	-	-	-	95	95	95	100	105
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		194,044	180,914	-	-	-	-	(180,914)	(180,914)	-	-	-
Vote 14 - Waste Water Management		53,849	46,849	-	-	-	-	(46,849)	(46,849)	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		277,693	252,763	-	-	-	-	(252,147)	(252,147)	616	647	679
Total Capital Expenditure - Vote		277,693	252,763	-	-	-	-	(386)	(386)	252,377	264,996	278,246
Capital Expenditure - Functional												
Governance and administration		29,800	25,000	-	-	-	-	(2,618)	(2,618)	22,382	23,501	24,676
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		29,800	25,000	-	-	-	-	(2,618)	(2,618)	22,382	23,501	24,676
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		247,693	227,763	-	-	-	-	2,138	2,138	229,901	241,396	253,465
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		194,044	180,914	-	-	-	-	34,670	34,670	215,584	226,363	237,681
Waste water management		53,849	46,849	-	-	-	-	(32,532)	(32,532)	14,317	15,033	15,784
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	95	95	95	100	105
Total Capital Expenditure - Functional	3	277,693	252,763	-	-	-	-	(386)	(386)	252,377	264,996	278,246
Funded by:												
National Government		206,748	212,148	-	-	-	-	(2,547)	(2,547)	209,601	220,081	231,085
Provincial Government		23,615	23,615	-	-	-	-	(23,615)	(23,615)	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	230,363	235,763	-	-	-	-	(26,162)	(26,162)	209,601	220,081	231,085
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		44,330	17,000	-	-	-	-	25,161	25,161	42,161	44,269	46,483
Total Capital Funding		274,693	252,763	-	-	-	-	(1,001)	(1,001)	251,762	264,350	277,567

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year.
- Capital expenditure by standard classification must reconcile to the appropriations by vote.
- Must reconcile to supporting table SB7 and to Adjustments Budget Financial Performance (revenue and expenditure).
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not).
- Increases of funds approved under MFMA section 31.
- Adjustments approved in accordance with MFMA section 29.
- Adjustments to transfers from National or Provincial Government.
- Adjusts = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f)).
- $G = B + C + D + E + F$
- Adjusted Budget H = (A or A1/2 etc) + G

DC21 Ugu - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfor. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		-	346,636					(198,492)	(198,492)	148,144	155,551	163,328
Call investment deposits	1	-	76,750	-	-	-	-	259	259	77,009	80,859	84,902
Consumer debtors	1	-	161,816	-	-	-	-	157,199	157,199	319,015	334,966	351,714
Other debtors		3,221	869,767					(865,923)	(865,923)	3,844	4,036	4,238
Current portion of long-term receivables		22	182					4,953	4,953	5,136	5,392	5,662
Inventory		10,306	45,288					-	-	45,288	47,553	49,930
Total current assets		13,549	1,500,440	-	-	-	-	(902,004)	(902,004)	598,436	628,357	659,775
Non current assets												
Long-term receivables		3,960	519					2,455	2,455	2,974	3,123	3,279
Investments		-	-					-	-	-	-	-
Investment property		31,650	280,962					(237,546)	(237,546)	43,416	45,587	47,866
Investment in Associate		-	-					-	-	-	-	-
Property, plant and equipment	1	5,005,676	4,765,049	-	-	-	-	(832,487)	(832,487)	3,932,562	4,129,190	4,335,650
Biological		-	-					-	-	-	-	-
Intangible		86,285	87,874					(81,006)	(81,006)	6,868	7,211	7,572
Other non-current assets		0	0					(0)	(0)	0	0	0
Total non current assets		5,127,571	5,134,405	-	-	-	-	(1,148,584)	(1,148,584)	3,985,821	4,185,112	4,394,367
TOTAL ASSETS		5,141,120	6,634,845	-	-	-	-	(2,050,588)	(2,050,588)	4,584,256	4,813,469	5,054,143
LIABILITIES												
Current liabilities												
Bank overdraft		-	-					-	-	-	-	-
Borrowing		24,200	52,697	-	-	-	-	-	-	52,697	55,332	58,098
Consumer deposits		21,664	98,501					-	-	98,501	103,426	108,597
Trade and other payables		441,620	1,602,538	-	-	-	-	(1,118,315)	(1,118,315)	484,223	508,434	533,855
Provisions		-	208,681					(174,478)	(174,478)	34,203	35,913	37,709
Total current liabilities		487,483	1,962,417	-	-	-	-	(1,292,793)	(1,292,793)	669,623	703,105	738,260
Non current liabilities												
Borrowing	1	7,986	65,237	-	-	-	-	(17,626)	(17,626)	47,612	49,993	52,492
Provisions	1	-	21,900	-	-	-	-	15,157	15,157	37,056	38,909	40,855
Total non current liabilities		7,986	87,137	-	-	-	-	(2,469)	(2,469)	84,668	88,902	93,347
TOTAL LIABILITIES		495,469	2,049,554	-	-	-	-	(1,295,262)	(1,295,262)	754,292	792,006	831,607
NET ASSETS	2	4,645,651	4,585,291	-	-	-	-	(755,326)	(755,326)	3,829,965	4,021,463	4,222,536
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		4,645,651	4,585,291	-	-	-	-	(755,326)	(755,326)	3,829,965	4,021,463	4,222,536
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		4,645,651	4,585,291	-	-	-	-	(755,326)	(755,326)	3,829,965	4,021,463	4,222,536

References

- Detail to be provided in Table SA3
- Net assets must balance with Total Community Wealth/Equity
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
- Increases of funds approved under MFMA section 31
- Adjustments approved in accordance with MFMA section 29
- Adjustments to transfers from National or Provincial Government
- Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
- $G = B + C + D + E + F$
- Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		-	-					-	-	-	-	-
Service charges		-	631,951					(171,724)	(171,724)	460,226	483,238	507,400
Other revenue		-	617					-	-	617	648	680
Transfers and Subsidies - Operational	1	-	575,008					(35,546)	(35,546)	539,462	568,438	594,757
Transfers and Subsidies - Capital	1	-	289,336					(61,145)	(61,145)	228,191	239,601	251,581
Interest		-	2,000					14,000	14,000	16,000	16,800	17,640
Dividends		-	535					-	-	535	562	590
Payments												
Suppliers and employees		-	-					(1,002,297)	(1,002,297)	(1,002,297)	(1,052,412)	(1,105,032)
Finance charges		-	-					(8,675)	(8,675)	(8,675)	(7,009)	(7,360)
Transfers and Grants	1	-	-					(19,323)	(19,323)	(19,323)	(20,290)	(21,304)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	1,499,447	-	-	-	-	(2,782,157)	(1,263,387)	238,060	247,863	260,256
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-					-	-	-	-	-
Decrease (increase) in non-current receivables		3,960	3,960					(2,974)	(2,974)	986	1,035	1,087
Decrease (increase) in non-current investments		-	-					-	-	-	-	-
Payments												
Capital assets		-	252,763					(545,131)	(545,131)	(292,368)	(308,986)	(322,336)
NET CASH FROM/(USED) INVESTING ACTIVITIES		3,960	256,723	-	-	-	-	(804,828)	(548,105)	(291,382)	(305,951)	(321,249)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-					-	-	-	-	-
Borrowing long term/refinancing		-	-					-	-	-	-	-
Increase (decrease) in consumer deposits		21,664	21,664					55,173	55,173	76,837	80,679	84,713
Payments												
Repayment of borrowing		-	-					(5,022)	(5,022)	(5,022)	(5,273)	(5,537)
NET CASH FROM/(USED) FINANCING ACTIVITIES		21,664	21,664	-	-	-	-	28,488	50,151	71,815	75,406	79,176
NET INCREASE/ (DECREASE) IN CASH HELD		25,824	1,777,834	-	-	-	-	(5,338,331)	(1,761,341)	16,493	17,318	18,183
Cash/cash equivalents at the year begin:	2	-	-					-	-	76,750	93,243	110,560
Cash/cash equivalents at the year end:	2	25,824	1,777,834	-	-	-	-	(7,114,165)	(1,761,341)	93,243	110,560	128,744

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
5. Increases of funds approved under MFMA section 31
6. Adjustments approved in accordance with MFMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjusts: = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
9. $G = B + C + D + E + F$
10. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Cash and Investments available												
Cash/cash equivalents at the year end	1	25,624	1,777,834	-	-	-	-	(7,114,165)	(7,114,165)	(5,336,331)	110,560	128,744
Other current investments > 90 days		(25,624)	(1,354,448)	-	-	-	-	6,915,932	6,915,932	5,561,484	125,850	119,487
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and Investments available:		-	423,386	-	-	-	-	(198,233)	(198,233)	225,152	236,410	248,230
Applications of cash and Investments												
Unspent conditional transfers		20,237	524,147	-	-	-	-	(500,910)	(500,910)	23,237	24,399	25,619
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	375,824	74,923	-	-	-	-	130,599	130,599	205,522	215,798	226,588
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and Investments:		396,061	599,070	-	-	-	-	(370,311)	(370,311)	228,759	240,197	252,207
Surplus(shortfall)		(396,061)	(175,685)	-	-	-	-	172,078	172,078	(3,607)	(3,787)	(3,977)

- References**
1. Must reconcile with the Adjustments Budget Cash Flow and Adjustments Budget Financial Position
 2. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
 3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
 4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been identified)
 5. Increases of funds approved under MFMA section 31
 6. Adjustments approved in accordance with MFMA section 29
 7. Adjustments to transfers from National or Provincial Government
 8. Adjusts. = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(e)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
 9. G = B + C + D + E + F
 10. Adjusted Budget H = (A or A1/2 etc) + G

TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	4,970,538	4,980,812	-	-	-	-	(1,290,162)	(1,290,162)	3,699,250	4,017,993	4,218,892
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		169,763	150,509	-	-	-	-	2,314	2,314	152,823	160,464	168,488
Repairs and Maintenance by asset class	3	94,429	104,679	-	-	-	-	(39,758)	(39,758)	65,921	68,377	71,796
Roads Infrastructure		5,798	5,798	-	-	-	-	(3,382)	(3,382)	2,416	2,537	2,664
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,280	1,280	-	-	-	-	(500)	(500)	780	819	860
Water Supply Infrastructure		54,929	69,429	-	-	-	-	(38,430)	(38,430)	30,999	32,549	34,176
Sanitation Infrastructure		720	2,670	-	-	-	-	(375)	(375)	2,295	2,410	2,530
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		800	-	-	-	-	-	3	3	803	3	4
Information and Communication Infrastructure		90	90	-	-	-	-	(90)	(90)	-	-	-
Infrastructure		63,617	79,267	-	-	-	-	(42,774)	(42,774)	37,294	38,318	40,234
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		1,890	1,890	-	-	-	-	-	-	1,890	1,985	2,084
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		1,890	1,890	-	-	-	-	-	-	1,890	1,985	2,084
Operational Buildings		4,135	7,135	-	-	-	-	-	-	7,135	7,492	7,866
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		4,135	7,135	-	-	-	-	-	-	7,135	7,492	7,866
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		3,167	3,167	-	-	-	-	-	-	3,167	3,325	3,492
Intangible Assets		3,167	3,167	-	-	-	-	-	-	3,167	3,325	3,492
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		9,620	1,420	-	-	-	-	(550)	(550)	870	914	959
Transport Assets		12,000	12,000	-	-	-	-	3,566	3,566	15,566	16,344	17,161
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		284,193	255,388	-	-	-	-	(37,444)	(37,444)	218,744	228,842	240,284
Renewal and upgrading of Existing Assets as % of total capex		41.3%	40.1%							53.9%	57.1%	57.1%
Renewal and upgrading of Existing Assets as % of deprecn"		66.8%	67.4%							94.1%	94.1%	94.1%
R&M as a % of PPE		1.9%	2.1%							1.8%	1.7%	1.7%
Renewal and upgrading and R&M as a % of PPE		4.2%	4.1%							5.7%	5.5%	5.5%

References

- Detail of new assets provided in Table SB18a
- Detail of renewal of existing assets provided in Table SB18b
- Detail of upgrading of existing assets provided in Table SB18e
- Detail of Repairs and Maintenance by Asset Class provided in Table SB18c
- Must reconcile to total capital expenditure on Budgeted Capital Expenditure
- Must reconcile to Adjustments Budget Financial Position (written down value)
- Donated/contributed and assets funded by finance leases to be allocated to the respective category
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
- Increases of funds approved under MFMA section 31
- Adjustments approved in accordance with MFMA section 29
- Adjustments to transfers from National or Provincial Government
- Adjusts: = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
- $G = B + C + D + E + F$
- Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling									-	-		
Piped water inside yard (but not in dwelling)	2								-	-		
Using public tap (at least min. service level)									-	-		
Other water supply (at least min. service level)									-	-		
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min. service level)	3								-	-		
Other water supply (< min. service level)	3,4								-	-		
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 (min. service)									-	-		
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	15											
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)		-	-	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		-	46,889	-	-	-	-	-	-	46,889	49,233	51,695
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-	-	-
Total cost of FBS provided		-	46,889	-	-	-	-	-	-	46,889	49,233	51,695
Highest level of free services provided												
Property rates (R'000 value threshold)									-	-		
Water (kilolitres per household per month)									-	-		
Sanitation (kilolitres per household per month)									-	-		
Sanitation (Rand per household per month)									-	-		
Electricity (kw per household per month)									-	-		
Refuse (average litres per week)									-	-		
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)									-	-		
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	12,054	-	-	-	-	-	-	12,054	12,656	13,289
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		-	12,054	-	-	-	-	-	-	12,054	12,656	13,289

References

1. Include services provided by another entity; e.g. Eskom

DC21 Ugu - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	7	8	9	10	11	12	13		
R thousands												
REVENUE ITEMS												
Property rates												
Total Property Rates		-	-						-	-	-	-
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-						-	-	-	-
Net Property Rates		-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue												
Total Service charges - electricity revenue		-	-						-	-	-	-
less Revenue Foregone (in excess of 30 kwh per indigent household per month)		-	-						-	-	-	-
less Cost of Free Basis Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue												
Total Service charges - water revenue		552,868	533,039						-	533,039	559,691	587,676
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	12,054						-	12,054	12,656	13,289
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		-	46,889	-	-	-	-	-	-	46,889	49,233	51,695
Net Service charges - water revenue		552,868	474,097	-	-	-	-	-	-	474,097	497,802	522,692
Service charges - sanitation revenue												
Total Service charges - sanitation revenue		93,508	93,508						-	93,508	98,183	103,093
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 - sanitation revenue		93,508	93,508	-	-	-	-	-	-	93,508	98,183	103,093
Service charges - refuse revenue												
Total refuse removal revenue		-	-						-	-	-	-
Total landfill revenue		-	-						-	-	-	-
less Revenue Foregone (in excess of one removal a week to indigent households)		-	-						-	-	-	-
less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-
Other Revenue By Source												
Fuel Levy		6,216	88,955						-	88,955	93,403	98,073
Other Revenue		2,584	3,657	-	-	-	-	6,538	6,538	10,195	10,704	11,240
Building Plan Approval		25	721						-	721	757	795
Clearance Certificates		2,000	2,000						-	2,000	2,100	2,205
Commission		-	-					14	14	14	15	15
Membership Fees		-	-					132	132	132	138	145
Legal Fees		150	150					-	-	150	157	165
Sale of Goods		285	662					3	3	666	699	734
Scrap, Waste & Other Goods		124	124					-	-	124	130	137
Administrative Handling Fees		-	-					608	608	608	638	670
Intercompany/Parent-subsidiary Transactions		-	-					5,481	5,481	5,481	5,755	6,043
Management Fees		-	-					300	300	300	315	331
Total 'Other' Revenue	1	8,800	92,612	-	-	-	-	6,538	6,538	99,150	104,107	109,312
EXPENDITURE ITEMS												
Employee related costs												
Basic Salaries and Wages		245,291	242,339					7,418	7,418	249,758	262,246	275,358
Pension and UIF Contributions		34,640	34,640					8,536	8,536	43,176	45,335	47,602
Medical Aid Contributions		17,649	17,649					(374)	(374)	17,274	18,138	19,045
Overtime		475	475					637	637	1,112	1,168	1,226
Night Shift Overtime		475	475					637	637	1,112	1,168	1,226
Other Overtime		-	-					-	-	-	-	-
Performance Bonus		18,559	18,559					(1,858)	(1,858)	16,701	17,536	18,413
Motor Vehicle Allowance		10,473	10,473					13	13	10,486	11,010	11,561
Cellphone Allowance		1,402	1,402					1,498	1,498	2,901	3,046	3,198
Housing Allowances		3,453	3,453					(1,590)	(1,590)	1,863	1,956	2,054
Other benefits and allowances		34,836	34,836					19,506	19,506	54,342	57,059	59,912
Payments in lieu of leave		4,582	4,582					(1,491)	(1,491)	3,091	3,246	3,408
Long service awards		1,740	1,740					77	77	1,817	1,908	2,003
Post-retirement benefit obligations		-	-					-	-	-	-	-
sub-total	4	373,101	370,149	-	-	-	-	32,373	32,373	402,522	422,648	443,780
Less: Employees costs capitalised to PPE		3,608	2,000					1,693	1,693	3,693	3,877	4,071
Total Employee related costs	1	376,709	372,149	-	-	-	-	34,065	34,065	406,214	426,525	447,851
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment		169,763	150,509					(199)	(199)	150,309	157,825	165,716
Lease amortisation		-	-					2,514	2,514	2,514	2,640	2,772
Capital asset impairment		-	-					-	-	-	-	-
Total Depreciation & asset impairment	1	169,763	150,509	-	-	-	-	2,314	2,314	152,823	160,464	168,488
Bulk purchases												
Electricity Bulk Purchases		-	-					-	-	-	-	-
Water Bulk Purchases		145,787	143,837					1	1	143,838	151,029	158,581
Total bulk purchases	1	145,787	143,837	-	-	-	-	1	1	143,838	151,029	158,581

Transfers and grants												
Cash transfers and grants	-	-						-	-	-	-	-
Non-cash transfers and grants	-	-						-	-	-	-	-
Total transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services												
Outsourced Services	38,178	38,278						29,788	29,788	68,066	71,469	75,043
Consultants and Professional Services	68,014	68,114						(17,058)	(17,058)	51,056	53,609	56,289
Contractors	85,772	98,992						(32,104)	(32,104)	66,888	70,232	73,744
Total contracted services	191,964	205,384	-	-	-	-	-	(19,375)	(19,375)	186,009	195,310	205,075
Other Expenditure By Type												
Collection costs	-	-						-	-	-	-	-
Contributions to 'other' provisions	-	-						-	-	-	-	-
Audit fees	-	-						728	728	728	765	803
Other Expenditure	312,893	238,005						(1,342)	(1,342)	236,663	248,496	260,921
Municipal Services	79,640	79,640						5,315	5,315	84,954,675	89,202	93,663
Indigent Relief	88,447	72,601						(700)	(700)	71,900,624	75,496	79,270
Wet Fuel	24,020	24,020						(3,583)	(3,583)	20,437,174	21,459	22,532
Telemetric Systems	8,200	8,200						400	400	8,600,000	9,030	9,482
Insurance Claims	7,757	7,757						-	-	7,756,995	8,145	8,552
Uniform and Protective Clothing	5,534	5,534						0	0	5,534,541	5,811	6,102
Domestic	5,441	5,341						(4,403)	(4,403)	938,422	985	1,035
Professional Bodies, Membership and Subscription	4,690	4,690						584	584	5,273,801	5,537	5,814
Workmens Compensation Fund	3,500	3,500						(142)	(142)	3,357,881	3,526	3,702
Tenders	3,070	3,070						(2,185)	(2,185)	884,808	929	976
Computer Equipment	2,450	2,450						-	-	2,450,000	2,573	2,701
Skills Development Fund Levy	2,293	2,293						(1,515)	(1,515)	777,641	817	867
Wireless Network	2,150	2,150						-	-	2,150,000	2,258	2,370
Cellular Contract (Subscription and Calls)	1,800	1,800						(747)	(747)	1,052,501	1,105	1,180
Vehicle Tracking	1,800	1,800						100	100	1,900,000	1,995	2,095
Other Assets	1,600	1,600						747	747	2,347,035	2,464	2,588
Printing, Publications and Books	1,588	1,588						(125)	(125)	1,463,530	1,537	1,614
Motor Vehicle Licence and Registrations	1,500	1,500						501	501	2,001,152	2,101	2,206
Telephone, Fax, Telegraph and Telex	1,400	1,400						(107)	(107)	1,292,765	1,357	1,425
Other Expenditure	66,014	7,071						163,448	163,448	170,519,116	12,169	12,777
Total Other Expenditure	312,893	238,005	-	-	-	-	-	(613)	(613)	237,391	249,281	261,724
by Expenditure Item	14											
Employee related costs	-	-						-	-	-	-	-
Other materials	520	520						157	157	677	710	746
Contracted Services	84,539	94,989						(32,724)	(32,724)	62,266	65,379	68,648
Other Expenditure	9,370	9,370						(7,191)	(7,191)	2,179	2,288	2,402
Total Repairs and Maintenance Expenditure	15	94,429	104,879	-	-	-	-	(39,758)	(39,758)	65,121	68,377	71,796

References

1. Must reconcile with relevant line on the 'Financial Performance' budget
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature
4. Expenditure to meet any unfunded obligations
5. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)
6. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
7. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably be have for
8. Increases of funds approved under section 31 MFMA
9. Adjustments approved in accordance with section 29 MFMA
10. Adjustments to funding allocations from National or Provincial Government
11. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sec
12. $G = B + C + D + E + F$
13. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Supporting Table SB2 Supporting detail to 'Financial Position Budget' -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 4	Accum. Funds 5	Multi-year capital 6	Unfore. Unavoid. 7	Nat. or Prov. Govt 8	Other Adjusts. 9	Total Adjusts. 10	Adjusted Budget 11	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Consumer debtors												
Consumer debtors		-	582,283					(185,400)	(185,400)	416,882	437,726	459,613
Less: provision for debt impairment		-	420,466	-	-	-	-	(322,599)	(322,599)	97,867	102,760	107,898
Total Consumer debtors	1	-	161,816	-	-	-	-	157,199	157,199	319,015	334,966	351,714
Debt impairment provision												
Balance at the beginning of the year		-	420,466					(322,599)	(322,599)	97,867	102,760	107,898
Contributions to the provision		-	-					-	-	-	-	-
Bad debts written off		-	-					-	-	-	-	-
Balance at end of year		-	420,466	-	-	-	-	(322,599)	(322,599)	97,867	102,760	107,898
Property, plant & equipment												
PPE at cost/valuation (excl. finance leases)	2	10,113,380	10,007,524					(1,741,743)	(1,741,743)	8,265,781	8,679,070	9,113,024
Leases recognised as PPE		-	-					-	-	-	-	-
Less: Accumulated depreciation		5,107,704	5,242,475					(909,256)	(909,256)	4,333,219	4,549,880	4,777,374
Total Property, plant & equipment	1	5,005,676	4,765,049	-	-	-	-	(832,487)	(832,487)	3,932,562	4,129,190	4,335,650
LIABILITIES												
Current liabilities - Borrowing												
Short term loans (other than bank overdraft)		-	7,986					(7,986)	(7,986)	-	-	-
Current portion of long-term liabilities		24,200	44,711					7,986	7,986	52,697	55,332	58,098
Total Current liabilities - Borrowing		24,200	52,697	-	-	-	-	-	-	52,697	55,332	58,098
Trade and other payables												
Trade Payables		375,824	1,059,201					(629,512)	(629,512)	429,689	451,174	473,732
Other creditors		-	-					(14,745)	(14,745)	(14,745)	(15,482)	(16,257)
Unspent conditional transfers		20,237	524,147					(500,910)	(500,910)	23,237	24,399	25,619
VAT		45,559	19,190					26,852	26,852	46,042	48,344	50,761
Total Trade and other payables	1	441,620	1,602,538	-	-	-	-	(1,118,315)	(1,118,315)	484,223	508,434	533,855
Non current liabilities - Borrowing												
Borrowing	3	7,986	65,237					(17,644)	(17,644)	47,594	49,973	52,472
Finance leases (including PPP asset element)		-	-					18	18	18	19	20
Total Non current liabilities - Borrowing		7,986	65,237	-	-	-	-	(17,626)	(17,626)	47,612	49,993	52,492
Provisions - non current												
Retirement benefits		-	21,900					(3,739)	(3,739)	18,160	19,068	20,022
Refuse landfill site rehabilitation		-	-					-	-	-	-	-
Other		-	-					18,896	18,896	18,896	19,841	20,833
Total Provisions - non current		-	21,900	-	-	-	-	15,157	15,157	37,056	38,909	40,855
CHANGES IN NET ASSETS												
Accumulated surplus/(Deficit)												
Accumulated surplus/(Deficit) - opening balance		4,560,507	4,342,488					(711,219)	(711,219)	3,631,269	3,812,833	4,003,474
GRAP adjustments		-	-					-	-	-	-	-
Restated balance		4,560,507	4,342,488	-	-	-	-	(711,219)	(711,219)	3,631,269	3,812,833	4,003,474
Surplus/(Deficit)		85,145	242,802	-	-	-	-	(44,107)	(44,107)	198,696	208,630	219,062
Transfers to/from Reserves		-	-					-	-	-	-	-
Depreciation offsets		-	-					-	-	-	-	-
Other adjustments		-	-					-	-	-	-	-
Accumulated Surplus/(Deficit)	1	4,645,651	4,585,291	-	-	-	-	(755,326)	(755,326)	3,829,965	4,021,463	4,222,536
Reserves												
Housing Development Fund		-	-					-	-	-	-	-
Capital replacement		-	-					-	-	-	-	-
Self-insurance		-	-					-	-	-	-	-
Other reserves		-	-					-	-	-	-	-
Revaluation		-	-					-	-	-	-	-
Total Reserves	2	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	4,645,651	4,585,291	-	-	-	-	(755,326)	(755,326)	3,829,965	4,021,463	4,222,536

References

- Must reconcile with 'Financial Position' budget
- Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
- Borrowing (original budget) must reconcile to Budget Table A16
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably be have for
- Increases of funds approved under section 31 MFMA
- Adjustments approved in accordance with section 29 MFMA
- Adjustments to funding allocations from National or Provincial Government
- Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(e)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sect

10. $G = B + C + D + E + F$

11. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks -

Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Budget Year 2020/21			Budget Year +1 2021/22	Budget Year +2 2022/23
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<u>Borrowing Management</u>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.2%	0.2%	1.0%	1.0%	1.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>									
Gearing	Long Term Borrowing/ Funds & Reserves				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>									
Current Ratio	Current assets/current liabilities				2.8%	76.5%	89.4%	89.4%	89.4%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				2.8%	76.5%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				0.0	0.2	0.3	0.3	0.3
<u>Revenue Management</u>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)									
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				0.6%	85.7%	26.9%	26.9%	26.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					1723.5%	90.1%	519.3%	459.9%	414.7%
<u>Other Indicators</u>									
Electricity Distribution Losses (2)	Total Volume Losses (kW)								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Water Distribution Losses (2)	Total Volume Losses (kℓ)								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)				32.7%	30.9%	33.1%	33.1%	33.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				8.2%	8.7%	5.4%	5.3%	5.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				14.9%	12.7%	13.0%	13.0%	13.0%
<u>IDP regulation financial viability indicators</u>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year				5319.0%	5421.2%	5476.6%	5476.6%	5750.4%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				0.0%	13.4%	26.0%	26.0%	26.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0.0	0.0	0.0	0.0	0.0

References

1. Consumer debtors > 12 months old are excluded from current assets

DC21 Ugu - Supporting Table SBS Adjustments Budget - social, economic and demographic statistics and assumptions -

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18 Outcome	2018/19 Outcome	2019/20 Outcome	Budget Year 2020/21 Original Budget	2020/21 Medium
Demographics										
Population										
Females aged 5 - 14										
Males aged 5 - 14										
Females aged 15 - 34										
Males aged 15 - 34										
Unemployment										
Monthly household income (no. of households)	1, 12									
None										
R1 - R1 600										
R1 601 - R3 200										
R3 201 - R6 400										
R6 401 - R12 800										
R12 801 - R25 600										
R25 601 - R51 200										
R51 201 - R102 400										
R102 401 - R204 800										
R204 801 - R409 600										
R409 601 - R819 200										
> R819 200										
Poverty profiles (no. of households)	13									
< R2 060 per household per month	2									
Insert description										
Household/demographics (000)										
Number of people in municipal area										
Number of poor people in municipal area										
Number of households in municipal area										
Number of poor households in municipal area										
Definition of poor household (R per month)										
Housing statistics	3									
Formal										
Informal										
Total number of households	4									
Dwellings provided by municipality										
Dwellings provided by townships										
Dwellings provided by private sector	5									
Total new housing dwellings										
Economic	6									
Inflation/inflation outlook (CPI-X)										
Interest rate - borrowing										
Interest rate - investment										
Remuneration increases										
Consumption growth (electricity)										
Consumption growth (water)										
Collection rates	7									
Property tax/service charges										
Rental of facilities & equipment										
Interest - external investments										
Interest - debtors										
Revenue from agency services										

Detail on the provision of municipal services for B10

Municipal entity services	Ref.		2017/18					2018/19			2019/20			Budget Year 2020/21			2020/21 Medium	
			Outcome					Outcome			Outcome			Original Budget			Budget Year 2020/21	
Name of municipal entity		Household service targets (000)																
			Water:															
			Piped water inside dwelling															
			Piped water inside yard (but not in dwelling)															
			Using public tap (at least min service level)															
			Other water supply (at least min service level)															
			Minimum Service Level and Above sub-total															
			Using public tap (< min service level)															
			Other water supply (< min service level)															
			No water supply															
Name of municipal entity		Below Minimum Service Level sub-total																
			Total number of households															
			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															
Name of municipal entity		Below Minimum Service Level sub-total																
			Total number of households															
			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															

Name of municipal entity	Total number of households									
	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									
	2017/18	2018/19	2019/20	Budget Year 2020/21			2020/21 Medium			
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year 2020/21	Budget Year 2020/21	Budget Year 2020/21
Services provided by 'external mechanisms'	Ref.									
Names of service providers		Household service targets (000)								
		Water: Piped water inside dwelling Piped water inside yard (but not in dwelling) Using public tap (at least min service level) Other water supply (at least min service level) Minimum Service Level and Above sub-total Using public tap (< min service level) Other water supply (< min service level) No water supply Below Minimum Service Level sub-total Total number of households								
	8									
	10									
	9									
	10									
Names of service providers		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 No toilet provisions Below Minimum Service Level sub-total Total number of households								
Names of service providers		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								
Names of service providers		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								
Names of service providers										
Detail of Free Basic Services (FBS) provided	Ref.	Location of households for each type of FBS								Budget Year 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.		
Electricity										

DC21 Ugu - Supporting Table SB6 Adjustments Budget - funding measurement -

Description	Ref	MFMA section	2017/18	2018/19	2019/20	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands										
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b				25,624	1,777,834	93,243	110,560	128,744
Cash + investments at the yr end less applications - R'000	2	18(1)b				(396,061)	(175,685)	(3,607)	(3,787)	(3,977)
Cash year end/monthly employee/supplier payments	3	18(1)b				–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)				85,145	242,802	198,696	208,630	219,062
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0.0%	0.0%	0.0%	-1.0%	-1.0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	0.0%	95.4%	68.8%	68.8%	68.8%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				6.2%	5.3%	5.8%	5.8%	5.8%
Capital payments % of capital expenditure	8	18(1)c;19				0.0%	-100.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c				0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a							5.0%	5.0%
Long term receivables % change - incr(decr)	12	18(1)a							5.0%	5.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)				1.9%	2.1%	1.8%	1.7%	1.7%
Asset renewal % of capital budget	14	20(1)(vi)				4.5%	4.9%	13.9%	14.7%	14.7%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct 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 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 cap 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 cap municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan)

DC21 Ugu - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 7	Multi-year capital 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F		
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		499,502	538,854	-	-	(6,000)	(6,000)	535,719	559,497	587,472
Local Government Equitable Share		480,369	471,513			-	-	471,513	495,089	519,843
Expanded Public Works Programme Integrated Grant	3	4,468	4,468			-	-	4,468	4,691	4,926
Local Government Financial Management Grant		1,800	1,800			-	-	1,800	1,890	1,985
Municipal Disaster Relief Grant		-	-			-	-	-	-	-
Water Services Infrastructure Grant		-	-			-	-	-	-	-
Rural Road Asset Management Systems Grant		2,865	-			-	-	2,865	-	-
Municipal Disaster Recovery Grant		-	-			-	-	-	-	-
Municipal Infrastructure Grant		10,000	61,073			(6,000)	(6,000)	55,073	57,827	60,718
Other transfers and grants [insert description]		-	-			-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
	4	-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other transfers and grants [insert description]	5	-	-			-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Total Operating Transfers and Grants	6	499,502	538,854	-	-	(6,000)	(6,000)	535,719	559,497	587,472
<u>Capital Transfers and Grants</u>										
National Government:		279,336	228,263	-	-	(47,357)	(47,357)	180,906	189,951	199,449
Municipal Infrastructure Grant		229,336	178,263			(47,357)	(47,357)	130,906	137,451	144,324
Water Services Infrastructure Grant		50,000	50,000			-	-	50,000	52,500	55,125
Municipal Disaster Relief Grant		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other capital transfers [insert description]		-	-			-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Airports Company		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Total Capital Transfers and Grants	6	279,336	228,263	-	-	(47,357)	(47,357)	180,906	189,951	199,449
TOTAL RECEIPTS OF TRANSFERS & GRANTS		778,838	767,117	-	-	(53,357)	(53,357)	716,625	749,448	786,920

References

- Each grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
- Amounts actually **RECEIVED**; not revenue earned (the objective is to confirm grants allocated)
- Replacement of RSC levies
- Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
- Motor vehicle licensing refunds to be included under 'agency' services (Not shown here as Receipts)
- Total Grant Receipts original budget must reconcile to budget supporting table A18
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Increases of funds approved under section 31 MFMA
- Adjustments to funding allocations from National or Provincial Government
- Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); error correction (section 28(2)(f)); functional shifts and any adjustments made under delegation by the AO since the budget was approved
- E = B + C + D
- Adjusted Budget F = (A or A1/2 etc) + E

DC21 Ugu - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 2	Multi-year capital 3	Nat. or Prov. Govt 4	Other Adjusts. 5	Total Adjusts. 6	Adjusted Budget 7	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		(69,162)	(64,845)	-	-	22,566	22,566	(42,279)	(44,393)	(46,612)
Local Government Equitable Share		-	-			-	-	-	-	-
Expanded Public Works Programme Integrated Grant		(8,076)	(2,860)			(2,308)	(2,308)	(5,168)	(5,426)	(5,698)
Local Government Financial Management Grant		(2,113)	(2,113)			(300)	(300)	(2,413)	(2,533)	(2,660)
Municipal Disaster Relief Grant		-	(2,900)			-	-	(2,900)	(3,045)	(3,197)
Water Services Infrastructure Grant		(500)	(500)			-	-	(500)	(525)	(551)
Rural Road Asset Management Systems Grant		-	-			-	-	-	-	-
Municipal Disaster Recovery Grant		-	-			-	-	-	-	-
Municipal Infrastructure Grant		(58,473)	(56,473)			25,175	25,175	(31,298)	(32,863)	(34,506)
Other transfers and grants [insert description]		-	-			-	-	-	-	-
Provincial Government:		(2,685)	(2,685)	-	-	-	-	(2,685)	(2,819)	(2,960)
Specify (Add grant description)		(2,685)	(2,685)			-	-	(2,685)	(2,819)	(2,960)
		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other transfers and grants [insert description]		-	-			-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Total operating expenditure of Transfers and Grants:		(71,847)	(67,530)	-	-	22,566	22,566	(44,964)	(47,212)	(49,573)
Capital expenditure of Transfers and Grants										
National Government:		(206,748)	(212,148)	-	-	2,547	2,547	(209,601)	(220,081)	(231,085)
Municipal Infrastructure Grant		(157,248)	(154,648)			(5,453)	(5,453)	(160,101)	(168,106)	(176,511)
Water Services Infrastructure Grant		(49,500)	(49,500)			-	-	(49,500)	(51,975)	(54,574)
Municipal Disaster Relief Grant		-	(8,000)			8,000	8,000	-	-	-
		-	-			-	-	-	-	-
Other capital transfers [insert description]		-	-			-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Airports Company		-	-			-	-	-	-	-
		-	-			-	-	-	-	-
Total capital expenditure of Transfers and Grants		(206,748)	(212,148)	-	-	2,547	2,547	(209,601)	(220,081)	(231,085)
Total capital expenditure of Transfers and Grants		(278,595)	(279,678)	-	-	25,114	25,114	(254,565)	(267,293)	(280,657)

References

1. Transfers/Grant expenditure must be separately listed for each allocation received
2. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
3. Increases of funds approved under section 31 MFMA
4. Adjustments to funding allocations from National or Provincial Government
5. Adjusts. = 'Other' Adjustments proposed to be approved; error correction (section 28(2)(f)); functional shifts and any adjustments made under delegation by the AO since the budget was approved or since a previously 'approved' Adjustments Budget in the
6. $E = B + C + D$
7. Adjusted Budget $F = (A \text{ or } A1/2 \text{ etc}) + E$

DC21 Ugu - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds -

Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
R thousands										
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year		-	-			-	-	-	-	-
Current year receipts		499,502	538,854			(6,000)	(6,000)	532,854	559,497	587,472
Conditions met - transferred to revenue		479,265	491,195	-	-	21,422	21,422	512,617	538,248	565,160
Conditions still to be met - transferred to liabilities		20,237	47,659			(27,422)	(27,422)	20,237	21,249	22,311
Provincial Government:										
Balance unspent at beginning of the year		-	-			-	-	-	-	-
Current year receipts		-	-			-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	(1,000)	(1,000)	(1,000)	(1,050)	(1,103)
Conditions still to be met - transferred to liabilities		-	-			1,000	1,000	1,000	1,050	1,103
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		-	-			23,430	23,430	23,430	24,601	25,831
Conditions met - transferred to revenue		-	-	-	-	23,430	23,430	23,430	24,601	25,831
Conditions still to be met - transferred to liabilities		-	-			-	-	-	-	-
Total operating transfers and grants revenue		479,265	491,195	-	-	43,852	43,852	535,047	561,799	589,889
Total operating transfers and grants - CTBM	2	20,237	47,659	-	-	(26,422)	(26,422)	21,237	22,299	23,414
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year		-	-			-	-	-	-	-
Current year receipts		279,336	228,263			(47,357)	(47,357)	180,906	189,951	199,449
Conditions met - transferred to revenue		279,336	228,263	-	-	58,175	58,175	286,438	300,760	315,798
Conditions still to be met - transferred to liabilities		-	-			(105,532)	(105,532)	(105,532)	(110,809)	(116,349)
Provincial Government:										
Balance unspent at beginning of the year		-	-			-	-	-	-	-
Current year receipts		-	-			-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-			-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-			-	-	-	-	-
Current year receipts		-	-			-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-			-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-			-	-	-	-	-
Current year receipts		-	-			-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-			-	-	-	-	-
Total capital transfers and grants revenue		279,336	228,263	-	-	58,175	58,175	286,438	300,760	315,798
Total capital transfers and grants - CTBM		-	-	-	-	(105,532)	(105,532)	(105,532)	(110,809)	(116,349)
TOTAL TRANSFERS AND GRANTS REVENUE		758,601	719,458	-	-	102,027	102,027	821,485	862,559	905,687
TOTAL TRANSFERS AND GRANTS - CTBM		20,237	47,659	-	-	(131,954)	(131,954)	(84,295)	(88,510)	(92,935)

References

1. Total capital grants revenue budget must reconcile to budget tables A4 and A5; total operating grants revenue must reconcile to budget table A4
2. CTBM = conditions to be met
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Increases of funds approved under section 31 MFMA
5. Adjustments to funding allocations from National or Provincial Government
5. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sect
6. $E = B + C + D$
7. $\text{Adjusted Budget } F = (A \text{ or } A1/2 \text{ etc}) + E$

DC21 Ugu - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality -

[illegible]

DC21 Ugu - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Summary of remuneration	Ref	Budget Year 2020/21									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		7,115	7,115					674	674	7,790	9.5%
Pension and UIF Contributions		381	381					(381)	(381)	-	
Medical Aid Contributions		321	321					(321)	(321)	-	
Motor Vehicle Allowance		4,057	4,057					(4,057)	(4,057)	-	
Cellphone Allowance		1,074	1,074					(1,074)	(1,074)	-	
Housing Allowances		2,404	2,481					(2,481)	(2,481)	-	
Other benefits and allowances		62	62					2,146	2,146	2,208	
Sub Total - Councillors		15,414	15,491			-		(5,494)	(5,494)	9,997	-35.1%
% increase			0							(0)	
Senior Managers of the Municipality											
Basic Salaries and Wages		8,282	8,282					(7,085)	(7,085)	1,197	-85.6%
Pension and UIF Contributions		-	-					135	135	135	#DIV/0!
Medical Aid Contributions		-	-					56	56	56	#DIV/0!
Overtime		-	-					-	-	-	
Performance Bonus		-	-					28	28	28	
Motor Vehicle Allowance		-	-					300	300	300	#DIV/0!
Cellphone Allowance		78	78					(65)	(65)	13	-83.7%
Housing Allowances		-	-					2	2	2	
Other benefits and allowances		-	-					-	-	-	
Payments in lieu of leave		-	-					70	70	70	
Long service awards		-	-					75	75	75	#DIV/0!
Post-retirement benefit obligations	5	-	-					-	-	-	
Sub Total - Senior Managers of Municipality		8,360	8,360	-		-		(6,485)	(6,485)	1,875	-77.6%
% increase			-							(0)	
Other Municipal Staff											
Basic Salaries and Wages		259,176	254,616					4,495	4,495	259,111	0.0%
Pension and UIF Contributions		34,640	34,640					7,256	7,256	41,896	20.9%
Medical Aid Contributions		17,649	17,649					(618)	(618)	17,030	-3.5%
Overtime		28,602	28,602					16,296	16,296	44,898	57.0%
Performance Bonus		-	-					-	-	-	
Motor Vehicle Allowance		10,473	10,473					(1,000)	(1,000)	9,472	-9.6%
Cellphone Allowance		1,325	1,325					1,531	1,531	2,856	115.6%
Housing Allowances		3,453	3,453					(1,602)	(1,602)	1,851	
Other benefits and allowances		6,709	6,709					3,847	3,847	10,556	
Payments in lieu of leave		4,582	4,582					(1,683)	(1,683)	2,899	-36.7%
Long service awards		1,740	1,740					2	2	1,742	0.1%
Post-retirement benefit obligations	5	-	-					-	-	-	
Sub Total - Other Municipal Staff		368,349	363,789	-	-	-	-	28,523	28,523	392,312	6.5%
% increase											
Total Parent Municipality		392,123	387,640	-	-	-	-	16,545	16,545	404,184	3.1%
Board Members of Entities											
Basic Salaries and Wages		-	-					-	-	-	
Pension and UIF Contributions		-	-					-	-	-	
Medical Aid Contributions		-	-					-	-	-	
Overtime		-	-					-	-	-	
Performance Bonus		-	-					-	-	-	
Motor Vehicle Allowance		-	-					-	-	-	
Cellphone Allowance		-	-					-	-	-	
Housing Allowances		-	-					-	-	-	
Other benefits and allowances		-	-					-	-	-	
Board Fees		-	-					-	-	-	
Payments in lieu of leave		-	-					-	-	-	
Long service awards		-	-					-	-	-	
Post-retirement benefit obligations	5	-	-					-	-	-	
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-	
% increase											
Senior Managers of Entities											
Basic Salaries and Wages		-	-					4,951	4,951	4,951	#DIV/0!
Pension and UIF Contributions		-	-					900	900	900	#DIV/0!
Medical Aid Contributions		-	-					-	-	-	
Overtime		-	-					-	-	-	
Performance Bonus		-	-					340	340	340	
Motor Vehicle Allowance		-	-					223	223	223	
Cellphone Allowance		-	-					-	-	-	
Housing Allowances		-	-					-	-	-	
Other benefits and allowances		-	-					-	-	-	

Payments in lieu of leave		-	-					122	122	122	#DIV/0!
Long service awards		-	-					-	-	-	
Post-retirement benefit obligations	5	-	-					-	-	-	
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	6,536	6,536	6,536	#DIV/0!
% Increase											
Other Staff of Entities											
Basic Salaries and Wages		-	-					4,440	4,440	4,440	#DIV/0!
Pension and UIF Contributions		-	-					246	246	246	#DIV/0!
Medical Aid Contributions		-	-					188	188	188	#DIV/0!
Overtime		-	-					-	-	-	
Performance Bonus		-	-					-	-	-	
Motor Vehicle Allowance		-	-					490	490	490	#DIV/0!
Cellphone Allowance		-	-					32	32	32	#DIV/0!
Housing Allowances		-	-					10	10	10	
Other benefits and allowances		-	-					-	-	-	
Payments in lieu of leave		-	-					84	84	84	#DIV/0!
Long service awards		-	-					-	-	-	
Post-retirement benefit obligations	5	-	-					-	-	-	
Sub Total - Other Staff of Entities		-	-	-	-	-	-	5,491	5,491	5,491	#DIV/0!
% Increase											
Total Municipal Entities		-	-	-	-	-	-	12,027	12,027	12,027	#DIV/0!
TOTAL SALARY, ALLOWANCES & BENEFITS		392,123	387,640	-	-	-	-	28,572	28,572	416,212	6.1%
% Increase											
TOTAL MANAGERS AND STAFF		376,709	372,149	-	-	-	-	34,065	34,065	406,214	7.8%

References

1. Include 'Loans and advances' where applicable if any reportable amounts only until phased compliance with s164 of MFMA achieved
2. If benefits in kind are provided (e.g. provision of living quarters) the full market value must be shown as the cost to the municipality
3. s57 of the Systems Act
4. Must agree to the sub-total appearing on Table C1 (Employee costs)
5. Includes pension payments and employer contributions to medical aid

Column Definitions:

- A. The original budget approved by council for the current year
5. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
6. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably be have for
7. Increases of funds approved under section 31 MFMA
8. Adjustments approved in accordance with section 29 MFMA
9. Adjustments caused by changes in funding allocations from National or Provincial Government
10. Adjusts: = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sec
11. $G = B + C + D + E + F$
12. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

DC21 Ugu - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) -

Description		Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework				
															Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Adjusted Budget	Adjusted Budget	Adjusted Budget		
R thousands			Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote			372	372	372	372	372	372	372	372	372	372	372	372	372	372	4,468	4,691	4,926
Vote 1 - Executive and Council			21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	252,373	264,991	278,241
Vote 2 - Finance and Administration			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit			756	756	756	756	756	756	756	756	756	756	756	756	756	756	9,068	9,521	9,997
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			4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	52,821	55,462	58,235
Vote 10 - Road Transport			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection			1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	37,370	39,238	41,200
Vote 12 - Energy Sources			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management			83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	947,776	995,165	1,044,923
Vote 14 - Waste Water Management			9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	108,816	114,256	119,969
Vote 15 - Waste Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote			120,546	120,546	120,546	120,546	120,546	120,546	120,546	120,546	120,546	120,546	120,546	120,546	120,546	1,412,691	1,483,326	1,557,492	
Expenditure by Vote			5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	66,194	69,504	72,979	
Vote 1 - Executive and Council			28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	340,271	357,285	375,149	
Vote 2 - Finance and Administration			441	441	441	441	441	441	441	441	441	441	441	441	441	5,287	5,552	5,829	
Vote 3 - Internal Audit			564	564	564	564	564	564	564	564	564	564	564	564	564	6,358	6,676	7,010	
Vote 4 - Community and Social Services			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Health			39	39	39	39	39	39	39	39	39	39	39	39	39	470	494	518	
Vote 9 - Planning and Development			4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	48,621	51,052	53,604	
Vote 10 - Road Transport			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection			97	97	97	97	97	97	97	97	97	97	97	97	97	18,046	18,948	19,896	
Vote 12 - Energy Sources			97	97	97	97	97	97	97	97	97	97	97	97	97	1,161	1,219	1,280	
Vote 13 - Water Management			42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	505,543	530,820	557,362	
Vote 14 - Waste Water Management			18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	222,043	233,145	244,803	
Vote 15 - Waste Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote			100,352	100,352	100,352	100,352	100,352	100,352	100,352	100,352	100,352	100,352	100,352	100,352	100,352	1,213,996	1,274,695	1,338,430	
Surplus/ (Deficit)			20,194	20,194	20,194	20,194	20,194	20,194	20,194	20,194	20,194	20,194	20,194	20,194	20,194	198,696	208,630	219,062	

References

1. Surplus (Deficit) must reconcile with budget table A2 and monthly budget statement table C2

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DC21 Ugu - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) -

Description - Standard classification	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
Revenue - Functional																	
Governance and administration		21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	256,841	269,683	283,167	
Executive and council		372	372	372	372	372	372	372	372	372	372	372	372	4,468	4,691	4,926	
Finance and administration		21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	21,031	252,373	264,991	278,241	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and public safety		756	756	756	756	756	756	756	756	756	756	756	756	9,068	9,521	9,997	
Community and social services		756	756	756	756	756	756	756	756	756	756	756	756	9,068	9,521	9,997	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	73,630	77,311	81,177	
Planning and development		4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	52,821	55,462	58,235	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	20,809	21,949	22,942	
Trading services		92,251	92,251	92,251	92,251	92,251	92,251	92,251	92,251	92,251	92,251	92,251	92,251	1,056,592	1,109,421	1,164,892	
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water management		83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	83,183	947,776	995,165	1,044,923	
Waste water management		9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	108,816	114,256	119,969	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other		1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	16,561	17,369	18,259	
Total Revenue - Functional		121,926	121,926	121,926	121,926	121,926	121,926	121,926	121,926	121,926	121,926	121,926	121,926	1,412,691	1,483,326	1,557,692	
Expenditure - Functional																	
Governance and administration		34,371	34,371	34,371	34,371	34,371	34,371	34,371	34,371	34,371	34,371	34,371	34,371	411,753	432,341	453,958	
Executive and council		5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	66,194	69,504	72,979	
Finance and administration		28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	28,356	340,271	357,285	375,149	
Internal audit		441	441	441	441	441	441	441	441	441	441	441	441	5,267	5,552	5,820	
Community and public safety		603	603	603	603	603	603	603	603	603	603	603	603	7,937	8,334	8,750	
Community and social services		564	564	564	564	564	564	564	564	564	564	564	564	7,467	7,840	8,232	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		39	39	39	39	39	39	39	39	39	39	39	39	470	494	518	
Economic and environmental services		4,149	4,149	4,149	4,149	4,149	4,149	4,149	4,149	4,149	4,149	4,149	4,149	49,785	52,275	54,888	
Planning and development		4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	48,621	51,052	53,604	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		97	97	97	97	97	97	97	97	97	97	97	97	1,165	1,223	1,284	
Trading services		61,229	61,229	61,229	61,229	61,229	61,229	61,229	61,229	61,229	61,229	61,229	61,229	728,748	765,185	803,444	
Energy sources		97	97	97	97	97	97	97	97	97	97	97	97	1,161	1,219	1,280	
Water management		42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	505,543	530,820	557,362	
Waste water management		18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	222,043	233,145	244,803	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other		1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	15,772	16,561	17,369	
Total Expenditure - Functional		101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	1,213,996	1,274,695	1,338,420	
Surplus/ (Deficit) 1.		20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	198,696	208,630	219,262	

References

1. Surplus (Deficit) must reconcile with budget table A3 and monthly budget statement table C3

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DC21 Ugu - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue By Source																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		39,508	39,508	39,508	39,508	39,508	39,508	39,508	39,508	39,508	39,508	39,508	39,508	474,097	497,802	522,692
Service charges - sanitation revenue		7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	93,508	98,183	103,093
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		62	62	62	62	62	62	62	62	62	62	62	62	740	777	816
Interest earned - external investments		232	232	232	232	232	232	232	232	232	232	232	232	2,786	2,925	3,072
Interest earned - outstanding debtors		154	154	154	154	154	154	154	154	154	154	154	154	1,848	1,941	2,038
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1	1	1	1	1	1	1	1	1	1	1	1	8	8	8
Licences and permits		42	42	42	42	42	42	42	42	42	42	42	42	500	525	551
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		46,857	46,857	46,857	46,857	46,857	46,857	46,857	46,857	46,857	46,857	46,857	40,857	556,284	584,098	613,303
Other revenue		8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	99,150	104,107	109,312
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue		102,910	102,910	102,910	102,910	102,910	102,910	102,910	102,910	102,910	102,910	102,910	96,910	1,228,920	1,290,366	1,354,884
Expenditure By Type																
Employee related costs		33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,138	406,214	426,525	447,851
Remuneration of councillors		833	833	833	833	833	833	833	833	833	833	833	833	9,997	10,497	11,022
Debt impairment		2,739	2,739	2,739	2,739	2,739	2,739	2,739	2,739	2,739	2,739	2,739	2,739	32,868	34,512	36,237
Depreciation & asset impairment		12,735	12,735	12,735	12,735	12,735	12,735	12,735	12,735	12,735	12,735	12,735	12,735	152,823	160,464	168,488
Finance charges		556	556	556	556	556	556	556	556	556	556	556	556	6,675	7,009	7,360
Bulk purchases		11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	143,838	151,029	158,581
Other materials		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	2,350	18,847	19,790	20,779
Contracted services		16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	9,863	186,009	195,310	205,075
Transfers and subsidies		1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	19,323	20,290	21,304
Other expenditure		19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,854	237,391	249,261	261,724
Losses		1	1	1	1	1	1	1	1	1	1	1	1	9	9	9
Total Expenditure		101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	101,666	95,666	1,213,996	1,274,695	1,338,430
Surplus/(Deficit)		1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	14,925	15,671	16,454
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	(25,404)	183,771	192,960	202,608
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	20,260	(24,160)	198,696	208,630	219,062

References

1. Surplus (Deficit) must reconcile with budget table A4 and monthly budget statement table C4

DC21 Ugu - Supporting Table SB15 Adjustments Budget - monthly cash flow -

Monthly cash flows	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash Receipts By Source	1																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		35,395	35,395	35,395	35,395	35,395	35,395	35,395	35,395	35,395	35,395	35,395	(15,025)	374,316	374,316	393,032	412,684
Service charges - sanitation revenue		7,159	7,159	7,159	7,159	7,159	7,159	7,159	7,159	7,159	7,159	7,159	7,159	85,910	85,910	90,206	94,716
Service charges - refuse		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		51	51	51	51	51	51	51	51	51	51	51	51	617	617	648	680
Interest earned - external investments		1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	16,000	16,000	16,800	17,640
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		45	45	45	45	45	45	45	45	45	45	45	45	535	535	562	590
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		44,955	44,955	44,955	44,955	44,955	44,955	44,955	44,955	44,955	44,955	44,955	44,955	539,462	539,462	566,436	594,757
Other revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Receipts by Source		88,938	88,938	88,938	88,938	88,938	88,938	88,938	88,938	88,938	88,938	88,938	88,938	1,016,841	1,016,841	1,067,683	1,121,067
Other Cash Flows by Source																	
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, and District		19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	19,016	228,191	228,191	239,601	251,581
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		6,403	6,403	6,403	6,403	6,403	6,403	6,403	6,403	6,403	6,403	6,403	6,403	76,837	76,837	80,679	84,713
Decrease (increase) in non-current receivables		82	82	82	82	82	82	82	82	82	82	82	82	986	986	1,035	1,087
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		114,440	114,440	114,440	114,440	114,440	114,440	114,440	114,440	114,440	114,440	114,440	114,440	1,322,855	1,322,855	1,384,988	1,458,448
Cash Payments by Type																	
Employee related costs		33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,916	33,138	406,214	406,214	426,525	447,851
Remuneration of councillors		833	833	833	833	833	833	833	833	833	833	833	833	9,997	9,997	10,497	11,022
Finance charges		556	556	556	556	556	556	556	556	556	556	556	556	6,675	6,675	7,009	7,360
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer		11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	11,986	143,838	143,838	151,029	158,581
Other materials		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	2,350	18,847	18,847	19,790	20,779
Contracted services		16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	16,013	9,863	186,009	186,009	195,310	205,075
Transfers and grants - other municipalities		25	25	25	25	25	25	25	25	25	25	25	25	300	300	315	331
Transfers and grants - other		1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	19,023	19,023	19,975	20,973
Other expenditure		19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,776	19,854	237,391	237,391	249,261	261,724
Cash Payments by Type		86,191	86,191	86,191	86,191	86,191	86,191	86,191	86,191	86,191	86,191	86,191	86,191	1,028,296	1,008,972	1,059,421	1,112,392
Other Cash Flow Payments by Type																	
Capital assets		24,364	24,364	24,364	24,364	24,364	24,364	24,364	24,364	24,364	24,364	24,364	24,364	292,368	292,368	306,986	322,336
Repayment of borrowing		418	418	418	418	418	418	418	418	418	418	418	418	5,022	5,022	5,273	5,537
Other Cash Flows Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		110,974	110,974	110,974	110,974	110,974	110,974	110,974	110,974	110,974	110,974	110,974	110,974	1,325,685	1,306,382	1,371,680	1,440,264
NET INCREASE/(DECREASE) IN CASH HELD		3,466	3,466	3,466	3,466	3,466	3,466	3,466	3,466	3,466	3,466	3,466	(40,954)	(2,830)	16,493	17,318	18,193
Cash/cash equivalents at the month/year beginning:		76,750	80,216	83,681	87,147	90,613	94,079	97,545	101,010	104,476	107,942	111,408	114,873	1,145,740	76,750	93,243	110,560
Cash/cash equivalents at the month/year end:		80,216	83,681	87,147	90,613	94,079	97,545	101,010	104,476	107,942	111,408	114,873	73,919	1,146,909	93,243	110,560	128,744

DC21 Ugu - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) -

Description - Municipal Vote			Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework				
				July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
				Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands			1																	
Multi-year expenditure appropriation																				
Vote 1 - Executive 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 - Environmental Protection																				
Vote 12 - Energy Sources																				
Vote 13 - Water Management																				
Vote 14 - Waste Water Management																				
Vote 15 - Waste Management																				
Capital Multi-year expenditure sub-total			3																	
Single-year expenditure appropriation																				
Vote 1 - Executive 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 - Environmental Protection																				
Vote 12 - Energy Sources																				
Vote 13 - Water Management																				
Vote 14 - Waste Water Management																				
Vote 15 - Waste Management																				
Capital single-year expenditure sub-total			3																	
Total Capital Expenditure			2																	

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to budget table A5 and monthly budget statement table C5

DC21 Ugu - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) -

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	(2,626)	22,382	23,501	24,676
Capital Expenditure - Functional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Governance and administration		2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	2,273	(2,626)	22,382	23,501	24,676
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		22,088	22,088	22,088	22,088	22,088	22,088	22,088	22,088	22,088	22,088	22,088	(13,068)	229,901	241,396	253,465
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		20,155	20,155	20,155	20,155	20,155	20,155	20,155	20,155	20,155	20,155	20,155	(6,120)	215,584	226,363	237,681
Waste water management		1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	(6,948)	14,317	15,033	15,784
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	95	95	100	105
Total Capital Expenditure - Functional		24,361	24,361	24,361	24,361	24,361	24,361	24,361	24,361	24,361	24,361	24,361	(15,598)	252,377	264,896	278,246

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to the 'Financial Position' budget and monthly budget statement

DC21 Ugu - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class -

[illegible]

Libraries	-	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-
Other assets	22,000	10,000	-	-	-	-	(6,220)	(6,220)	3,780	3,969	4,167
Operational Buildings	20,000	10,000	-	-	-	-	(6,220)	(6,220)	3,780	3,969	4,167
Municipal Offices	20,000	10,000	-	-	-	-	(6,220)	(6,220)	3,780	3,969	4,167
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Housing	2,000	-	-	-	-	-	-	-	2,000	-	-
Staff Housing	2,000	-	-	-	-	-	-	-	2,000	-	-
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	-	1,800	-	-	-	-	(200)	(200)	1,600	1,680	1,764
Computer Equipment	-	1,800	-	-	-	-	(200)	(200)	1,600	1,680	1,764
Furniture and Office Equipment	-	-	-	-	-	-	800	800	800	840	882
Furniture and Office Equipment	-	-	-	-	-	-	800	800	800	840	882
Machinery and Equipment	13,000	-	-	-	-	-	12,000	12,000	25,000	12,600	13,230
Machinery and Equipment	13,000	-	-	-	-	-	12,000	12,000	25,000	12,600	13,230
Transport Assets	-	8,000	-	-	-	-	-	-	8,000	8,400	8,820
Transport Assets	-	8,000	-	-	-	-	-	-	8,000	8,400	8,820
Land	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets to be adjusted	1	161,250	151,288	-	-	-	(43,323)	(43,323)	107,964	113,362	119,031

References

1. Total Capital Expenditure on new assets (SB18a) plus Total Capital Expenditure on renewal of existing assets (SB18b) plus Total Capital Expenditure on upgrading of existing assets (SB18e) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
3. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only
4. Increases of funds approved under section 31 MFMA
5. Adjustments approved in accordance with section 29 MFMA
6. Adjustments to funding allocations from National or Provincial Government
7. Adjusts. = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sec
8. $G = B + C + D + E + F$
9. Adjusted Budget $H = (A \text{ or } A/2 \text{ etc}) + G$

[illegible]

Markets	-	-	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-
Transport Assets	5,000	5,000	-	-	-	-	2,500	2,500	7,500	7,875	8,269
Transport Assets	5,000	5,000	-	-	-	-	2,500	2,500	7,500	7,875	8,269
Land	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets to be adjusted	1	12,425	12,425	-	-	-	24,575	24,575	37,000	38,850	40,793

References

1. Total Capital Expenditure on renewal of existing assets (SB18b) plus Total Capital Expenditure on new assets (SB18a) plus Total Capital Expenditure on upgrading of existing assets (SB18e) must reconcile to total capital expenditure in Budgeted Capital Expenditure
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
8. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note only where
9. Increases of funds approved under section 31 MFMA
10. Adjustments approved in accordance with section 29 MFMA
11. Adjustments to funding allocations from National or Provincial Government
12. Adjusts. = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sec
13. $G = B + C + D + E + F$
14. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

check balance

(3,000)

(616)

(647)

(679)

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
											+1 2021/22	+2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjuts.	Total Adjuts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		63,617	79,267	-	-	-	-	(42,774)	(42,774)	36,494	38,318	40,234
Roads Infrastructure		5,798	5,798	-	-	-	-	(3,382)	(3,382)	2,416	2,537	2,664
Roads		3,798	3,798	-	-	-	-	(1,382)	(1,382)	2,416	2,537	2,664
Road Structures		2,000	2,000	-	-	-	-	(2,000)	(2,000)	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,280	1,280	-	-	-	-	(500)	(500)	780	819	860
Power Plants		280	280	-	-	-	-	-	-	280	294	309
HV Substations		-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-	-	-
LV Networks		1,000	1,000	-	-	-	-	(500)	(500)	500	525	551
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		54,929	69,429	-	-	-	-	(38,430)	(38,430)	30,999	32,549	34,176
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-
Boreholes		6,500	6,000	-	-	-	-	(5,427)	(5,427)	573	601	631
Reservoirs		3,500	3,500	-	-	-	-	(2,000)	(2,000)	1,500	1,575	1,654
Pump Stations		2,745	2,745	-	-	-	-	-	-	2,745	2,883	3,027
Water Treatment Works		10,750	10,750	-	-	-	-	1,847	1,847	12,597	13,227	13,888
Bulk Mains		-	-	-	-	-	-	-	-	-	-	-
Distribution		24,434	23,934	-	-	-	-	(14,076)	(14,076)	9,858	10,350	10,868
Distribution Points		-	-	-	-	-	-	-	-	-	-	-
PRV Stations		7,000	22,500	-	-	-	-	(18,774)	(18,774)	3,726	3,913	4,108
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		720	2,670	-	-	-	-	(375)	(375)	2,295	2,410	2,530
Pump Station		225	225	-	-	-	-	-	-	225	236	248
Reticulation		120	120	-	-	-	-	-	-	120	126	132
Waste Water Treatment Works		375	375	-	-	-	-	(375)	(375)	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-	-	-
Toilet Facilities		-	1,950	-	-	-	-	-	-	1,950	2,048	2,150
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		-	-	-	-</							

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	1,890	1,890	-	-	-	-	-	-	-	1,890	1,985	2,084
Revenue Generating	1,890	1,890	-	-	-	-	-	-	-	1,890	1,985	2,084
Improved Property	1,890	1,890								1,890	1,985	2,084
Unimproved Property	-	-								-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-								-	-	-
Unimproved Property	-	-								-	-	-
Other assets	4,135	7,135	-	-	-	-	-	-	-	7,135	7,492	7,866
Operational Buildings	4,135	7,135	-	-	-	-	-	-	-	7,135	7,492	7,866
Municipal Offices	1,400	4,400								4,400	4,620	4,851
Pay/Enquiry Points	-	-								-	-	-
Building Plan Offices	-	-								-	-	-
Workshops	-	-								-	-	-
Yards	2,685	2,685								2,685	2,819	2,960
Stores	-	-								-	-	-
Laboratories	-	-								-	-	-
Training Centres	-	-								-	-	-
Manufacturing Plant	50	50								50	53	55
Depots	-	-								-	-	-
Capital Spares	-	-								-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-								-	-	-
Social Housing	-	-								-	-	-
Capital Spares	-	-								-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-								-	-	-
Intangible Assets	3,167	3,167	-	-	-	-	-	-	-	3,167	3,325	3,492
Servitudes	-	-								-	-	-
Licences and Rights	3,167	3,167	-	-	-	-	-	-	-	3,167	3,325	3,492
Water Rights	-	-								-	-	-
Effluent Licenses	-	-								-	-	-
Solid Waste Licenses	-	-								-	-	-
Computer Software and Applications	3,167	3,167								3,167	3,325	3,492
Load Settlement Software Applications	-	-								-	-	-
Unspecified	-	-								-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-								-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-								-	-	-
Machinery and Equipment	9,620	1,420	-	-	-	-	(550)	(550)	870	914	959	
Machinery and Equipment	9,620	1,420					(550)	(550)	870	914	959	
Transport Assets	12,000	12,000	-	-	-	-	3,566	3,566	15,566	16,344	17,161	
Transport Assets	12,000	12,000					3,566	3,566	15,566	16,344	17,161	
Land	-	-	-	-	-	-	-	-	-	-	-	
Land	-	-								-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-								-	-	
Total Repairs and Maintenance Expenditure to be adjusted	1	94,429	104,879	-	-	-	-	(39,758)	(39,758)	65,121	68,377	71,796

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SB1
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
8. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only increases of funds approved under section 31 MFMA)
9. Increases of funds approved under section 31 MFMA
10. Adjustments approved in accordance with section 29 MFMA
11. Adjustments to funding allocations from National or Provincial Government
12. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(e))
13. $G = B + C + D + E + F$
14. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

check balance

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjuts.	Total Adjuts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
R thousands												
Depreciation by Asset Class/Sub-class												
Infrastructure		156,126	140,054	-	-	-	-	10,011	10,011	150,065	157,568	165,447
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		156,126	140,054	-	-	-	-	10,000	10,000	150,054	157,556	165,434
Pump Station		-	-	-	-	-	-	-	-	-	-	-
Reticulation		156,126	140,054	-	-	-	-	10,000	10,000	150,054	157,556	165,434
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		-	-	-	-							

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	10,455	10,455	-	-	-	-	(10,455)	(10,455)	-	-
Revenue Generating	10,455	10,455	-	-	-	-	(10,455)	(10,455)	-	-
Improved Property	10,455	10,455	-	-	-	-	(10,455)	(10,455)	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-
Other assets	3,183	-	-	-	-	-	8	8	3,191	9
Operational Buildings	3,183	-	-	-	-	-	8	8	3,191	9
Municipal Offices	3,183	-	-	-	-	-	-	-	3,183	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	8	8	8	9
Housing	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	2,514	2,514	2,514	2,640
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	2,514	2,514	2,514	2,640
Water Rights	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	2,514	2,514	2,514	2,640
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	70	70	70	74
Computer Equipment	-	-	-	-	-	-	70	70	70	74
Furniture and Office Equipment	-	-	-	-	-	-	96	96	96	101
Furniture and Office Equipment	-	-	-	-	-	-	96	96	96	101
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	70	70	70	73
Transport Assets	-	-	-	-	-	-	70	70	70	73
Land	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Depreciation to be adjusted	1	169,763	150,509	-	-	-	2,314	2,314	152,823	160,464

References:

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SB1
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
8. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note, only
9. Increases of funds approved under section 31 MFMA
10. Adjustments approved in accordance with section 29 MFMA
11. Adjustments to funding allocations from National or Provincial Government
12. Adjusts. = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sec
13. $G = B + C + D + E + F$
14. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

check balance

[illegible]

Indoor Facilities	-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	42,075	42,075	-	-	-	-	(22,075)	(22,075)	20,000	21,000	22,050
Computer Equipment	42,075	42,075	-	-	-	-	(22,075)	(22,075)	20,000	21,000	22,050
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets to be adjusted	1	101,018	89,050	-	-	-	17,747	17,747	106,797	112,137	117,744

References

1. Total Capital Expenditure on renewal of existing assets (SB18b) plus Total Capital Expenditure on new assets (SB18a) plus Total Capital Expenditure on upgrading of existing assets (SB18e) must reconcile to total capital expenditure in Budgeted Capital Expenditure
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
8. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only where
9. Increases of funds approved under section 31 MFMA
10. Adjustments approved in accordance with section 29 MFMA
11. Adjustments to funding allocations from National or Provincial Government
12. Adjusts. = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sec
13. $G = B + C + D + E + F$
14. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

check balance

(3,000)

(616)

(647)

(679)

DC21 Ugu - Supporting Table SB20 Not required -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	8 E	9 F	10 G	11 H		
Revenue By Municipal Entity												
Ugu Tourism Authority total revenue		-	-					16,561	16,561	16,561	17,389	18,259
Ugu Development Agency total revenue		-	-					13,666	13,666	13,666	14,349	15,067
Entity3 total revenue		-	-					-	-	-	-	-
Entity4 total revenue		-	-					-	-	-	-	-
Entity5 total revenue		-	-					-	-	-	-	-
Entity6 total revenue		-	-					-	-	-	-	-
Entity7 total revenue		-	-					-	-	-	-	-
Entity8 total revenue		-	-					-	-	-	-	-
Entity9 total revenue		-	-					-	-	-	-	-
Entity10 total revenue		-	-					-	-	-	-	-
Total Operating Revenue	1	-	-	-	-	-	-	30,227	30,227	30,227	31,739	33,326
Expenditure By Municipal Entity												
Ugu Tourism Authority total operating expenditure		-	-					16,466	16,466	16,466	17,290	18,154
Ugu Development Agency total operating expenditure		-	-					13,666	13,666	13,666	14,349	15,067
Entity3 total operating expenditure		-	-					-	-	-	-	-
Entity4 total operating expenditure		-	-					-	-	-	-	-
Entity5 total operating expenditure		-	-					-	-	-	-	-
Entity6 total operating expenditure		-	-					-	-	-	-	-
Entity7 total operating expenditure		-	-					-	-	-	-	-
Entity8 total operating expenditure		-	-					-	-	-	-	-
Entity9 total operating expenditure		-	-					-	-	-	-	-
Entity10 total operating expenditure		-	-					-	-	-	-	-
Total Operating Expenditure	2	-	-	-	-	-	-	30,132	30,132	30,132	31,639	33,221
Capital Expenditure By Municipal Entity												
Ugu Tourism Authority total capital expenditure		-	-					-	-	-	-	-
Ugu Development Agency total capital expenditure		-	-					-	-	-	-	-
Entity3 total capital expenditure		-	-					-	-	-	-	-
Entity4 total capital expenditure		-	-					-	-	-	-	-
Entity5 total capital expenditure		-	-					-	-	-	-	-
Entity6 total capital expenditure		-	-					-	-	-	-	-
Entity7 total capital expenditure		-	-					-	-	-	-	-
Entity8 total capital expenditure		-	-					-	-	-	-	-
Entity9 total capital expenditure		-	-					-	-	-	-	-
Entity10 total capital expenditure		-	-					-	-	-	-	-
Total Capital Expenditure	2	-	-	-	-	-	-	-	-	-	-	-

References

1. Must reconcile to the sum of all municipal entity monthly revenue reports
2. Must reconcile to the sum of all municipal entity monthly expenditure reports
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unspent funds identified after Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably be have foreseen)
5. Increases of funds approved under section 87 MFMA
6. Adjustments approved in accordance with section 87 MFMA
7. Adjustments made under delegation by the AO since the budget was approved or since a previously 'approved' Adjustments Budget in the same financial year
8. Adjustments to funding allocations by National or Provincial Government
9. Adjusts. = 'Other' Adjustments approved by entity Board; including revenue under-collection ; additional revenue appropriation on existing programmes; projected savings; error correction
10. H = B + C + D + E + F + G
11. Adjusted Budget (I) = (A or A1/2 etc) + H

Adjustments Capital Budget 2020/2021

SDBIP	OTHER DEPARTMENTS	Adj Budget Opex 2020/2021	Adj Budget Capex 2020/2021
CS011a	DC21_CS011a_% Implementa/Acquisitions/Municipal Disaster Relie/Administrative and Corpo		8,000,000.00
CS011a	Double Cabs - Acquisitions		7,500,000.00
CS021a	Furniture and Office Equipment - Acquisitions		600,000.00
CS021a	Furniture and Office Equipment - Acquisitions		200,000.00
CS023a	DC21_CS023a_Oslo Beach P - Acquisitions		3,780,000.00
CS025A	Computer Equipment - Acquisitions		1,600,000.00
CS025A	ICT Infrastructure Servers - Acquisition		181,000.00
	TOTAL OTHER DEPTS - INTERNAL FUNDS		21,861,000.00
	WATER		
WS/PMU13	Murchison Pump Station (Opex)		
WS/PMU13	Murchison Pump Station (Capex)		
WS/PMU13	Water Pipeline Replacement (Opex)		
WS/PMU13	Water Pipeline Replacement (Capex)		1,551,154.06
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 1 (MABHELENI A)		721,405.70
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 1 (MABHELENI A)		7,606,767.58
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 2 (NGCAZOLO A)		3,940,061.98
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 3 (NGCAZOLO B)		3,026,230.41
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 4 (NKULU & MABHELENI)		5,258,581.40
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 5 (CATHULA & GUBHUZA)		3,624,946.05
WS/PMU13	DC21_WS/PMU13_MABHELENI PHASE 6 (MABHELENI B)		8,841,590.17
WS/PMU15	Vulamehlo Cross-Border Water Scheme (Opex)	5,166,917.00	
WS/PMU15	Vulamehlo Cross-Border Water Scheme (Capex)		
WS/PMU11	Msikaba and Surrounds Water Supply Scheme (Opex)	1,000,000.00	
WS/PMU11	Msikaba and Surrounds Water Supply Scheme (Capex)		10,000,000.00
WS/PMU4	KwaXolo Bulk water Supply (Opex)	1,000,000.00	
WS/PMU4	KwaXolo Bulk water Supply (Capex)		25,049,591.55
WS/PMU7	Harding Weza Regional Bulk Water Supply(Dam) (Opex)	445,942.00	
WS/PMU7	Harding Weza Regional Bulk Water Supply(Dam) (Capex)		
WS/PMU17	KwaLembe		4,489,600.00

WS/PMU14	Mistake Farm			
WS/PMU41	Umzimkhulu Permanent Re-inforced Concrete Berm			9,576,304.07
WS/PMU43	Mixed Income Housing: Bulk Water Infrastructure			
WS/PMU/COVID-19	Construction of Mabheleni Production Borehole System-Steel Tank Reservoir & Reticulation			5,900,000.00
WS/PMU/COVID-19	Replacement of existing main pipeline Weza WTW to Kwezi Reservoir			12,100,000.00
WS/PMU/COVID-19	Refurbishment and Drilling of Boreholes			2,000,000.00
WS/PMU/COVID-19	Construction of Spring Protection Systems			1,000,000.00
WS/PMU/COVID-19	Upgrade of Esperanza Pumpstation and Steel Pipework			2,615,000.00
WS/PMU40	Top Slice			134,400.00
	Top Slice	5,122,515.32		
	Malangeni - Esperanza Bulk Water Storage			20,648,914.09
	Malangeni - Esperanza Bulk Water Pipeline			14,507,861.24
	Malangeni Low Cost Housing Project (Phase F & G)			5,691,245.00
	TOTAL WATER (MIG)	12,735,374.32		148,283,653.30
ws/wat/cap/5	Scada and telemetry upgrade (Opex)			
ws/wat/cap/5	Scada and telemetry upgrade (Capex)			20,000,000.00
ws/wat/cap/7	Non-revenue water reduction (Opex)	500,000.00		
ws/wat/cap/7	Non-revenue water reduction (Capex)			29,500,000.00
	TOTAL WSIG	500,000.00		49,500,000.00
ws/wat/cap/2	Replacement of aged M&E			6,000,000.00
ws/wat/cap/2	Replacement of aged M&E			6,000,000.00
WS/WAT/CAP/40	Bhobhoyi WTW clarifier No.1 Bridge refurbishment			2,500,000.00
WS/WAT/CAP/41	Umthavuna WTW Clarifier No.1 surface screeding			1,500,000.00
WS/WAT/CAP/42	Umthavuna WTW Clarifier No.1 bridge refurbishment			1,800,000.00
	TOTAL WATER - INTERNAL FUNDS			17,800,000.00
	TOTAL WATER BUDGET	13,235,374.32		215,583,653.30
	SANITATION			
WS/PMU12	Umzinto Slum Clearance: Farm Isonti Low cost Housing Water and Sanitation Scheme (Opex)			
WS/PMU12	Umzinto Slum Clearance: Farm Isonti Low cost Housing Water and Sanitation Scheme(Capex)			
WS/PMU22	Pennington (Opex)	500,000.00		
WS/PMU22	Pennington (Capex)			6,767,915.90
WS/PMU19	Malangeni Low Cost Housing Project (Opex)			
WS/PMU19	Malangeni Low Cost Housing Project (Capex)			-

WS/PMU25	Masinenge/uVongo Sanitation Project (Opex)	1,000,000.00	
WS/PMU25	Masinenge/uVongo Sanitation Project (Capex)		139,216.00
WS/PMU42	Mkholombe Sanitation		
WS/PMU 44	Greenfields/Mazakhele Sanitation		
WS/PMU16	VIP Sanitation	17,063,000.00	
WS/PMU23	Harding Sanitation Scheme: Phase 3		3,372,106.11
WS/PMU31	Harding Sanitation Scheme: Phase 3		1,537,734.68
	TOTAL SANITATION (MIG)	18,563,000.00	11,816,972.69
ws/san/cap/1	M&E Replacement of aged infrastructure		
ws/san/cap/35	Scottburgh WWTW PST 1 bridge		2,500,000.00
	TOTAL SANITATION - INTERNAL FUNDS		2,500,000.00
	TOTAL SANITATION BUDGET	18,563,000.00	14,316,972.69
	TOTAL UGU BUDGET	31,798,374.32	251,761,625.99
	TOURISM	95,000.00	
	DEVELOPMENT AGENCY	520,800.00	
	CONSOLIDATED BUDGET	615,800.00	284,175,800.31

Internal Funds	42,161,000.00
MIG	160,100,626.00
WSIG	49,500,000.00

UGU DISTRICT MUNICIPALITY
MUNICIPAL INFRASTRUCTURE GRANT 2020/2021 ALLOCATION

0.992938873

DETAILS	2016/2017	2017/2018 Revised	2018/2019	2019/2020	2020/2021	% Increase
National MIG Allocation	233,873,000	245,479,000	235,888,000	241,038,000	239,336,000	-0.71%
Vat Recovered MIG						
Less : Allocated Expenditure						
<i>Capital - Sanitation</i>						
Infrastructure Projects	46,906,419	50,679,000	62,662,420	54,140,998	53,758,702	-0.71%
<i>Capital - Water</i>						
Infrastructure Projects	181,936,618	189,800,000	166,979,000	170,624,001	169,419,203	-0.71%
<i>Operational - Grants</i>						
Vulamehlo VIP's	5,029,963	5,000,000	6,246,580	16,273,001	16,158,095	-0.71%
Umzumbe VIP's						#DIV/0!
Ezinqoleni VIP's	5,029,963	0		11,000,000		-100.00%
uMuziwabantu VIP's						#DIV/0!
Hibiscus Coast VIP's	0	5,000,000	5,000,000	4,000,000	20,000,000	400.00%
General Operational Expenditure (Prog. Mgt Costs	0		1,246,580	1,273,001	7,158,095	462.30%
AVAILABLE	0	0	0	0	0	0.00%

Ugu District Municipality
Financial Recovery Plan

STATUS & PERCENTAGE

STATUS & PERCENTAGE													
Task completed: 100%													
Task almost completed: 51% - 99%													
Task commenced: 1%-50%													
Task not yet started: 0%													
Cost containment is reported in comparison to the actual cost incurred during the same period last year.													
No	STRATEGIC PRIORITY	FOCUS AREA	FINANCIAL IMPLICATION (YES/NO)	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities				
1	PRIORITY 1: STABILISE THE BTO BUSINESS UNIT	FILING OF CRITICAL VACANCIES	NO	Post of CFO filled by 30 June 2021	GM-CSHR Manager/CFO	2020/09/30	2020/12/31	In progress - 75%	The Shortlisting has been conducted on the 24th February 2021; the interviews are scheduled for March 2021 (the interviews that were scheduled for March were postponed -HR to arrange with Exco and schedule a new date)				
			NO	Manager: Revenue position be filled with a competent person not later than 30 November 2020	GM-CSHR Manager/CFO	2020/09/30	2020/12/31	In progress - 10%	Currently there is an acting incumbent appointed for the period of 01/01/2021 – 31/03/2021. The review of the organisational structure will determine the status of this position. The Acting Revenue Manager appointment has been extended until 30 April 2021				
			NO	A position of a Senior Manager must be introduced.	GM-CSHR Manager/CFO	2020/09/30	2020/12/31	In progress - 10%	The position is not on the approved Organogram - A revised organogram, which include the Senior Manager position, will be tabled in the Exco on 21/04/2021.				
			NO	The position of Manager: Internal Controls and Compliance must be formalised into the new organogram.	GM-CSHR Manager/CFO	2020/09/30	2020/12/31	In progress - 10%	The position is not on the approved Organogram. A revised organogram, which include the Manager: Internal Controls and Compliance position, will be tabled in the Exco on 21/04/2021				
			NO	The position of Manager: Expenditure & Salaries must be filled.	GM-CSHR Manager/CFO	2020/09/30	2020/12/31	In progress - 0%	There is an acting incumbent, appointed until the end of 2020/21 Financial Year.				
			NO	Introduce 2 x SCM Officers (Level 4) and a demand management coordinator	GM-CSHR Manager/CFO	2020/09/30	indefinite	In progress - 10%	The new position is not on the approved Organogram. The new positions are included in the revised organogram that will be tabled in Exco on 21/04/2021.				
			N/A		N/A	N/A	N/A	N/A	N/A				
			N/A		N/A	N/A	N/A	N/A	N/A				
			N/A		N/A	N/A	N/A	N/A	N/A				
			N/A		N/A	N/A	N/A	N/A	N/A				
2		TRAINING INTERVENTIONS	NO										
3		CHANGE MANAGEMENT PROCESS	NO										
4		SPECIAL ADJUSTMENT BUDGET	NO										
5		CASH FLOW MANAGEMENT	NO										
			YES	Reduce telephone cost	ICT Manager	2020/09/30	indefinite	In progress -	39.84% cost reduction as at 31 March 2021				
			YES	Reduce ITC licensing cost	ICT Manager	2020/09/30	indefinite	In progress -	3.81% cost increase as at 31 March 2021				
			YES	Reduce internet and network cost	ICT Manager	2020/09/30	indefinite	In progress -	4.76% cost reduction as at 31 March 2021				

Ugu District Municipality
Financial Recovery Plan

STATUS & PERCENTAGE

Task completed: 100%		Task almost completed: 51% - 99%		Task commenced: 1%-50%		Task not yet started: 0%		Cost containment is reported in comparison to the actual cost incurred during the same period last year.	
No	STRATEGIC PRIORITY	FOCUS AREA	FINANCIAL IMPLICATION (YES/NO)	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities
6		COST CONTAINMENT	YES	Reduce toll gate fees	Fleet manager	2020/09/30	Indefinite	In progress -	1.45% cost reduction as at 31 March 2021
			YES	Reduce vehicle repairs cost	Fleet manager	2020/09/30	Indefinite	In progress -	39.48% cost reduction as at 31 March 2021
			YES	Reduce fuel cost	Fleet manager	2020/09/30	Indefinite	In progress -	47.74% cost reduction as at 31 March 2021
			YES	Reduce disaster emergency cost	Disaster Manager	2020/09/30	Indefinite	In progress -	55.05% cost reduction as at 31 March 2021
			YES	No catering expenditure	All HOD's / All managers	2020/09/30	Indefinite	In progress -	17.03% cost reduction as at 31 March 2021
			YES	Reduce electricity cost	Auxiliary manager / All HOD's / All managers	2020/09/30	Indefinite	In progress -	6.85% cost increase as at 31 March 2021
			YES	Reduce printing cost	Auxiliary manager / All managers	2020/09/30	Indefinite	In progress -	69.07% cost reduction as at 31 March 2021
			YES	Reduce S&T cost	All HOD's	2020/09/30	Indefinite	In progress -	0.53% cost reduction as at 31 March 2021
			YES	Reduce travel and accommodation cost	MM / Senior manager mayoralty and communications	2020/09/30	Indefinite	In progress -	0.53% cost reduction as at 31 March 2021
			YES	Reduce expenditure on events and social functions	All HOD's / All managers	2020/09/30	Indefinite	In progress -	There is no budget allocation and no expenditure on Events and Social functions in 2020/21
			YES	Reduce costs associated with the use of consultants	All HOD's / All managers	2020/09/30	Indefinite	In progress -	0.58% cost increase as at 31 March 2021
			YES	Suspension of all non-core activities	All HOD's / All managers	2020/09/30	Indefinite	In progress -	Achieved as at 31 March 2021
			YES	Reduce cost relating to audit (AG)	CFO/ Manager Internal Audit	2020/09/30	Indefinite	In progress -	18.48% cost reduction as at 31 March 2021
			YES	Adhere to the approve overtime policy	GM-WSGM-CSHR Manager/CFO	2020/09/30	Indefinite	In progress -	Achieved as at 31 March 2021
			YES	Reduce overtime cost	GM-WSGM-CSHR Manager/CFO	2020/09/30	Indefinite	In progress -	0.10% cost increase as at 31 March 2021
7	PAYMENT OF CREDITORS		YES	Acting allowance payment to be approved by MM	GM-CSHR Manager/All HOD's	2020/09/30	Indefinite	In progress -	29.11% cost increase as at 31 March 2021
			YES	Payment Plan developed for Urgent Water and eThekweni debt	Expenditure Manager/CFO	2020/09/30	Indefinite	In progress -	The plan has been developed and is being implemented
8	REDUCTION OF DEBTORS BOOK		YES	Reduce Debtors book by R200 million by end of June 2021	Revenue Manager/CFO	2020/09/30	Indefinite	In progress -	The debtors book has increased by 16.80% since June 2020

Ugu District Municipality
Financial Recovery Plan

STATUS & PERCENTAGE

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Task completed: 100%		Task almost completed: 51% - 99%		Task commenced: 1%-50%		Task not yet started: 0%		Cost containment is reported in comparison to the actual cost incurred during the same period last year.	
No	STRATEGIC PRIORITY	FOCUS AREA	FINANCIAL IMPLICATION (YES/NO)	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities
9	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	REVENUE ENHANCEMENT AND CREDIT CONTROL STRATEGY	YES	a) An Integrated & Targeted Revenue Enhance Strategy developed by 31 March 2021. b) Improve on service delivery and the turnaround time of resolving calls logged with the call centre. c) Clear the backlog of meter changes and new connections. d) The program was reviewed and the staff complement was downsized whilst the number of customers increased.	Revenue Manager/CFO	2020/09/30	2021/03/31	a) In progress - 80% complete. b) In progress - 50% complete c) In progress - 5% complete. d) In progress - 50% complete.	a) Revised timeframe - 30/04/2021. b) Delayed due to lack capacity (Revised timeframe - 30/06/2021). c) Turnaround time of meter replacement and installation of meters is very slow d) Revised program will be tabled in Exco on 21/04/2021.
10		DATA CLEANSING & BILLING	YES	Accurate bills sent to all customers on monthly basis.	Revenue Manager/CFO	2020/09/30	indefinite	In progress - 60% complete	The service provider for the Data Cleansing project has been appointed and is currently on the ground.
11		METER READING	YES	a) Monthly meter reading cycle implemented for government, commercial and other bulk users. b) Plan developed to ensure that household consumers' meters are read at least every two months c) Improve meter readings to ensure 100% meters are read within a 3-month cycle.	Revenue Manager/CFO	2020/09/30	indefinite	a) In progress - 80% complete. b) In progress - 30% complete. c) In progress - 80% complete.	a) The correction of take-on balances from the previous systems is a manual process and slow. b) This plan is a manual process and moving slow. c) The meter reading process has improved but its affected by incorrect take on balances from the previous system.
12		INSTALLATION OF NEW METERS	YES	a) Budget for new meters set aside in the Special Adjustment Budget by 30 Sept 2020. b) Newly installed meters properly installed on the system and monthly reports on this be incorporated in the section 71 report. c) Water services to fast track the installation of new meters and ensure that the information flows from the plumber to the revenue section.	Revenue Manager/CFO	2020/09/30	2021/06/30	a) In progress - 5% complete b) In progress - 5% complete c) In progress - 5% complete.	a) Turnaround time for new meter installation is very slow b) Turnaround time for new meter installation is very slow c) Turnaround time for new meter installation is very slow.

**Ugu District Municipality
Financial Recovery Plan**

STATUS & PERCENTAGE

Task completed: 100%		Task almost completed: 51% - 99%		Task commenced: 1% - 50%		Task not yet started: 0%		Cost containment is reported in comparison to the actual cost incurred during the same period last year.	
No	STRATEGIC PRIORITY	FOCUS AREA	FINANCIAL IMPLICATION (YES/NO)	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities
13		SERVICES DISCONNECTIONS AND RECONNECTIONS	YES	a) Disconnection and reconnection schedule developed and shared with Troika weekly. b) Water services to carry out the disconnections as would be instructed by Revenue Unit. c) Most of the Revenue Management functions are directly linked to Water Services and there is lack of co-ordination between these departments. There is no properly documented workflow.	Revenue Manager/CFO	30/9/2020	Indefinite	a) In progress - 5% complete b) In progress - 5% complete c) In progress - 5% complete	a) Turnaround time for disconnection and reconnection is very slow. b) Technical department not prioritising the disconnection and reconnection process. c) Technical department not prioritising the disconnection and reconnection process.
14		RECONCILIATION OF INVOICES FOR BULK PAYMENTS	YES	a) Report compiled to investigate value chain for bulk supplies and invoicing processes. b) Conduct monthly reconciliations and ensure that only valid invoices are captured and paid. c) Centralisation of invoice receiving point to be adhered to	Revenue Manager/CFO	2020/09/30	Indefinite	In progress - 65%	a) Reconciliations are done monthly. b) Invoices are submitted to expenditure via email.
15		INDIGENT REGISTER	YES	Accurate register compiled by 31 March 2021	Revenue Manager/CFO	2020/09/30	Indefinite	In progress - 95%	The register is update regularly but the municipality does not have an external verification tool to test the accuracy of information provided by consumers.
16		SALARY BILL SUSTAINABILITY	NO	Restructuring proposals developed for consultation with major stakeholders by 31 December 2020 and thereafter implemented with effect from 1 July 2021	Revenue Manager/CFO	2020/09/30	2021/07/31	In progress - 50% complete	The revised organogram will be table in Exco on 21/04/2021.
17		MERGING OF ENTITIES	YES	Merge of the two entities by the 1 July 2021, reduction of transfers to support them.	GM-EDES	2020/09/30	2021/07/01	In progress - 10%	A Technical Change Management Committee (TCMC) has been formed to champion the process. The Committee then has the following sub-committees - ICT and Records Management, Legal and Corporate Governance and Finance - The minutes of the first committee meeting was not available when this reports was prepared.
18		ANNUAL FINANCIAL STATEMENTS FOR 2019/20	NO	N/A	N/A	N/A	N/A	N/A	N/A
19		LONG-TERM FINANCE STRATEGY	NO	N/A	N/A	N/A	N/A	N/A	N/A
20		BUSINESS PLANNING	NO	N/A	N/A	N/A	N/A	N/A	N/A
21		2021/2022 BUDGET	NO	N/A	N/A	N/A	N/A	N/A	N/A
22		MSCOA IMPLEMENTED CONFIGURED UP TO 100%	NO	N/A	N/A	N/A	N/A	N/A	N/A
23		BUDGET ADJUSTMENT	NO	N/A	N/A	N/A	N/A	N/A	N/A
24		ASSET MANAGEMENT	NO	N/A	N/A	N/A	N/A	N/A	N/A
25	PRIORITY 3: ENSURE PROPER FINANCIAL PLANNING, GOVERNANCE, AND REPORTING	PROJECT MANAGEMENT	YES	Ensure all the grant conditions are met	GM-MS/CFO	2020/09/30	N/A	N/A	N/A

Ugu District Municipality
Financial Recovery Plan

STATUS & PERCENTAGE

STATUS & PERCENTAGE									
Financial resources / Task									
Test completed: 100%		Test almost completed: 51% - 99%		Test commenced: 1%-50%		Task not yet started: 0%		Cost containment is reported in comparison to the actual cost incurred during the same period last year.	
No	STRATEGIC PRIORITY	FOCUS AREA	FINANCIAL IMPLICATION (YES/NO)	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities
26		MONTH-END DISCIPLINE	NO	N/A	N/A	N/A	N/A	N/A	N/A
27		INTERNAL CONTROLS	NO	N/A	N/A	N/A	N/A	N/A	N/A
28		INTERNAL AUDIT & AG FINDINGS	NO	N/A	N/A	N/A	N/A	N/A	N/A
29		FINANCIAL REPORTING	NO	N/A	N/A	N/A	N/A	N/A	N/A
30		MONTHLY REGISTERS FOR UNAUTHORISED, FRUITLESS, IRREGULAR AND WASTEFUL, AND EXPENDITURE	NO	N/A	N/A	N/A	N/A	N/A	N/A
31		SCM - Improved SCM functionality, capacity & turnaround times	NO	N/A	N/A	N/A	N/A	N/A	N/A
32		CONTRACT MANAGEMENT- Reduction in unwarranted variation orders and lapses of contracts	YES	Reduction in unwarranted variation orders and lapses of contracts	SCM Manager/CFO	2020/09/30	Indefinite	In progress	Procurement Planning has been enforced to the Municipality, especially the PMU related projects. We have communicated with business units the importance of planning and feasibility studying. The Municipality will also be implementing standards for infrastructure procurement and delivery management policy.
33		DELAYS IN THE CURRENT BID AND COMMITTEE PROCESS	NO	N/A	N/A	N/A	N/A	N/A	N/A
34		IRREGULAR APPOINTMENT OF SERVICE PROVIDERS	NO	N/A	N/A	N/A	N/A	N/A	N/A
35		MISUSE OF PANEL CONTRACTS	YES	There should be no work issued with purchase order and without following SCM process.	SCM Manager/CFO	2020/09/30	Indefinite	In progress	The SCM office has ensured that no work proceed without purchase orders. For emergency work related (i.e. pumps and road reinstatement) where in the past, work was issued without orders, the municipality is now putting standard operating procedures that will ensure service providers provide quotations prior to the commencement of work. The SCM is often faced with mounting pressure to allocate service providers as the nature of the work is always urgent and has negative impact the service delivery and environment.

**Ugu District Municipality
Financial Recovery Plan**

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Test completed: 100%		Test almost completed: 51% - 99%		Test commenced: 1% - 50%		Test not yet started: 0%		Cost containment is reported in comparison to the actual cost incurred during the same period last year.	
No	STRATEGIC PRIORITY	FOCUS AREA	FINANCIAL IMPLICATION (YES/NO)	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities
36	PRIORITY 4: IMPROVE SUPPLY CHAIN MANAGEMENT PROCESSES	MISUSE OF CONSULTANTS CONTRACTS ALLOCATION BASED	YES	Implement effective Project Management to ensure project are within budget and variation orders follow an approval process up to council.	SCM Manager/CFO	2020/05/01	Indefinite	In progress - 10 % complete	The CFO has strengthen internal controls where variation orders must be presented to MANCO and to sought Council approval where they exceed thresholds. The internal controls will ensure the Project Management office plan, ordinate and monitor project progress to avoid variations. Frequent reporting of Variation orders to Committees is also set to ensure effective project management and transparency
37		LACK OF PMU FINANCE, CREDITORS & SCM COORDINATION	NO		N/A	N/A	N/A	N/A	
38		INTERPRETATION OF REGULATION & POLICIES	NO		N/A	N/A	N/A	N/A	
39		BEC & FUNCTIONALITY -	NO		N/A	N/A	N/A	N/A	
40		SYSTEMS AND INTERNAL CONTROLS	NO		N/A	N/A	N/A	N/A	
41		CAPACITY BUILDING	NO		N/A	N/A	N/A	N/A	
42		PRICE ESCALATION	YES	Establish a Demand Management Section to conduct demand assessment, market analysis, compliance & report. Demand Management section that will monitor the procurement plan and ensure all that is requested is as budgeted.	SCM Manager/CFO	2020/05/01	Indefinite	In progress - 10 % complete	In the revised organogram, we have proposed 2 x senior officials for the SCM unit who will strengthen the compliance and general administration of the section including Demand Management, Compliance and Reporting. The contract management has initiated the implementation of procurement planning although the municipality has not been fully responsive. During the MIG acceleration, procurement planning, this was well implemented, however the broader aspect of demand management are yet to be implemented. The revised organogram will be tabled in Exco on 21/04/2021.
43	PRIORITY 5: MOBILISE SUPPORT FOR IMPLEMENTATION	MOBILISATION OF SUPPORT	NO		N/A	N/A	N/A	N/A	

Uganda District Municipality
Financial Impact of the Financial Recovery Plan

No	STRATEGIC REF	Strategic Priority	Focus Area	Key Activities	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	% cost reduction	2020/21	2021/22	2022/23	Narrative
1	2.5 2.6 2.7 2.8 2.9 2.10 2.11 2.12	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	REDUCTION OF DEBTORS BOOK REVENUE ENHANCEMENT AND CREDIT CONTROL STRATEGY DATA CLEANSING & BILLING METER READING INSTALLATION OF NEW METERS SERVICES DISCONNECTIONS AND RECONNECTIONS RECONCILIATION OF INVOICES FOR BULK PAYMENTS INDICENT REGISTER	-Institutional arrangement of the Revenue Management Unit -Implementation of the Revenue Collection Plan / Credit Control and Debt -Collection Policy / Other relevant Local Government Regulations	567,605,020	595,985,271	625,784,535	657,072,781	688,927,440	724,423,022	54.82%	54.82%	59.82%	Average 58.16% increase in revenue from year 1-3 resulting from the strategy to hasten the connection of new applications for in municipal services and encourage the illegal connections.	
2	3.7	PRIORITY 3: ENSURE PROPER FINANCIAL PLANNING, GOVERNANCE, AND REPORTING	PROJECT MANAGEMENT	Ensure all the grant conditions are met	657,757,111	900,644,967	945,677,215	992,981,076	1,042,008,129	1,084,739,586	4.67%	4.67%	9.67%	Average 9% increase in grant funding from 1-3 resulting from effective usage and meeting the grant conditions.	
3	2.5 2.6 2.7 2.8 2.9 2.10 2.11 2.12	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	REDUCTION OF DEBTORS BOOK REVENUE ENHANCEMENT AND CREDIT CONTROL STRATEGY DATA CLEANSING & BILLING METER READING INSTALLATION OF NEW METERS SERVICES DISCONNECTIONS AND RECONNECTIONS RECONCILIATION OF INVOICES FOR BULK PAYMENTS INDICENT REGISTER	-Institutional arrangement of the Revenue Management Unit -Implementation of the Revenue Collection Plan / Credit Control and Debt -Collection Policy / Other relevant Local Government Regulations	14,422,208	15,143,318	15,900,484	16,695,509	17,530,284	18,408,798	-34.52%	-34.52%	-34.52%	Average 36% decrease in other revenue from year 1-3 caused by the correction of misclassification between Other income and Grant funded income.	
4	2.4	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	PAYMENT OF CREDITORS	Total Income Payment Plan developed for Ungueta Water and a Thakani debt	1,428,794,329	1,511,773,556	1,587,583,234	1,666,720,345	1,750,086,863	1,837,579,298	-12.55%	-12.55%	-12.55%	Average 9.82% increase in bulk water purchases from year 1-3 plus CPI increase	
5	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce overtime cost by considering providing additional time in lieu of payment of overtime worked	-28,601,661	-30,031,729	-29,087,854	-30,552,747	-32,080,384	-33,684,403	24.53%	24.53%	21.42%	Average 25.16% reduction in overtime cost from year 1-3 plus CPI increase	
6	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Meritum for all employment	-343,547,178	-357,880,835	-371,208,579	-385,519,781	-399,795,915	-414,071,308	16.00%	16.00%	19.72%	Average 18.64% reduction in employee cost from year 1-3 plus CPI increase	
7	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduction of employee related costs	-1,400,000	-1,470,000	-1,543,500	-1,620,675	-1,701,708	-1,786,794	33.75%	33.75%	38.75%	Average 37.09% reduction in telephone cost from 2020/21 to 2022/23 plus CPI increase	
8	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce telephone cost	-1,965,000	-1,643,250	-1,725,413	-1,811,883	-1,902,287	-1,997,381	38.99%	38.99%	43.99%	Average 42.32% reduction in ICT license cost from year 1-3 plus CPI increase	
9	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce vehicle repairs cost	-12,000,000	-12,600,000	-13,230,000	-13,881,500	-14,568,075	-15,315,379	11.76%	11.76%	16.76%	Average 15.10% reduction in vehicle cost from year 1-3 plus CPI increase	
10	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce fuel cost	-24,000,000	-25,200,000	-26,460,000	-27,783,000	-29,172,150	-30,630,758	7.69%	7.69%	12.69%	Average 11.03% reduction in fuel cost from year 1-3 plus CPI increase	
11	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce electricity cost	-77,424,586	-81,295,815	-85,360,606	-89,628,636	-94,110,068	-98,815,572	3.89%	3.89%	8.89%	Average 7.23% reduction in electricity cost from year 1-3 plus CPI increase	
12	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce printing and stationary cost	-1,483,000	-1,557,150	-1,635,098	-1,716,756	-1,802,586	-1,892,726	11.88%	11.88%	16.88%	Average 15.22% reduction in printing and stationary cost from year 1-3 plus CPI increase	
13	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce travel and accommodation cost	-1,354,511	-532,035	-558,637	-586,569	-615,897	-646,692	26.78%	26.78%	31.94%	Average 8.21% decrease in travelling cost from year 1-3 plus CPI increase	
14	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce expenditure on events and social functions	0	0	0	0	0	0	100.00%	100.00%	100.00%	100.00% decrease in events cost from year 1-3 plus CPI increase	
16	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce audit fees	-4,000,000	-4,200,000	-4,410,000	-4,630,500	-4,862,025	-5,105,126	11.11%	11.11%	16.11%	Average 14.44% decrease in audit fees from year 1-3 plus CPI increase	
17	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Reduce costs relating to Councilors vehicles and security to the acceptable level per cost containment policy	-5,800,000	-5,880,000	-6,174,000	-6,482,700	-6,808,135	-7,143,177	13.85%	13.85%	18.85%	Average 17.38% decrease in LED projects cost from year 1-3 plus CPI increase	
2.14	2.3	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	COST CONTAINMENT	Maintain the increase on other Operational expenditure to a CPI level	-454,035,526	-459,032,709	-460,574,169	-462,802,878	-465,183,022	-467,617,173	-29.78%	-29.78%	-43.09%	Containing the increase on other expenditure to the CPI level from year 1-3 plus CPI increase	
4.2	2.14	PRIORITY 2: ADDRESS LIQUIDITY CHALLENGES	MERGING OF ENTITIES	Merge of the two entities: reduction of transfers to support them	-19,323,364	-19,974,532	-20,973,258	-22,021,921	-23,123,017	-24,279,188	52.79%	52.79%	51.20%	Average 55.92% reduction in grants and subsidies from year 1-3 plus CPI increase	
4.6	4.2	PRIORITY 4: IMPROVE SUPPLY CHAIN MANAGEMENT PROCESSES	CONTRACT MANAGEMENT MISUSE OF PANEL CONTRACTS MISUSE OF CONSULTANTS CONTRACTS / ALLOCATION BASED PRICE ESCALATION	Reduce costs associated with the use of consultants	-48,303,187	-53,278,892	-49,538,888	-42,108,355	-35,790,462	-30,421,842	58.26%	58.26%	51.24%	Average 48.49% decrease in consultants cost from year 1-3 plus CPI increase	
4.12	4.12	PRIORITY 4: IMPROVE SUPPLY CHAIN MANAGEMENT PROCESSES	CONTRACT MANAGEMENT MISUSE OF PANEL CONTRACTS MISUSE OF CONSULTANTS CONTRACTS / ALLOCATION BASED PRICE ESCALATION	Total expenditure Surplus / deficit, before Capital expenditure	-1,008,848,294	-1,134,489,705	-1,202,797,745	-1,232,384,896	-1,261,923,748	-1,291,335,530					
4.5	4.5	PRIORITY 4: IMPROVE SUPPLY CHAIN MANAGEMENT PROCESSES	CONTRACT MANAGEMENT MISUSE OF PANEL CONTRACTS MISUSE OF CONSULTANTS CONTRACTS / ALLOCATION BASED PRICE ESCALATION	Reduce capital expenditure on internally funded projects	380,036,043	377,273,851	384,054,689	404,345,460	428,143,117	446,224,678					
4.12	4.12	PRIORITY 4: IMPROVE SUPPLY CHAIN MANAGEMENT PROCESSES	CONTRACT MANAGEMENT MISUSE OF PANEL CONTRACTS MISUSE OF CONSULTANTS CONTRACTS / ALLOCATION BASED PRICE ESCALATION	Reduce capital expenditure on internally funded projects	-252,782,961	-290,168,329	-273,207,675	-286,888,059	-301,211,462	-316,272,035					
3.7	3.7	PRIORITY 3: ENSURE PROPER FINANCIAL PLANNING, GOVERNANCE, AND REPORTING	PROJECT MANAGEMENT	Surplus / deficit, after Capital expenditure	88,173,054	87,705,522	111,254,814	147,477,407	188,931,655	229,962,641					

Ugu District Municipality

Financial Impact of the Financial Recovery Plan on the Financial Performance (Table A4/B4)

Description	Year 1 2,021	Year 2 2,022	Year 3 2,023	Year 4 2,024	Year 5 2,025	Year 6 2,026
Revenue By Source						
Property rates						
Service charges - electricity revenue	474,097,054	497,801,907	522,692,001	548,826,601	576,267,931	605,081,328
Service charges - water revenue	93,507,966	98,183,365	103,092,533	108,247,160	113,659,518	119,342,494
Service charges - sanitation revenue	0	0	0	0	0	0
Service charges - refuse revenue	0	0	0	0	0	0
Rental of facilities and equipment	739,713	776,699	815,534	856,311	899,126	944,083
Interest earned - external investments	2,785,958	2,925,256	3,071,519	3,225,094	3,386,349	3,555,667
Interest earned - outstanding debtors	1,848,385	1,940,804	2,037,844	2,139,736	2,246,723	2,359,059
Dividends received	0	0	0	0	0	0
Fines, penalties and forfeits	7,520	7,896	8,291	8,706	9,141	9,598
Licences and permits	500,000	525,000	551,250	578,813	607,753	638,141
Agency services	0	0	0	0	-0	-0
Transfers and subsidies	556,283,938	584,098,135	613,303,043	643,968,195	676,166,605	709,974,935
Other revenue	99,149,617	104,107,098	109,312,454	114,778,077	120,516,981	126,542,830
Gains on disposal of PPE	0	0	0	0	0	0
Total Revenue (excluding capital transfers and contributions)	1,228,920,151	1,290,366,161	1,354,884,468	1,422,628,692	1,493,760,126	1,568,448,133
Expenditure By Type						
Employee related costs	406,214,258	426,524,971	447,851,219	470,243,780	493,755,969	518,443,768
Remuneration of councillors	9,997,285	10,497,148	11,022,004	11,573,104	12,151,759	12,759,347
Debt impairment	32,868,165	34,511,574	36,237,152	34,425,294	32,704,030	31,068,828
Depreciation & asset impairment	152,823,321	160,464,487	168,487,711	143,214,555	121,732,372	103,472,516
Finance charges	6,675,286	7,009,050	7,359,503	6,991,528	6,641,952	6,309,854
Bulk purchases	143,837,549	151,029,427	158,580,899	166,509,944	174,835,441	183,577,213
Other materials	18,847,245	19,789,607	20,779,090	21,818,044	22,908,947	24,054,394
Contracted services	186,009,348	195,309,819	205,075,321	215,329,087	226,095,541	237,400,318
Transfers and subsidies	19,323,364	20,289,532	21,304,009	15,729,944	16,516,441	17,342,263
Other expenditure	237,391,285	249,260,851	261,723,879	274,810,073	288,550,576	302,978,105
Loss on disposal of PPE	8,500	8,925	9,371			
Total Expenditure	1,213,995,606	1,274,695,391	1,338,430,159	1,360,645,354	1,395,893,029	1,437,406,608
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)						
Surplus/(Deficit)	14,924,545	15,670,770	16,454,309	61,983,338	97,867,098	131,041,525

Ugu District Municipality
Financial Impact of the Financial Recovery Plan on the Capital Financial Performance (Table A5/B5)

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
R thousand	2,021	2,022	2,023	2,024	2,025	2,026
Capital Expenditure - Functional						
Governance and administration	22,381,800	23,500,890	24,675,935	25,909,732	27,205,218	28,565,479
Executive and council	0	0	0	0	0	0
Finance and administration	22,381,800	23,500,890	24,675,935	25,909,732	27,205,218	28,565,479
Internal audit	0	0	0	0	0	0
Community and public safety	0	0	0	0	0	0
Community and social services	0	0	0	0	0	0
Sport and recreation	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Housing	0	0	0	0	0	0
Health	0	0	0	0	0	0
Economic and environmental services	0	0	0	0	0	0
Planning and development	0	0	0	0	0	0
Road transport	0	0	0	0	0	0
Environmental protection	0	0	0	0	0	0
Trading services	229,900,626	241,395,658	253,465,444	190,788,662	200,328,095	210,344,500
Energy sources	215,583,653	226,362,836	237,680,980	174,214,975	182,925,723	192,072,010
Water management	14,316,973	15,032,822	15,784,464	16,573,687	17,402,372	18,272,490
Waste water management	0	0	0	0	0	0
Waste management	95,000	99,750	104,738	0	0	0
Other						
Total Capital Expenditure - Functional	252,377,426	264,996,298	278,246,117	216,698,394	227,533,313	238,909,979
Funded by:	0	0	0	0	0	0
National Government	0	0	0	0	0	0
Provincial Government	209,600,626	220,080,658	231,084,694	242,638,929	254,770,875	267,509,419
District Municipality	0	0	0	0	0	0
Other transfers and grants	0	0	0	0	0	0
Transfers recognised - capital	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0
Internally generated funds	42,161,000	44,269,050	46,482,503	48,806,628	51,246,960	53,809,308
Total Capital Funding	251,761,626	264,349,708	277,567,197	291,445,557	306,017,835	321,318,726

Ugu District Municipality

Financial Impact of the Financial Recovery Plan on the Financial Position (Table A6/B6)

Description	Year 1 2,021	Year 2 2,022	Year 3 2,023	Year 4 2,024	Year 5 2,025	Year 6 2,026
R thousand						
ASSETS						
Current assets						
Cash	148,143,761	155,550,947	163,328,494	171,494,919	180,069,665	189,073,148
Call investment deposits	77,008,604	80,859,034	84,901,985	89,147,084	93,604,439	98,284,561
Consumer debtors	319,015,121	334,965,877	351,714,170	263,785,627	197,839,221	148,379,415
Other debtors	3,844,107	4,036,313	4,238,128	3,178,596	2,383,947	1,787,960
Current portion of long-term receivables	5,135,595	5,392,375	5,661,993	4,246,495	3,184,871	2,388,653
Inventory	45,288,403	47,552,823	49,930,464	11,362,188	11,930,297	12,526,812
Total current assets	598,435,591	628,357,368	659,775,235	543,214,910	489,012,440	452,440,650
Non current assets						
Long-term receivables	0	0	0	0	0	0
Investments	2,974,340	3,123,057	3,279,209	2,623,367	2,098,694	1,678,955
Investment property	0	0	0	0	0	0
Investment in Associate	43,416,310	45,587,126	47,866,482	50,259,806	52,772,797	55,411,437
Property, plant and equipment	3,932,562,260	4,129,190,373	4,335,649,896	5,350,155,922	5,654,144,879	5,908,040,426
Biological	0	0	0	0	0	0
Intangible	6,867,706	7,211,091	7,571,646	7,950,229	8,347,740	8,765,127
Other non-current assets	200	210	220	231	243	255
Total non current assets	3,985,820,816	4,185,111,857	4,394,367,453	5,410,989,556	5,717,364,352	5,973,896,200
TOTAL ASSETS	4,584,256,407	4,813,469,225	5,054,142,688	5,954,204,465	6,206,376,791	6,426,336,850
LIABILITIES						
Current liabilities						
Bank overdraft	0	0	0	0	0	0
Borrowing	52,696,737	55,331,574	58,098,152	55,193,244	52,433,582	49,811,903
Consumer deposits	98,501,001	103,426,051	108,597,354	114,027,222	119,728,583	125,715,012
Trade and other payables	484,222,532	508,433,661	533,855,345	429,807,627	447,052,622	473,306,479
Provisions	34,203,180	35,913,339	37,709,006	35,823,556	34,032,378	32,330,759
Total current liabilities	669,623,450	703,104,625	738,259,857	634,851,649	653,247,164	681,164,153
Non current liabilities						
Borrowing	47,611,905	49,992,500	52,492,126	49,867,519	47,374,143	45,005,436
Provisions	37,056,392	38,909,212	40,854,673	38,811,939	36,871,342	35,027,775
Total non current liabilities	84,668,297	88,901,712	93,346,799	88,679,459	84,245,486	80,033,211
TOTAL LIABILITIES	754,291,747	792,006,337	831,606,656	723,531,108	737,492,650	761,197,364
NET ASSETS	3,829,964,660	4,021,462,888	4,222,536,032	5,230,673,358	5,468,884,141	5,665,139,486
COMMUNITY WEALTH EQUITY						
Accumulated Surplus/(Deficit)	0	0	0	0	0	0
Reserves	3,829,964,660	4,021,462,891	4,222,536,037	5,230,673,358	5,468,884,141	5,665,139,486
TOTAL COMMUNITY WEALTH EQUITY	3,829,964,660	4,021,462,891	4,222,536,037	5,230,673,358	5,468,884,141	5,665,139,486

Ugu District Municipality
Financial Impact of the Financial Recovery Plan on the Cash Flow (Table A7/B7)

Description	Year 1 2,021	Year 2 2,022	Year 3 2,023	Year 4 2,024	Year 5 2,025	Year 6 2,026
R thousand						
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	0	0	0	0	559,408,144	587,378,551
Service charges	460,226,465	483,237,788	507,399,677	532,769,661	714,349	787,569
Other revenue	617,081	647,935	680,332	714,349	750,066	787,569
Government - operating	539,462,482	566,435,606	594,757,386	624,495,256	655,720,019	688,506,020
Government - capital	228,190,991	239,600,540	251,580,567	264,159,595	277,367,575	291,235,954
Interest	16,000,000	16,800,000	17,640,000	18,522,000	19,448,100	20,420,505
Dividends	535,182	561,941	590,038	619,540	650,517	683,043
Payments						
Suppliers and employees	-1,002,296,970	-1,052,411,827	-1,105,032,417	-1,049,780,797	-1,102,269,836	-1,157,383,328
Finance charges	-6,675,286	-7,009,050	-7,359,503	-7,727,479	-8,113,853	-8,519,545
Transfers and Grants	-19,323,364	-20,289,532	-21,304,009	-22,369,209	-23,487,670	-24,662,053
NET CASH FROM/(USED) OPERATING ACTIVITIES	236,059,945	247,862,933	260,256,080	361,402,916	379,473,062	398,446,715
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	0	0	0	0	5,880,000	6,174,000
Decrease (increase) in non-current debtors					0	0
Decrease (increase) other non-current receivables	985,535	1,034,812	1,086,553	1,140,881	1,197,925	1,257,821
Decrease (increase) in non-current investments	0	0	0	0	0	0
Payments						
Capital assets	-292,367,845	-306,986,238	-322,335,550	-216,698,394	-227,533,313	-238,909,979
NET CASH FROM/(USED) INVESTING ACTIVITIES	-291,382,310	-305,951,426	-321,248,997	-209,957,513	-220,455,389	-231,478,158
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans	0	0	0	0		
Borrowing long term/financing	0	0	0	0		
Increase (decrease) in consumer deposits	76,837,200	80,679,060	84,713,013	93,184,314	97,843,530	102,735,707
Payments						
Repayment of borrowing	-5,021,965	-5,273,063	-5,536,716	-4,152,537	-3,114,403	-2,335,802
NET CASH FROM/(USED) FINANCING ACTIVITIES	71,815,235	75,405,997	79,176,297	89,031,777	94,729,127	100,399,904
NET INCREASE / (DECREASE) IN CASH HELD	0	17,317,504	18,183,380	240,477,180	253,746,800	267,368,461
Cash/cash equivalents at the year begin:	76,749,813	93,242,683	110,560,187	128,743,567	369,220,747	622,967,547
Cash/cash equivalents at the year end:	93,242,683	110,560,187	128,743,567	369,220,747	622,967,547	890,336,009

Ugu District Municipality

Financial Impact of the Financial Recovery Plan on the Cash backed reserves/accumulated surplus (Table A8/B8)

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
R thousand	2,021	2,022	2,023	2,024	2,025	2,026
Cash and investments available						
Cash/cash equivalents at the year end	-5,336,331,189	110,560,187	128,743,567	36,807,116	28,083,510	9,719,508
Other current investments > 90 days	5,561,483,554	125,849,794	119,486,912	125,461,258	131,734,321	138,321,037
Non current assets - Investments	0	0	0	50,500,000	52,987,000	60,500,000
Cash and investments available:	225,152,365	236,409,981	248,230,479	212,768,374	212,804,831	208,540,545
Application of cash and investments						
Unspent conditional transfers	23,237,000	24,398,850	25,618,793	21,775,974	18,509,578	15,733,141
Unspent borrowing	0	0	0	0	0	0
Statutory requirements	0	0	0	0	0	0
Other working capital requirements	205,522,200	215,798,312	226,588,230	-7,656,728	-11,487,055	-10,859,302
Other provisions	0	0	0	52,409,488	47,611,347	33,634,344
Long term investments committed	0	0	0	0	0	0
Reserves to be backed by cash/investments	0	0	0	0	0	0
Surplus / (deficit)	-3,606,835	-3,787,180	-3,976,544	146,239,640	158,170,961	170,032,362

UGU DISTRICT MUNICIPALITY

“The Municipality”



BUDGET POLICY

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1. **DEFINITIONS**

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act, has the same meaning as in that Act.

“Accounting Officer” means the Municipal Manager of Ugu Municipality;

“Allocation” means –

- i) a municipality's share of the local government's equitable share referred to in Section 214(l) (a) of the Constitution;
- ii) an allocation of money to a municipality in terms of Section 214(1) (c) of the Constitution;
- iii) an allocation of money to a municipality in terms of a provincial budget; or
- iv) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction.

“Annual Division of Revenue Act” means the Act of Parliament, which must be enacted annually in terms of Section 214(1) of the Constitution;

“Approved budget” means an annual budget -

- a) approved by a municipal Council, or
- b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA.

“Budget-related policy” means a policy of a municipality affecting or affected by the annual budget of the Municipality, including -

- a) the tariffs policy, which the Municipality must adopt in terms of Section 74 of the Municipal Systems Act;
- b) the rates policy which the Municipality must adopt in terms of Section 3 of the Municipal Property Rates Act;
- c) the credit control and debt collection policy, which the Municipality must adopt in terms of Section 96 of the Municipal Systems Act;

“Budget year” means the financial year of the Municipality for which an annual budget is to be approved in terms of Section 16(1) of the MFMA;

“Chief Financial Officer” means the Chief Financial Officer of Ugu Municipality;

“Council” means the Council of Ugu Municipality;

“Current year” means the financial year, which has already commenced, but not yet ended;

“Delegation” in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

“Financial Statements” means statements consisting of at least -

- a) a statement of financial position;
- b) a statement of financial performance;
- c) a cash-flow statement;
- d) any other statements that may be prescribed; and
- e) any notes to these statements;

“Financial year” means a twelve months period commencing on 1 July and ending on 30 June each year;

“Fruitless and wasteful expenditure” means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

“Irregular expenditure”, means –

- a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the MFMA Act, and which has not been condoned in terms of Section 170 of the MFMA;
- b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act 20 of 1998); or

- d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

"Investment" in relation to funds of a municipality, means -

- a) the placing on deposit of funds of a municipality with a financial institution; or
- b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"long-term debt" means debt repayable over a period exceeding one year;

"Mayor" means the Mayor of Ugu Municipality;

"Municipality" refers to Ugu District Municipality

"National Treasury" means the National Treasury established by Section 5 of the Public Finance Management Act;

"Official" means -

- a) an employee of a municipality or municipal entity;
- b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"Overspending" means -

- a) causing the operational or capital expenditure incurred by the Municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or

- c) in relation to expenditure under Section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

“Quarter” means any of the following periods in a financial year:

- a) 1 July to 30 September;
- b) 1 October to 31 December;
- c) 1 January to 31 March; or
- d) 1 April to 30 June.

“Service Delivery and Budget Implementation Plan” means a detailed plan approved by the Mayor of a municipality in terms of Section 53 (l) (c) (ii) of the MFMA for implementing the Municipality's delivery of municipal services and its annual budget, and which must indicate:

- a) projections for each month of:
 - i) revenue to be collected, by source and vote; and
 - ii) operational and capital expenditure, by vote;
- b) service delivery targets and performance indicators for each quarter; and
- c) any other matters that may be prescribed, and includes any revisions of such plan by the Mayor in terms of Section 54(l)(c) of the MFMA;

“Unauthorised expenditure” means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes –

- a) overspending of the total amount appropriated in the Municipality's approved budget;
- b) overspending of the total amount appropriated for a vote in the approved budget;
- c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- f) a grant by the Municipality otherwise than in accordance with the MFMA;

"Virement" means transfer of funds between functions / votes

"Vote" means

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. PRINCIPLES

- 2.1 Section 215 (1) of the Constitution of the Republic of South Africa states that National, provincial and municipal budgets and budgetary processes must promote transparency, accountability and the effective financial management of the economy, debt and the public sector. It also states in S215 (3), that Budgets in each sphere of government must contain;
- a. Estimates of revenue and expenditure, differentiating between capital and current expenditure;
 - b. Proposals for financing any anticipated deficit for the period to which they apply; and
 - c. An indication of intentions regarding borrowing and other forms of public liability that will increase public debt during the ensuing year.
- 2.2 Section 26(h) of the Municipal Systems Act (Act 32 of 2000) requires a municipality's Integrated Development Plan to reflect a financial plan, which must include a budget projection for at least the next three years (Medium Term Expenditure Framework);
- 2.3 Section 21 of the Municipal Finance Management Act (Act 56 of 2003) prescribes the function of the Mayor who must coordinate the processes for preparing the annual budget and for the reviewing of the municipality's Integrated Development Plan and budget related policies and to ensure that any revisions are mutually consistent and credible;
- 2.4 Section 16 of the Municipal Finance Management Act, requires the municipal council to approve an annual budget for the municipality before the start of the financial year;
- 2.5 The Minister with the concurrence of the Minister for Provincial and Local Government, has in terms of S168 of the Municipal Finance Management Act issued the Municipal Budget and Reporting Regulations which aim to secure sound and sustainable management of the budgeting and the reporting practices of the municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes; Now therefore, the Council of Ugu District Municipality adopts the Budget Policy as set out in this document.

3. **OBJECTIVES OF THE POLICY**

To set a broad framework within which Budget related decisions of the Municipality will be taken and implemented to ensure efficient and transparent financial planning that will promote sound and sustainable financial management, essential for the achievement of the Municipality's developmental priorities as contained in its Integrated Development Plan.

4. **SCOPE AND INTENDED AUDIENCE**

- 4.1 This Policy will serve as a guideline for the effective management of the Municipal budgetary processes, in order to attain the strategic objectives of the Municipality within the ambits of the applicable legislation, and shall apply to all departments within the Municipality.
- 4.2 Council has considered the guidelines distributed by National Treasury to local government which detail the processes and formats to be followed when preparing the budget policy.
- 4.3 The Municipality shall comply with the provisions of this Policy in the compilation of each of its budgets.

5. **REGULATORY FRAMEWORK**

In the process of preparing the Municipal budget, The Mayor, political office bearers (Councillors), Accounting Officer, Chief Financial Officer and other officials shall comply with all relevant legal requirements, including:-

- a) The provisions of Chapter 4 of the Municipal Finance Management Act, 2003, ('the MFMA'), as well as Sections 42, 43, 53, 54, 55, 68, 69, 70, 71, 72, 75, 80, 81, and 83 thereof; and
- b) The Municipal Budget and Reporting Regulations published in terms of Section 168 of the MFMA.
- c) All relevant budget related Circulars and notices issued by the National Treasury.

6. **ROLES AND RESPONSIBILITIES**

6.1 **Role of Council**

- a) Must provide political leadership and direction

- b) Play an oversight role by approving budget related policies, and ensuring that the priorities are reflected in the budget. (Council may not delegate approval of budgets and policies)
- c) Approve the Integrated Development Plan, the Annual Budgets and the Service Delivery Budget Implementation Plan.
- d) Monitor the outcomes of the implementation of the policies and budgets.

6.2 **Role of the Mayor**

- a) Provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. (S53, MFMA)
- b) Prepare and table a schedule of key deadlines for the preparation, tabling and approval of the budget, annual review of the IDP and the consultative process. (S21, MFMA)
- c) Take all reasonable steps to ensure that the Municipality approves its annual budget before the start of the financial year and report to the Municipal Council and the MEC for finance in the province any delays in the tabling of the annual budget. (S53, MFMA)
- d) Must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in S53, MFMA

6.3 **Role of the Accounting Officer**

- a) Assist the Mayor in performing budgetary functions assigned to him/her in terms of Chapter 4 & 7 of the MFMA and to provide administrative support, resources and information necessary for the performance of those functions. (S68, MFMA)
- b) Is responsible for the implementation of the approved budget and must take all reasonable steps to ensure that the spending of funds is in accordance with the budget and is reduced as necessary when the revenue is anticipated to be less than the projected in the budget.
- c) Ensure that revenue and expenditure are properly monitored.
- d) Must prepare an adjustments budget and submit it to the Mayor for consideration and tabling in the Municipal Council when necessary.
- e) Report to the Municipal Council any shortfalls in budget revenue, overspending and necessary steps taken to prevent shortfalls and overspending.
- f) Submit to the Mayor actual revenue, borrowings, expenditure and where necessary report variances on projected revenue and the budget.

6.4 **Role of the Chief Financial Officer (CFO)**

- a) Without derogating in any way from the legal responsibilities of the Accounting Officer as Accounting Officer, the Chief Financial Officer shall be responsible for preparing the draft annual capital and operating budgets (including the budget components required for the ensuing financial years), any required adjustments budgets, the projections of revenues and expenses for the service delivery and budget implementation plan (including the alignment of such projections with the cash management programme prepared in terms of the banking, cash management and investments policy), and shall be accountable to the Accounting Officer in regard to the performance of these functions.
- b) Must advise the Accounting Officer on the exercise of powers and duties assigned to him in terms of the MFMA.
- c) Must assist the Accounting Officer in the preparation and implementation of the Municipality's budget.
- d) The Chief Financial Officer shall draft the budget timetable for the ensuing financial year for the Council's approval, and shall indicate in such timetable the target dates for the draft revision of the annual budget and the preparation of the annual budget for the ensuing financial year, which target dates shall follow the prescriptions of the Municipal Finance Management Act, and target dates for the submission of all the budget-related documentation to the Management Committee, Finance Portfolio, Executive Committee and Council.
- e) Except where the Chief Financial Officer, with the consent of the Mayor and Accounting Officer, decides otherwise, the sequence in which each annual budget and adjustments budget shall be prepared, shall be: first, the capital component, and second, the operating component. The operating component shall duly reflect the impact of the capital component on;
 - i) depreciation charges;
 - ii) repairs and maintenance expenses;
 - iii) interest payable on external borrowings; and
 - iv) other operating expenses.
- f) In preparing the operating budget, the Chief Financial Officer shall determine the number and type of votes to be used and the line-items to be shown under each

vote, provided that in so doing the Chief Financial Officer shall properly and adequately reflect the organisational structure of the Municipality, and further in so doing shall comply – in so far as the organisational structure permits – also with the prescribed budget format of National Treasury

- g) Must perform all budgeting and other duties as delegated by the Accounting Officer in terms of S79, MFMA.
- h) The Chief Financial Officer shall determine the depreciation expenses to be charged to each vote, the apportionment of interest payable to the appropriate votes, the estimates of withdrawals from (claims) and contributions to (premiums) the self-insurance reserve, and the contributions to the provisions for debt impairment, accrued leave entitlements and obsolescence of stocks
- i) The Chief Financial Officer shall further, with the approval of the Mayor and the Accounting Officer, determine the recommended contribution to the asset financing reserve and any special contributions to the self-insurance reserve.
- j) The Chief Financial Officer shall also, again with the approval of the Mayor and the Accounting Officer, and having regard to the Municipality's current financial performance, determines the recommended aggregate growth factor(s) according to which the budgets for the various votes shall be drafted.
- k) The Chief Financial Officer shall compile monthly budget reports, with recommendations, comparing actual results with budgeted projections, and the heads of departments shall timeously and adequately furnish the Chief Financial Officer with all explanations required for deviations from the budget. The Chief Financial Officer shall submit these monthly reports to the Mayor, Finance Portfolio and Executive Committee, and all other prescribed parties, in accordance with the prescriptions of the Municipal Finance Management Act.
- l) The Chief Financial Officer shall provide technical and administrative support to the Mayor in the preparation and approval of the annual and adjustment budgets, as well as in the consultative processes, which must precede the approval of such budget.
- m) The Chief Financial Officer shall ensure that the annual and adjustments budgets comply with the requirements of the National Treasury, reflect the budget priorities

determined by the Mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the Mayor on the revision of the IDP and the budget-related policies where these are indicated.

- n) The Chief Financial Officer shall make recommendations on the financing of the draft capital budget for the ensuing and future financial years, indicating the impact of viable alternative financing scenarios on future expenses, and specifically commenting on the relative financial merits of internal and external financing options.
- o) The Chief Financial Officer shall determine the basis for allocating overhead expenses not directly chargeable to votes. The expenses associated with the democratic process shall be allocated to a separate vote, and shall not be charged out as an overhead.
- p) The Chief Financial Officer shall ensure that the cost of indigent relief is separately reflected in the appropriate votes.
- q) The Chief Financial Officer shall ensure that the allocations from other organs of state are properly reflected in the annual and adjustments budget, and that the estimated expenses against such allocations (other than the equitable share) are appropriately recorded.

6.5 **Role of Senior Managers & Other Officials**

- a) Each Senior Manager and each Municipal official exercising financial management responsibilities must take all reasonable steps within his/her area of responsibility to ensure that the financial resources of the Municipality are utilised effectively, efficiently, economically and transparently.
- b) Must prevent unauthorised, irregular and fruitless or wasteful expenditure and other losses within his/her Department.
- c) Must ensure that all revenue due to the Municipality is collected.
- d) Must ensure that all information required by the Accounting Officer for compliance with the provisions of the Acts is timeously submitted.

6.6 **Role of the Budgeting Steering Committee**

6.6.1 The Municipal Budget and Reporting regulations (Government Gazette 32141) chapter 2 requires the Mayor to establish a Budget steering comprising of the following members:-

- a) The Mayor – Chairperson
- b) The Speaker
- c) The Whips of Political Parties
- d) The Accounting Officer (Municipal Manager)
- e) The Chief Financial Officer
- f) The IDP Manager
- g) The Manager Budget Office and,
- h) Members of Senior Management (Top Management)

6.6.2 The role of the Committee shall be:-

- a) To assist the Mayor in carrying out his/her statutory roles and responsibilities in accordance with S52 and S53 of the MFMA.
- b) To provide technical assistance to the Municipal political office bearers during policy formulation and to assist priority determination.
- c) To interrogate and make recommendations on the adoption of the Annual Budget, the Service Delivery and Budget Implementation Plan (SDBIP), S71 monthly budget statements and S72 Midyear budget and performance report and the Adjustments Budget.
- d) To evaluate the progress report of the Accounting Officer with regard to the financial year end closure and compilation of the Municipal audit file.
- e) To evaluate progress report on the statutory audit by the office of the Auditor General.
- f) To exercise oversight in the compilation of the Annual Report.
- g) To evaluate action plans from the Accounting Officer on corrective measures to be taken on issues raised by the Auditor General.
- h) To evaluate and recommend payment of Annual Performance Bonuses to the Accounting Officer and Senior Management after the annual report has been adopted by Council on 31 January each year.

6.6.3 Council may adopt its existing Finance Portfolio Committee as its Budget and Steering Committee.

6.7 **Role of the Budget and Treasury Office**

- a) To assist the Accounting Officer in tabulating key time frames for the Budget Process.
- b) To provide guidance to the Accounting Officer and Senior Managers during the budget preparation process in accordance with National Treasury MFMA Reforms.
- c) To consolidate departmental Capital and Operating budgets.
- d) To consolidate departmental S71 monthly budget statements, quarterly returns and the Midyear monitoring report and submit to the Finance Portfolio Committee.
- e) To report any unauthorised, irregular, fruitless and wasteful expenditure or any deviations from the approved budget to the Finance Portfolio Committee.
- f) To assist the Accounting Officer in implementing recommendations of the Finance Portfolio Committee.
- g) To manage the administrative operations of the Budget and Treasury Office to ensure full compliance with the MFMA and any issued guidelines or Circulars from National Treasury.

6.8 **Delegation of roles and responsibilities**

6.8.1 All delegations by the Mayor to the Accounting Officer, Mayor to the members of the Finance portfolio Committee, the Accounting Officer to the Chief Financial Officer and other Senior Managers, of their roles, duties and responsibilities as per the MFMA:-

- a) Must be in writing,
- b) Are subject to the limitations as may be imposed by the Act,
- c) Does not absolve the Mayor, the Accounting Officer or the Senior Officials of the responsibilities concerning the exercise of the delegated power or the performance of the fiduciary duties, and
- d) Should not be indefinite and must be reviewed annually.

7 **ANNUAL SCHEDULE OF KEY DEADLINES**

- 7.1 The deadline dates for all budget preparation processes shall be as per the approved Process Plan as tabled by the Mayor to Council in August.
- 7.2 Such Process Plan shall indicate the target dates for the draft revision of the Integrated Development Plan and the preparation of the annual budget for the ensuing financial year, which target dates shall follow the prescriptions of the MFMA, for the submission

of all the budget-related documentation to the Mayor, Finance Committee, Executive Committee and Council.

- 7.3 Such time schedule shall provide for the deadlines set out in Appendix A, unless the Mayor, after consultation with the Chief Financial Officer, determines otherwise and provided that the requirements of the MFMA shall at all times be adhered to.
- 7.4 The Chief Financial Officer shall be responsible for ensuring that the time schedule is adhered to.

8 BUDGET PRINCIPLES

The sequence in which the Annual Budget shall be prepared shall be, first, the capital component and second, the operating component, except where the Chief Financial Officer with the consent of the Mayor decides otherwise. The Municipality's annual budget should:-

- a) Move towards the achievement of goals and objectives of the Municipality within the constraints of the available resources.
- b) Consider the Priorities as identified in the State of the Nation Address, State of the Province Address and the State of the District Address.
- c) Reflect the priorities contained in the Municipality's Integrated Development Plan.
- d) Be credible and fully funded from realistically anticipated revenues.
- e) Consider any resolutions taken by Council or the Executive Committee in the previous Budget Year which have financial implications on the current Medium Term Revenue Expenditure Framework.
- f) The basis of measurement and accounting policies underpinning the Municipality's annual financial statements must be the same as those used in the preparation of the Municipality's annual budget and supporting documentation.
- g) Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.

9 FUNDING OF EXPENDITURE

An Annual budget must be funded only from:

- a) Realistically anticipated revenues to be collected.
- b) Cash-backed accumulated surpluses from previous years not committed for other purposes;

- c) Borrowed funds, but only for revenue-generating capital projects; and
- d) Grants and subsidies as per DORA.

10 THE CAPITAL BUDGET

- 10.1 The Budget shall be prepared in the prescribed budget format of National Treasury.
- 10.2 The annual capital budget shall be prepared from a zero base, except in so far as capital projects represent a contractual commitment to the Municipality extending over more than one financial year.
- 10.3 The annual capital budget shall only be approved by Council if it is properly balanced (i.e. if the sources of finance have been secured to fund the budget and are equal to the proposed capital expenditure).
- 10.4 Before approving the capital budget, the Council shall consider the impact on the present and future operating budgets in relation to Finance Charges on external loans, Depreciation on fixed assets, Maintenance costs of fixed assets, and any other ordinary operational expenses associated with any item in that capital budget.
- 10.5 The Council shall also consider any impact of operating expenses – net of any revenues to be generated from the project – i.e. on future service tariffs.
- 10.6 Expenditure of a project shall be included in the Capital Budget if it meets the asset definition in terms of Council's approved Asset Management Policy

11 OPERATING REVENUE

- 11.1 The Operating revenue must include:
 - a) Estimates for all municipal revenue sources and;
 - b) All gazetted grants and subsidies, donations and subsidies in kind or emergency relief funding.
- 11.2 The allocation of interest on investments shall be budgeted for in terms of the cash, banking and investment policy.
- 11.3 In preparing the revenue budget, the Municipality shall strive to maintain the aggregate revenues from service charges at not less than 90% of the aggregate revenues net of operating grants.
- 11.4 The proposed increases in tariffs should be affordable, i.e. in line with CPIX, and should take into account the need to address infrastructure backlogs.
- 11.5 Tariff increases must respond to the population growth rate and the Division of Revenue Act.

- 11.6 The water and sanitation charges shall be calculated and levied as per the reviewed Water and Sanitation Tariffs Policy for that MTREF.
- 11.7 All tariffs shall be published in a local newspaper, and placed on the Municipal website and at the entrance of Ugu offices at least 30 days before the start of the financial year.
- 11.8 All tariffs must be gazetted in the Government Gazette before the 1st July each year.

12 OPERATING EXPENDITURE

- 12.1 The Municipality shall budget in each annual and adjustments budget for the contribution to:
 - a) provision for accrued leave entitlements.
 - b) entitlement of officials as at 30 June of each financial year;
 - c) provision for impairment of debtors in accordance with its Rates and Tariffs Policies;
 - d) provision for the obsolescence and deterioration of stock in accordance with its Supply Chain Management Policy;
 - e) depreciation and finance charges shall be charged to or apportioned only between the departments or votes to which the projects relate;
- 12.2 The operating budget shall duly reflect the impact of the capital component on:
 - a) Depreciation and impairment charges;
 - b) Repairs and maintenance expenses;
 - c) Interest payable on external loans, and
 - d) Any other operating expenses associated with fixed assets.
 - e) The operating budget must be in the prescribed National Treasury Format.

12.3 SALARIES AND ALLOWANCES

The budget for salaries and allowances shall be separately prepared and shall not exceed the parameter (percentage) of the aggregate operating budget component of the annual or adjustments budget, the parameters as may be contained in the budget circular issued by National Treasury from time to time. If the salary budget, exceed the parameter (percentage) of the aggregate operating budget as issued by National Treasury Council will be advised and provided with reasons and remedial action. The remuneration of Councillors and other political office bearers shall be excluded from this limit.

12.4 PROVISION FOR MAINTENANCE

The Municipality shall adequately provide in each annual and adjustments budget, for the maintenance of its fixed assets in accordance with its Fixed Asset Management and Accounting Policy as well as the routine maintenance plans. A minimum of 8% of the carrying amount of the fixed assets shall be provided for the expenditure on Repairs and Maintenance in the annual budget of the Municipality in accordance with the National Treasury norms.

12.5 FINANCE CHARGES, DEPRECIATION AND IMPAIRMENT

12.5.1 The Finance Charges payable by the Municipality shall be apportioned between departments or votes on the basis of the proportion at the last balance sheet date of the outstanding loan balances belonging to such department or vote to the aggregate outstanding loan balances. However, should Council decide to raise loans only for financing of fixed assets in a specified service or vote, finance charges shall be charged to or apportioned only between the departments or votes relating to such service.

12.5.2 The depreciation expenses shall be apportioned to each department based on the cost of assets allocated to that department. The depreciation method used shall be in terms of the Fixed Assets Management and Accounting Policies.

13 CONSULTATION ON TABLED DRAFT BUDGETS

The Municipality shall, after the annual draft budget is tabled in Council, consider the views of the local community, the National and Provincial Treasuries, organs of state and local municipalities, as required by Section 23 of the MFMA, and shall comply with all other requirements of that section. For the purpose of consultation, the draft budget will be made available to the community, through the community libraries, the municipal offices and the municipal website soon after tabling in Council.

14 APPROVAL OF THE ANNUAL BUDGET

The Council shall approve the budget before the start of the financial year, in accordance the provisions of Section 24 of the MFMA, failing which, the Municipality shall be subject to the provisions of Section 25 of the MFMA.

15 PUBLICATION OF THE BUDGETS

In accordance with Section 22 of the MFMA, the Municipal Manager shall ensure that immediately after the annual budget is tabled in the Council:

- a) The budget is made public in accordance with the provisions of Section 17 (3) of the Local Government Municipal Systems Act.
- b) The budget is submitted to the National Treasury and Provincial Treasury in printed and electronic formats;
- c) The budget is submitted to any prescribed organs of state and to other municipalities affected by it.

16 MONTHLY BUDGET REPORTS

The Chief Financial Officer shall compile monthly budget reports, with recommendations, comparing actual results with budgeted projections, and the heads of departments shall furnish the Chief Financial Officer with all explanations required for deviations from the budget.

The Chief Financial Officer shall submit these monthly reports to the Mayor, Finance Committee and Executive Committee, and all other prescribed parties, in accordance with the prescriptions of the Municipal Finance Management Act.

17 RELATED POLICIES

This Policy must be read in conjunction with the following budget-related policies of the Municipality:-

- 17.1.1 Indigent Support Policy
- 17.1.2 Asset Management Policy
- 17.1.3 Water Services Policy (incorporating the Tariff Policy)
- 17.1.4 Cash, Banking and Investments Policy
- 17.1.5 Supply Chain Management Policy
- 17.1.6 Credit Control and Debt Collection Policy
- 17.1.7 Funding and Reserves Policy
- 17.1.8 Virement Policy
- 17.1.9 Basic Services Policy

18 REVIEW OF THE POLICY

This Policy will be reviewed annually by the Budget Steering Committee prior to the commencement of the budget process to ensure compliance with any changes in

legislation or any 'best practice' guidelines and MFMA Circulars as may be issued by National Treasury from time to time.

19 COMPLIANCE AND ENFORCEMENT

- a. Violation of or non-compliance with this Policy may give a just cause of disciplinary steps to be taken.
- b. It will be the responsibility of Accounting Officer to enforce compliance with this Policy.

20 EFFECTIVE DATE

This Policy shall come to effect upon approval by Council.

21 POLICY ADOPTION

This Policy has been considered and approved by the **COUNCIL OF UGU DISTRICT MUNICIPALITY** as follows:

Resolution No:.....

Approval Date:.....

ANNEXURE: LEGAL REQUIREMENTS

MUNICIPAL FINANCE MANAGEMENT ACT

Section 15 Appropriation of funds for expenditure

Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each budget vote.

Section 16 Annual budgets

The Council of the municipality must approve the annual budget before the start of the financial year to which it relates.

The Mayor must table the annual budget at least ninety days before the start of such financial year.

The capital budget may extend over three years, provided that it is separated into annual appropriations for that period.

Section 17 Contents of annual budgets and supporting documents

The budget must be in the prescribed format, and must be divided into a capital and an operating budget.

The budget must reflect the realistically expected revenues by major source for the budget year concerned.

The expenses reflected in the budget must be divided into votes.

The budget must also contain the foregoing information for the two financial years following the financial year to which the budget relates, as well as the actual revenues and expenses for the year before the current year, and the estimated revenues and expenses for the current year.

The budget must be accompanied by all the following documents:

- draft resolutions approving the budget and levying property rates, other taxes and tariffs for the financial year concerned;
- draft resolutions (where applicable) amending the IDP and the budget-related policies;

- measurable performance objectives for each budget vote, taking into account the municipality's IDP;
- the projected cash flows for the financial year by revenue sources and expenditure votes;
- any proposed amendments to the IDP;
- any proposed amendments to the budget-related policies;
- the cost to the municipality of the salaries, allowances and other benefits of its political office bearers and other councillors, the municipal manager, the chief financial officer, and other senior managers;
- particulars of any proposed allocations or grants to other municipalities, municipal entities, external mechanisms assisting the municipality in service delivery, other organs of state, and organisations such as NGOs, welfare institutions and so on;
- particulars of the municipality's investments; and
- various information in regard to municipal entities under the shared or sole control of the municipality.

Section 18 Funding of expenditures

The budget may be financed only from:

- realistically expected revenues, based on current and previous collection levels;
- cash-backed funds available from previous surpluses where such funds are not required for other purposes; and
- borrowed funds in respect of the capital budget only.

Section 19 Capital projects

A municipality may spend money on a capital project only if the money for the project (excluding the cost of any required feasibility studies) has been appropriated in the capital budget.

The total cost of the project must also be approved by the Council.

The envisaged sources of funding for the capital budget must be properly considered, and the Council must be satisfied that this funding is available and has not been committed for other purposes.

Before approving a capital project, the Council must consider the projected cost of the project over all the ensuing financial years until the project becomes operational, as well as the future operational costs and any revenues which may arise in respect of such project, including the likely future impact on property rates and service tariffs.

Section 20 Matters to be prescribed

The Minister of Finance must prescribe the form of the annual budget, and may further prescribe a variety of other matters, including the inflation projections which the municipality must use in compiling its budget.

The Minister may also prescribe uniform norms and standards in regard to the setting of tariffs where a municipality entity or other external mechanisms is used to perform a municipal service; and may also take appropriate steps to ensure that a municipality does not, in exceeding its fiscal powers, materially and unreasonably prejudice national economic policies (particularly on inflation, administered pricing and equity), economic activities across municipal boundaries, and the national mobility of goods, services, capital or labour.

Section 21 Budget preparation process

The Mayor of the municipality must:

- Co-ordinate the processes for preparing the annual budget, and for reviewing the municipality's IDP and budget-related policies to ensure that the budget, the IDP, and the policies are mutually consistent and credible.
- At least ten months before the start of the ensuing financial year, table in the Council the time schedule with key deadlines for the preparation, tabling and approval of the following year's annual budget, the review of the IDP and budget-related policies, and the consultative processes required in the approval of the budget.

- When preparing the annual budget, take into account the municipality's IDP, the national budget, provincial budget, the National Government's fiscal and macro-economic policies, and the annual Division of Revenue Act.
- Take all reasonable steps to ensure that the municipality revises its IDP in line with realistic revenue and expenditure projections for future years.
- Consult the district municipality (if it is a local municipality) and all other local municipalities in the district, and all other local municipalities in the district if it is a district municipality.
- Consult the National Treasury when requested, the Provincial Treasury, and such other provincial and national organs of state as may be prescribed.
- Provide, on request, any budget-related information to the National Treasury, other national and provincial organs of state, and any other municipality affected by the budget.

Section 22 Publication of annual budgets

Immediately after the annual budget has been tabled, the Municipal Manager must make this budget and other budget-related documentation public, and must invite the local community to submit representations in regard to such budget.

The Accounting Officer must also immediately submit the tabled budget in both printed and electronic formats to the National Treasury, the Provincial Treasury, and in either format to prescribed national and provincial organs of state and other municipalities affected by the budget.

Section 23 Consultations on tabled budgets

After the budget has been tabled, the Council of the municipality must consider the views of the local community, the National Treasury, the Provincial Treasury, and any provincial or national organs of state or municipalities which have made submissions on the budget.

After considering these views, the Council must give the Mayor the opportunity to respond to the submissions received, and – if necessary – revise the budget and table the relevant amendments for consideration by the Council.

The National Treasury may issue guidelines on the manner in which the Council must process the annual budget, including guidelines on the formation of a committee of the Council to consider the budget and hold public hearings. Such guidelines shall be binding only if they are adopted by the Council.

Section 24 Approval of annual budgets

The Council must consider approval of the budget at least thirty days before the start of the financial year to which such budget relates.

The budget must be approved before the start of such financial year, and the resolutions and performance objectives referred to in Section 17 must simultaneously be adopted.

Section 25 Failure to approve budget before start of budget year

This Section sets out the process which must be followed if the budget is not approved in the normal course of events. Briefly the Council must reconsider and vote on the budget, or an amended version of the budget, every seven days until a budget is approved. The Mayor must immediately inform the MEC for Local Government if the budget is not adopted by the start of the budget year, and may request a provincial intervention.

Section 26 Consequences of failure to approve budget before start of budget year

The provincial executive must intervene in any municipality which has not approved its annual budget by the start of the relevant financial year. Such intervention must entail the taking of any appropriate steps to ensure a budget is approved, including dissolving the Council and appointing an administrator until a new Council can be elected, and approving a temporary budget until such new Council can adopt a permanent budget for the municipality. The Section also imposes restrictions on what may be spent in terms of such temporary budget.

Section 27 Non-compliance with provisions of this chapter

This Section sets out the duties of the Mayor to report any impending non-compliance and the general consequences of non-compliance with the requirements of the various foregoing prescriptions.

Section 28 Municipal adjustments budgets

A municipality may revise its annual budget by means of an adjustments budget.

However, a municipality must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.

A municipality may appropriate additional revenues which have become available but only to revise or accelerate spending programmes already budgeted for.

A municipality may in such adjustments budget, and within the prescribed framework, authorise unforeseen and unavoidable expenses on the recommendation of the Mayor.

A municipality may authorise the utilisation of projected savings on any vote towards spending under another vote.

Municipalities may also authorise the spending of funds unspent at the end of the previous financial year, where such under-spending could not reasonably have been foreseen at the time the annual budget was approved by the Council.

Only the Mayor of the municipality may table an adjustments budget. Such budget may be tabled whenever necessary, but limitations on the timing and frequency of such tabling may be prescribed.

An adjustments budget must contain all of the following:

- an explanation of how the adjustments affect the approved annual budget;
- appropriate motivations for material adjustments; and
- an explanation of the impact of any increased spending on the current and future annual budgets.

Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan.

Section 29 Unforeseen and unavoidable expenditure

In regard to unforeseen and unavoidable expenses, the following apply:

- the Mayor may authorise such expenses in an emergency or other exceptional circumstances;
- the municipality may not exceed a prescribed percentage of the approved annual budget in respect of such unforeseen and unavoidable expenses;
- these expenses must be reported by the Mayor to the next Council meeting;
- the expenses must be appropriated in an adjustments budget; and
- the adjustments budget must be passed within sixty days after the expenses were incurred.

Section 30 Unspent funds

The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year, but except for the expenses referred to above in Section 16.

Section 31 Shifting of funds between multi-year appropriations

If the funds for a capital project have been appropriated for more than one financial year (see Section 16) these expenses may exceed the appropriation for any one financial year, provided:

- the increase is not more than 20% of that financial year's allocation;
- the increase is funded in the next financial year's appropriations;
- the Municipal Manager certifies that actual revenues are expected to exceed budgeted revenues, and that enough funds will be available to finance such increased appropriation without incurring further borrowing beyond the annual budget limit;
- the Mayor gives prior written approval for such increased appropriation; and
- all the above documentation is provided to the Auditor-General.

Section 32 Unauthorised, irregular or fruitless and wasteful expenditure

Unauthorised expenses may be authorised in an adjustments budget.

Section 33 Contracts having future budgetary implications

Contracts extending beyond one financial year may be entered into by a municipality, but if such contract extends beyond the three years covered in the annual budget, the municipality may enter into such contract only if:

- The Municipal Manager, at least sixty days before the Council meeting at which the contract is to be approved, has made the contract public, with an information statement summarising the municipality's obligations, and inviting the local community and other interested parties to submit comments or make representations.
- The Municipal Manager solicits the views and recommendations of the National Treasury and Provincial Treasury in respect to such contract, as well as those of the National Department of Provincial and Local Government, and any national department concerned with water, sanitation or electricity, if the contract relates to any of these services.
- The Council has taken into account the projected financial obligations in regard to such contract, the impact on tariffs, and the views and comments received from all the foregoing parties.
- The Council adopts a resolution determining that the municipality will secure a significant capital investment or derive a significant financial or economic benefit from the contract, and approves the entire contract exactly as it is to be executed.

A contract for purposes of this Section shall exclude any contract relating to the incurring of long-term debt by the municipality, employment contracts, contracts for categories of goods as may be prescribed, or contracts where the value of the contract is less than a prescribed value or a prescribed percentage of the annual budget.

Section 42 Price increases of bulk resources for provision of municipal services

National and provincial organs of state which supply water, electricity or any other bulk resources to municipalities or municipal entities for the provision of municipal services may increase the price of such resources only after doing all the following:

- The proposed increase must be submitted to the organ's executive authority and (where legislation so requires) to any regulatory agency for approval.
- At least forty days prior to the above submission the National Treasury and organised local government must be invited to submit written comments on the proposed increase.
- The executive authority, after taking into account the comments received, must table the price increase in Parliament or the provincial legislature, as the case may be, with a full motivation and certain other prescribed explanatory documentation.

Unless the Minister of Finance otherwise directs, a price increase must be tabled on or before 15 March to take effect from 1 July of the same year. If it is tabled after 15 March it may only take effect from 1 July of the following year.

Section 43 Applicability of tax and tariff capping on municipalities

If a national or provincial organ of state is legislatively empowered to determine the upper limits of any municipal tax or tariff, such determination takes effect on the date specified in the determination, but provided that, unless the Minister of Finance otherwise directs:

- A determination promulgated on or before 15 March shall not take effect before 1 July of the same year.
- A determination promulgated after 15 March shall not take effect before 1 July of the following year.
- A determination shall not be allowed to impair a municipality's ability to meet any annual or periodic escalations in the payments it must make in respect of any contract legally entered into by a municipality.

Section 53 Budget processes and related matters

The Mayor of the municipality must:

- Provide general political guidance over the annual budget process and the priorities that guide the preparation of each budget.

- Co-ordinate the annual revision of the IDP, as well as the preparation of the annual budget, and determine how the IDP is to be taken into account or is to be revised for purposes of such budget.
- Take all reasonable steps to ensure that the Council approves the annual budget before the start of the financial year to which it relates, and that the municipality's service delivery and budget implementation plan is approved within twenty-eight days after the approval of the budget.
- Ensure that the annual performance agreements for the Municipal Manager and the senior managers of the municipality are linked to measurable performance objectives which are approved with the budget and the service delivery and budget implementation plan.

The Mayor must promptly report to the Council and the MEC for Local Government any delay in tabling the annual budget, approving the service delivery and budget implementation plan or signing the annual performance agreements.

The Mayor must further ensure that the service delivery targets and quarterly performance indicators, and the monthly projections of revenues and expenses in the service delivery and budget implementation plan, are made public not later than fourteen days after these matters have been approved; and that the performance agreements of the Municipal Manager and other senior officials are similarly made public not later than fourteen days after their approval.

Section 68 Budget preparation

The Municipal Manager must assist the Mayor in performing the assigned budgetary functions and must provide the Mayor with administrative support, operational resources and the information necessary to perform these functions.

Section 69 Budget implementation

The Municipal Manager is responsible for implementing the budget, and must take reasonable steps to ensure that:

- funds are spent in accordance with the budget;
- expenses are reduced if expected revenues are less than projected; and

- revenues and expenses are properly monitored.

The Municipal Manager must prepare any adjustments budget when such budget is necessary and submit it to the Mayor for consideration and tabling in Council.

The Municipal Manager must submit a draft service delivery and budget implementation plan to the Mayor fourteen days after the annual budget has been approved, and must also within the same period submit drafts of the annual performance agreements to the Mayor.

Section 70 Impending shortfalls, overspending and overdrafts

The Municipal Manager must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

Section 71 Monthly budget statements

The Municipal Manager must, not later than ten working days after the end of each calendar month, submit to the Mayor and Provincial Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

- actual revenues per source, compared with budgeted revenues;
- actual expenses per vote, compared with budgeted expenses;
- actual capital expenditure per vote, compared with budgeted expenses;
- actual borrowings, compared with the borrowings envisaged to fund the capital budget;
- the amount of allocations received, compared with the budgeted amount;
- actual expenses against allocations, but excluding expenses in respect of the equitable share;
- explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
- the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and

- projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

The report to the National Treasury must be both in electronic format and in a signed written document.

Section 54 Budgetary control and early identification of financial problems

On receipt of the report from the Municipal Manager, the Mayor must:

- consider the report;
- check whether the budget has been implemented in accordance with the service delivery and budget implementation plan;
- issue appropriate instructions to the Municipal Manager to ensure that the budget is implemented in accordance with this plan, and that the spending of funds and the collection of revenues proceed in accordance with the approved budget;
- identify any financial problems facing the municipality, as well as any emerging or impending financial problems; and
- submit to the Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality.

If the municipality faces any serious financial problems, the Mayor must:

- promptly respond to and initiate the remedial or corrective steps proposed by the Municipal Manager, and
- alert the MEC for Local Government and the Council of the municipality to the problems concerned.

The Mayor may revise the details of the service delivery and budget implementation plan, but any revisions to the service delivery targets and quarterly performance indicators must be approved by the Council, and be supported by an adjustments budget. Any changes made to the projections of revenues and expenses as set out in the plan must promptly be made public.

Section 55 Report to provincial executive if conditions for provincial intervention exist

If the Council has not approved its annual budget by the first day of the financial year to which it relates, or if the municipality encounters serious financial problems, the Mayor must

immediately report this matter to the MEC for Local Government and may recommend a provincial intervention.

Section 72 Mid-year budget and performance assessment

The Municipal Manager must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan, and the past financial year's annual report and the progress made in resolving problems identified in such report.

The Municipal Manager must then submit a report on such assessment to the Mayor, the National Treasury and the Provincial Treasury.

The Municipal Manager may in such report make recommendations for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

In terms of Section 54(1)(f) the Mayor must promptly submit this assessment report to the Council of the municipality.

Section 73 Reports on failure to adopt or implement budget-related and other policies

The Municipal Manager must inform the Provincial Treasury, in writing, of any failure by the Council to adopt or implement any budget-related policy or a supply chain management policy, and of any non-compliance by an office bearer or political structure with such policy.

Section 75 Information to be placed on websites of municipalities

The Municipal Manager must place on the municipality's official website (inter alia) the following:

- the annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the annual report;
- all performance agreements;
- all service delivery agreements;

- all long-term borrowing contracts;
- all quarterly reports submitted to the Council on the implementation of the budget and the financial state of affairs of the municipality.

Section 80 Establishment (of municipal budget and treasury office)

Every municipality must have a budget and treasury office comprising a Chief Financial Officer supported by appointed officials and contracted staff.

Section 81 Role of chief financial officer

The Chief Financial Officer is administratively in charge of the budget and treasury office and must, inter alia,

- assist the Municipal Manager in preparing and implementing the budget;
- perform such budgeting, financial reporting and financial management and review duties as are delegated by the Municipal Manager;
- account to the Municipal Manager for the performance of all the foregoing responsibilities.

Section 83 Competency levels of professional financial officials

The Municipal Manager, senior managers, the Chief Financial Officer and the other financial officials in a municipality must all meet prescribed financial management competency levels.

SUMMARISED TIMETABLE

NOTE: DATES IN BRACKETS ARE PUTATIVE

FINAL DATE	ACTION BY MUNICIPALITY	ACTION BY MUNICIPAL ENTITY
31 August	Table in council timetable for preparation of coming year's annual budget	-
20 January	-	Assess current year's budget performance and submit report to board of directors and municipality
25 January	Assess current year's budget performance	-
31 January	Table assessment report in council	-
31 January or earlier	-	Submit proposed budget for coming year to municipality
(31 January)	Consider municipal entity's proposed budget for coming year and make recommendations	-
(31 January or earlier)	Table municipal entity's adjustments budget for coming year	Submit adjustments budget for current year to municipality and make budget public
(Between 31 January and 31 March)	Table municipality's adjustments budget for current year and changes to service delivery targets and KPIs	-
(Between 31 January and 31 March)	Make public (adjustments budget and) revisions to service delivery and budget implementation plan for current year	-
Mid-March	-	Submit revised budget for coming year to municipality
31 March	Table municipality's draft budget for coming year	-
31 March	Table municipal entity's revised budget for coming year	-
Immediately after 31 March	Make public draft budget for coming year and invite submissions from community, provincial treasury and others	-
FINAL DATE	ACTION BY MUNICIPALITY	ACTION BY MUNICIPAL ENTITY
Before 31 May	Respond to submissions and revise draft budget for coming year	-
31 May	Consider approval of budget for coming year and attendant resolutions	Approve revised budget for coming year and make budget public

30 June	Budget for coming year and attendant resolutions must be approved by 30 June. Approved budget of entity must be tabled.	-	
Early June to early July: immediately after budget approved	Submit budget to national treasury and provincial treasury	-	
Early June to early July: immediately after approval dates	Place on website annual budgets and all budget-related documents	-	
Mid June to mid July: 14 days after budget approved	Finalise draft service delivery and budget implementation plan and draft performance agreements	-	
Late June to late July: 28 days after budget approved	Approve service delivery and budget implementation plan	-	
Late June to late July: 28 days after budget approved	Conclude performance agreements	-	
Mid July to mid August: 14 days after service delivery and budget implementation plan approved	Make public projections of revenues and expenses for each month of coming year, service delivery targets for each quarter, and performance agreements	-	

DETAILED BUDGET TIMETABLE

Section of Municipal Finance Management Act No. 56 of 2003	Date by which action must be completed	Action required	Responsible party	Practical considerations

21(1)(b)	31 August	Mayor must at least 10 months before start of budget year table in council time schedule outlining key deadlines for - preparation, tabling and approval of annual budget - annual review of IDP - annual review of budget-related policies - tabling and adoption of any amendments to IDP and budget-related policies - any consultative processes forming part of foregoing	Mayor	Time schedule must either fit in with already scheduled council meetings or must indicate when special council meetings must be scheduled.
Section 88	20 January	Accounting officer of municipal entity must assess entity's budgetary and financial performance for first six months of financial year, and submit assessment report to board of directors and parent municipality.		
72(1), (2) and (3)	25 January	Accounting officer of municipality must assess budgetary and financial performance of municipality for first six months of financial year, make recommendations on whether adjustments budget necessary, and recommend revised projections for revenues and expenses. This assessment must be submitted to the mayor, national treasury and the provincial treasury (presumably immediately).	Accounting officer	
54(1)(f)	31 January	Mayor must submit accounting officer's report to council.	Mayor	Special council meeting may have to be scheduled.
87	31 January or earlier if so requested by parent municipality	Board of directors of municipal entity must submit to parent municipality proposed budget for entity for ensuing financial year.	Board of directors of entity	It is not clear to what person or structure in the parent municipality this budget must be submitted. However, it makes good sense for the council of the municipality to consider this budget at the same meeting that it considers he municipality's own proposed adjustments budget.

87		(31 January to mid-March)	Parent municipality must consider proposed budget, and make any necessary recommendations.				It is not clear what person or structure in the parent municipality must perform this action, but the council seems the logical party. It would also make sense for the council to consider this budget by 31 January.
87		(Tabled in council by 31 January)	Board of directors of entity may, with approval of mayor of parent municipality, revise budget of entity for certain prescribed reasons. Adjustments budget once approved by board of directors of entity must be tabled by mayor at next meeting of council of parent municipality. Adjustments budget must be made public.	Board of directors and mayor of parent municipality			Evidently such an adjustments budget may be prepared at any stage. It would make good sense, however, for the parent municipality to insist that the entity's revised budget be prepared and submitted to the mayor at the same time that or before the entity's proposed budget for the new financial year is considered.
54(1) and (2)		(Between 31 January and 31 March)	If municipality faces "serious financial problems" mayor must "promptly" respond to and initiate remedial steps proposed by accounting officer, including steps to reduce expenses and tabling of adjustments budget. Mayor must also consider revisions to service delivery and budget implementation plan. (Note that only council may approve changes to service delivery targets and KPIs – these changes must therefore be tabled with the adjustments budget).	Mayor			Again the potential problem of different parent municipalities having different views will have to be resolved by (presumably) the mayors considered.
							Adjustments budgets may be prepared by the accounting officer, and tabled in council by the Mayor "when necessary". They must be so prepared and tabled (within prescribed limits as to timing and frequency) whenever material adjustments to expenses or revenues are required, and not only when "serious financial problems" are looming. In general, adjustments budgets should preferably be tabled by or as soon as possible after 31 January, and certainly not later than 31 March when the draft annual budget for the next year is first tabled.

54(3)	(Between 31 January and 31 March)	Mayor must ensure that revisions to service delivery and budget implementation plan are "promptly" made public. (Note that no concomitant revision of performance agreements is evidently envisaged).	Mayor	Presumably the accounting officer must make these revisions for the mayor's approval as part of the process of adjusting the annual budget. The deadline for these revisions must be by or as soon as possible after 31 January, but certainly not later than 31 March. See also 54(1) and (2).
87	100 days before start of financial year (approximately mid March)	Board of directors of entity must consider recommendations, and if necessary submit revised budget to parent municipality.	Board of directors of entity	
16(2)	31 March	Mayor must table (draft) annual budget of municipality at council meeting at least 90 days before start of budget year.	Mayor	Council meeting must be scheduled appropriately.
87	31 March	Mayor of parent municipality must table originally proposed or proposed revised budget (as case may be) of entity when (draft) annual budget of municipality first tabled.	Mayor	-
22(a) and 22(b)	Immediately after 31 March or earlier date if annual budget tabled before 31 March	Immediately after (draft) annual budget tabled in council, accounting officer must (1) make public budget and documents referred to in Section 17(3), and invite local community to submit representations in connexion with budget, and (2) submit annual budget in both printed and electronic formats to provincial treasury, and in either format to prescribed national and provincial organs of state and to other municipalities affected by the budget.	Accounting officer	
23(2)	Before 31 May	Council must give mayor opportunity (1) to respond to submissions received on (draft) annual budget and attendant documentation and (2) to revise budget, if necessary, and table amendments for consideration by council.	Mayor and council	-

24(1) and (2)	31 May	Council must consider approval of annual budget, together with resolutions imposing rates and levies, setting tariffs, approving measurable performance objectives for revenue from each source and for each vote, approving any changes to IDP, and approving any changes to budget-related policies.	Council	Although council has until 30 June to approve budget, best practice will be to approve budget not later than 31 May.
87(4)	31 May	Board of directors of municipal entity must approve budget for coming year, having taken into account recommendations of council of parent municipality, and must make budget public.	Board of directors of municipal entity	
24(3)	(Immediate after approval date)	Accounting officer must submit approved annual budget to national treasury and provincial treasury.	Accounting officer	No time limit is specified for this action, and neither is the format in which the budget is to be submitted specified. Common sense dictates that the submission should be at least in electronic format and that it should be made as soon as possible after the approval date.
25(1) and (2)	Within 7 days of date of council meeting which failed to approve annual budget	If council fails to approve annual budget at meeting scheduled in terms of Section 24, must reconsider budget within 7 days of date of such meeting. If necessary, process must be repeated until budget approved by 30 June.	Council	As province will intervene if budget not approved by 30 June, mayor, councillors and accounting officer must co-operate to ensure obstacles to approval timeously removed.
69(3)(a) and (b)	14 days after approval of annual budget (mid June to mid July)	Accounting officer must submit to mayor draft service delivery and budget implementation plan, and drafts of annual performance agreements for municipal manager and all senior managers.	Accounting officer	
53(1)(c)(ii)	Within 28 days after date annual budget approved (late June to late July)	Service delivery and budget implementation plan must be approved by mayor, including projections of revenues and expenses for each month, and service delivery targets and performance indicators for each quarter. (Note that though the mayor approves these targets and KPIs, only the council	Mayor	-

		may change them and then only following the approval of an adjustments budget. See Section 54(1)(c)).			
53(1)(c)(iii)(aa) & (bb)	Within 28 days after annual budget approved (late June to late July)	Mayor must take all reasonable steps to ensure that annual performance agreements for municipal managers and all senior managers are linked to measurable performance objectives approved with the budget and to the service delivery and budget implementation plan, and are concluded in accordance with Section 57(2) of the Municipal Systems Act.	Mayor	No date is specified for the completion of this requirement, but the logical inference is that the date should not be much later than the date on which the service delivery and budget implementation plan must be approved. See Section 53(3)(b).	
16(1)	30 June	Annual budget must be approved by council	Council	-	
53(3)(a) and (b)	14 days after approval of service delivery and budget implementation plan (mid July to mid August, depending on date plan approved)	Projections of revenues and expenses for each month and service delivery targets for each quarter (as set out in approved service delivery and budget implementation plan), and performance agreements of municipal manager and senior manager must be made public, and copies of performance agreements must be submitted to council and MEC for local government.	Mayor	Although this is not specified as a requirement, logic dictates that copies of the service delivery and budget implementation plan should also be submitted to council and the MEC.	