



20/04/18
 MUNICIPAL MANAGER
 King Sabata Dalindyebo
 Municipality
[Signature]

TO : COUNCIL

FROM : EXECUTIVE MAYOR

DATE : 20 APRIL 2018

SUBJECT : SECOND ADJUSTMENT BUDGET 2017/2018 MTREF

1. PURPOSE OF THE REPORT

The purpose of the report is to recommend to the Council the approval of 2017/2018 Second Adjustment Budget.

2. LEGAL STATUTORY REQUIREMENTS

- Municipal Finance Management Act No. 56 of 2003

3. BACKGROUND

It is a requirement that when a municipality receives additional funding that was not previously budgeted for, budget be adjusted and submitted to council for approval.

KSD Municipality has received two additional funding:-

- One from COGTA amounting to R11 229 500 for electrification of Phola Park and Ngcwanguba location. This amount was never included in the budget for the previous year because there was an assumption that all transactions will be performed at the level of the Province.
- The second additional funding is for MIG amounting R 18 500 000 received in March after the adjustment was tabled as an incentive for good performance.

RECOMMENDATIONS

It is recommended that the Council approves the second adjustment budget.

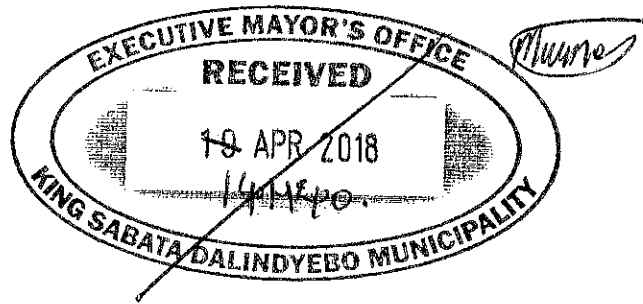
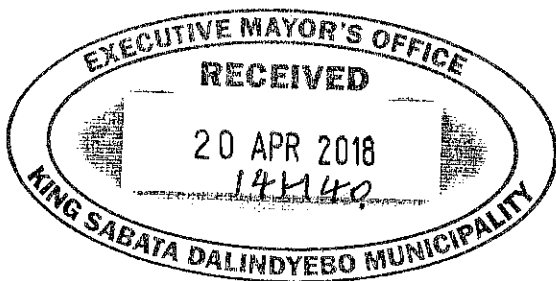
A handwritten signature in black ink, appearing to read 'D. ZOZO', is written over a horizontal line. The signature is somewhat stylized and enclosed within an oval shape.

CLLR D. ZOZO

EXECUTIVE MAYOR- KSD LM



SECOND DRAFT ADJUSTMENT BUDGET 2017/2018 MTREF



1. INTRODUCTION

Section 28 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:-

- (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget-
 - (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
 - (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
 - (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
 - (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
 - (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
 - (f) may correct any errors in the annual budget; and
 - (g) may provide for any other expenditure within a prescribed framework.

2. PURPOSE OF THIS REPORT

The purpose of this report is to recommend to the council the approval of 2017/2018 second adjustment and the related changes in the Integrated Development Plan.

3. BACKGROUND AND DISCUSSION OF THE SECOND DRAFT BUDGET

Post submission and approval the municipality the following documents:-

- Letter from COGTA EC informing the municipality that they have made funds available for the completion of the electrification of Phola Park and Ngcwanguba Electricity projects. In the previous year the MEC for COGTA had indicated that they will fund the project. The amounts and timing was never indicated nor was there any written communication to that effect. The amount allocated to the municipality is for Phola Park and Ngcwanguba is R7

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

700 000 and R3 529 500 respectively. The total amount allocated by COGTA for these projects is R11 229 500. Communication is attached as annexure A.

- Letter from COGTA in relation to MIG dated 26 March 2018 indicated that the municipality will be allocated additional R18 500 000 for the Rotary Stadium Project and Elliot Street Surfacing. Letter is attached as Annexure B.
- It is also recommended that a sum of R3 250 010.08 from ICT contributions to capital outlay that did not kick off due to disagreements with the appointed service provider be allocated for the post and telecommunications and rental of printing machine budget. The amount allocated to close the gap is R3100 000. The balance of R150 010 to close gap on salaries expenditure in the corporate services. This expenditure cannot be avoided as this can render the municipality dysfunctional.

It is against these background that it is recommended that the council approves the second adjustment budget.

TABLE 1. HIGH LEVEL SUMMARY AND OF THE PROPOSED ADJUSTMENT

| Description | Budget Year 2017/18 | | | | Budget Year +1 2018/19 |
|----------------------------------|---------------------|-------------------|------------------------|------------------------|---------------------------|
| | Original Budget | Total Adjusts. | 1st Adjusted Budget | 2nd Adjusted Budget | Adjusted Budget |
| R thousands | R" 000 | R" 000 | R" 000 | R" 000 | R" 000 |
| Revenue | 1,198,159 | (1,869) | 1,196,290 | 1,196,290 | 1,273,535 |
| Total Expenditure | 1,189,495 | (2,125) | 1,187,370 | 1,190,620 | 1,271,845 |
| Surplus/(Deficit) | 8,665 | 256 | 8,921 | 5,671 | 1,273,535 |
| Own Funded Capital Income | 8,665 | 205 | 8,870 | 5,620 | 4,913 |
| Grant Funded Capital Expenditure | 227,052 | 19,589 | 246,640 | 276,370 | 285,697 |
| Total Capital Expenditure | 235,716 | 19,794 | 255,510 | 281,990 | 290,610 |

The overall impact of the adjustment can be illustrated as follows:

- Increase in general expenditure R3.1 million
- Increase in salaries of R0.15 million
- A decrease in contributions to capital outlay of R3.2 million
- An increase in Capital budget of R29.8 million.

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

Table 2 : REVISED REVENUE ADJUSTMENT

| King Sabata Dalindyebo Local Municipality | | | | | | |
|---|------------------|----------------|--------------------------|------------------|--|------------------|
| DESCRIPTION | BUDGET YEAR | | | | Budget Year Budget Year +1 2018/19 +2 2019/20 | |
| | BUDGET R'000 | Adjustments | 1st ADJUSTED R'000 | 2nd ADJUSTED | 201819 R'000 | 201920 R'000 |
| Property Rates | 242,248 | (10,000) | 232,248 | 232,248 | 275,056 | 290,459 |
| Refuse Removal Charges | 38,830 | 4,000 | 42,830 | 42,830 | 46,043 | 48,621 |
| Ref. Removal Trolley Bin/Skip | 4,218 | - | 4,218 | 4,218 | 5,459 | 5,764 |
| Electricity Sales Prepaid | 197,033 | - | 197,033 | 197,033 | 218,737 | 231,424 |
| Electricity Billed | 191,731 | - | 191,731 | 191,731 | 212,701 | 225,037 |
| Fire Brigade Fees | 4,303 | 1,300 | 5,603 | 5,603 | 4,549 | 4,803 |
| Other Service Charges | 3,117 | - | 3,117 | 3,117 | 3,295 | 3,479 |
| Rent of Facilities and Equipment | 19,319 | - | 19,319 | 19,319 | 20,420 | 21,564 |
| Interest Earned - External Investment | 3,526 | - | 3,526 | 3,526 | 3,727 | 3,936 |
| Interest Earned - Outstanding | 37,807 | - | 37,807 | 37,807 | 39,962 | 42,200 |
| Fines | 2,691 | - | 2,691 | 2,691 | 2,849 | 3,014 |
| Licenses and Permits | 17,168 | - | 17,168 | 17,168 | 18,147 | 19,163 |
| Grants & Subsidies Received - Operating | 293,208 | 2,831 | 296,039 | 296,039 | 310,504 | 325,920 |
| Grants & Subsidies Received - Capital | 134,978 | - | 134,978 | 134,978 | 103,649 | 128,450 |
| Other Revenue | 6,561 | - | 6,561 | 6,561 | 6,935 | 7,323 |
| Gains on Disposal Of Property, | 1,422 | - | 1,422 | 1,422 | 1,503 | 1,587 |
| | 1,198,159 | (1,869) | 1,196,290 | 1,196,290 | 1,273,535 | 1,362,746 |

No changes or adjustments made in the operating revenue.

Table 3 REVISED EXPENDITURE ADJUSTMENT

| King Sabata Dalindyebo Local Municipality | | | | | |
|---|------------------|----------------|--------------------------|------------------|---------------------------|
| DESCRIPTION | BUDGET YEAR | | | | Budget Year +1 2018/19 |
| | BUDGET R'000 | Adjustments | 1st ADJUSTED R'000 | 2nd ADJUSTED | 201819 R'000 |
| Employee Related Costs | 422,759 | (7,210) | 415,550 | 415,700 | 451,082 |
| Remuneration Of Councillors | 26,732 | - | 26,732 | 26,732 | 28,523 |
| Bulk Purchases - Electr Energy | 285,635 | - | 285,635 | 285,635 | 285,386 |
| General Expenses - Contracted | 7,982 | (82) | 7,900 | 7,900 | 8,453 |
| Indigent Subsidy | 24,000 | - | 24,000 | 24,000 | 25,416 |
| General Expenses - Other | 137,466 | 6,464 | 143,930 | 147,030 | 131,862 |
| General Expenses: Grants & Sub | 19,357 | 51 | 19,409 | 19,409 | 13,800 |
| Repairs & Maintenance - Munici | 43,326 | (1,349) | 41,976 | 41,976 | 45,885 |
| Depreciation - Property, Plant & Equipmen | 165,723 | - | 165,723 | 165,723 | 218,340 |
| Interest On External Borrowing | 28,461 | - | 28,461 | 28,461 | 30,141 |
| Contributions From Operating T | 8,665 | 205 | 8,870 | 5,620 | 5,147 |
| Contributions To / From Provis | 28,053 | - | 28,053 | 28,053 | 29,708 |
| | 1,198,159 | (1,920) | 1,196,239 | 1,196,239 | 1,273,742 |
| Surplus | | (51) | (51) | | 207 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

TABLE 4: REVISED CAPITAL EXPENDITURE ADJUSTMENTS

143

Grants and subsidies Capital

An adjustment of R29.8 million up on capital expenditure as well as a reduction of R3.2 million on contribution to capital outlay.

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

144

4. MAIN SUPPORTING TABLES

4.1 TABLE 5: B1 BUDGET SUMMARY

EC157 King Sabata Dalindyebo - Table B1 Adjustments Budget Summary - 30 APRIL 2018

| Description | Budget Year 2017/18 | | | | | | | | | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
|--|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|----------------|--------------------|---------------------------|---------------------------|
| | 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 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | |
| | AI | B | C | D | E | F | G | H | | | |
| Financial Performance | | | | | | | | | | | |
| Property rates | 242,248 | - | - | - | - | - | (10,000) | (10,000) | 232,248 | 275,096 | 290,459 |
| Service charges | 439,232 | - | - | - | - | - | (441) | (441) | 438,791 | 486,089 | 514,173 |
| Investment revenue | 3,526 | - | - | - | - | - | - | - | 3,526 | 3,727 | 3,936 |
| Transfers recognised - operational | 293,208 | - | - | - | - | - | 2,831 | 2,831 | 296,039 | 310,504 | 325,920 |
| Other own revenue | 84,986 | - | - | - | - | - | 5,741 | 5,741 | 90,709 | 94,510 | 99,808 |
| Total Revenue (excluding capital transfers and contributions) | 1,083,182 | - | - | - | - | - | (1,869) | (1,869) | 1,081,313 | 1,169,887 | 1,234,296 |
| Employee costs | 422,759 | - | - | - | - | - | (5,748) | (5,748) | 417,012 | 452,054 | 461,912 |
| Remuneration of councillors | 26,732 | - | - | - | - | - | (235) | (235) | 26,497 | 28,391 | 30,265 |
| Depreciation & asset impairment | 165,723 | - | - | - | - | - | - | - | 165,723 | 218,340 | 202,035 |
| Finance charges | 28,461 | - | - | - | - | - | - | - | 28,461 | 30,141 | 31,889 |
| Materials and bulk purchases | 285,835 | - | - | - | - | - | 6,207 | 6,207 | 291,841 | 307,609 | 359,359 |
| Transfers and grants | 24,000 | - | - | - | - | - | (23,882) | (23,882) | 118 | 104 | 110 |
| Other expenditure | 236,164 | - | - | - | - | - | 24,784 | 24,784 | 260,967 | 231,958 | 251,950 |
| Total Expenditure | 1,189,495 | - | - | - | - | - | 1,125 | 1,125 | 1,190,620 | 1,266,595 | 1,357,520 |
| Surplus/(Deficit) | (126,313) | - | - | - | - | - | (2,894) | (2,894) | (129,307) | (96,709) | (123,224) |
| Transfers recognised - capital | 134,978 | - | - | - | - | - | 246,640 | 246,640 | 391,618 | 389,112 | 434,254 |
| Contributions recognised - capital & contributed assets | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 8,665 | - | - | - | - | - | 243,646 | 243,646 | 252,311 | 290,403 | 311,030 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 8,665 | - | - | - | - | - | 243,646 | 243,646 | 252,311 | 290,403 | 311,030 |
| Capital expenditure & funds sources | | | | | | | | | | | |
| Capital expenditure | 235,716 | - | - | - | - | - | 16,543 | 16,543 | 252,260 | 280,844 | 311,492 |
| Transfers recognised - capital | 227,052 | - | - | - | - | - | 49,318 | 49,318 | 276,370 | 285,697 | 306,051 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 8,665 | - | - | - | - | - | (3,045) | (3,045) | 5,620 | 5,147 | 5,441 |
| Total sources of capital funds | 235,716 | - | - | - | - | - | 46,273 | 46,273 | 261,990 | 290,844 | 311,492 |
| Financial position | | | | | | | | | | | |
| Total current assets | 190,389 | - | - | - | - | - | - | - | 190,389 | 402,148 | 614,386 |
| Total non current assets | 2,462,568 | - | - | - | - | - | - | - | 2,462,568 | 2,391,283 | 2,327,669 |
| Total current liabilities | 196,495 | - | - | - | - | - | - | - | 196,495 | 259,377 | 349,913 |
| Total non current liabilities | 116,642 | - | - | - | - | - | - | - | 116,642 | 204,153 | 257,015 |
| Community wealth/equity | 2,339,820 | - | - | - | - | - | - | - | 2,339,820 | 2,329,901 | 2,335,128 |
| Cash flows | | | | | | | | | | | |
| Net cash from (used) operating | 347,877 | - | - | - | - | - | 15,545 | 15,545 | 363,422 | 440,348 | 459,753 |
| Net cash from (used) investing | (235,716) | - | - | - | - | - | (19,794) | (19,794) | (255,510) | 290,844 | 311,492 |
| Net cash from (used) financing | 15,000 | - | - | - | - | - | - | - | 15,000 | 15,000 | 15,000 |
| Cash/cash equivalents at the year end | 139,862 | - | - | - | - | - | (4,249) | (4,249) | 135,613 | 685,854 | 1,090,818 |
| Cash backlog/surplus reconciliation | | | | | | | | | | | |
| Cash and investments available | 139,862 | - | - | - | - | - | - | - | 139,862 | 304,373 | 467,848 |
| Application of cash and investments | 118,765 | - | - | - | - | - | 8 | 8 | 118,773 | 114,418 | 126,144 |
| Balance - surplus (shortfall) | 20,997 | - | - | - | - | - | (8) | (8) | 20,889 | 189,954 | 339,704 |
| Asset Management | | | | | | | | | | | |
| Asset register summary (WDV) | 2,462,568 | - | - | - | - | - | - | - | 2,462,568 | 2,391,283 | 2,327,669 |
| Depreciation & asset impairment | 165,723 | - | - | - | - | - | - | - | 165,723 | 218,340 | 202,035 |
| Renewal of Existing Assets | 141,431 | - | - | - | - | - | 2,151 | 2,151 | 143,682 | 103,090 | 126,194 |
| Repairs and Maintenance | 43,328 | - | - | - | - | - | (1,352) | (1,352) | 41,977 | 45,865 | 46,679 |
| Free services | | | | | | | | | | | |
| Cost of Free Basic Services provided | 15,890 | - | - | - | - | - | - | - | 15,890 | 15,890 | 15,890 |
| Revenue cost of free services provided | 15,198 | - | - | - | - | - | - | - | 15,198 | 16,414 | 17,727 |
| Households below minimum service level | | | | | | | | | | | |
| Water: | - | - | - | - | - | - | - | - | - | - | - |
| Sanitation/sewerage: | 15 | - | - | - | - | - | - | - | 15 | 15 | 15 |
| Energy: | 81 | - | - | - | - | - | - | - | 81 | 81 | 81 |
| Refuse: | 76 | - | - | - | - | - | - | - | 76 | 76 | 76 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

145

4.2 TABLE 6: B2 FINANCIAL PERFORMANCE BY STANDARD CLASSIFICATION

EC157 King Sabata Dalindyebo - Table B2 Adjustments Budget Financial Performance (functional classification) - 30 APRIL 2018

| Standard Description | Ref | Budget Year 2017/18 | | | | | | | | | Budget Year | Budget Year |
|--|------|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | 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, 4 | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | | |
| Revenue - Functional | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 586,122 | - | - | - | - | - | (5,057) | (5,057) | 581,065 | 646,170 | 680,373 |
| Executive and council | | 254 | - | - | - | - | - | - | - | 254 | 268 | 283 |
| Finance and administration | | 585,868 | - | - | - | - | - | (5,057) | (5,057) | 580,811 | 645,902 | 680,089 |
| Internal audit | | - | - | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 38,108 | - | - | - | - | - | 65 | 65 | 38,173 | 8,846 | 8,976 |
| Community and social services | | 2,482 | - | - | - | - | - | 3 | 3 | 2,485 | 2,629 | 2,776 |
| Sport and recreation | | 140 | - | - | - | - | - | (64) | (64) | 76 | 80 | 84 |
| Public safety | | 3,929 | - | - | - | - | - | 1,778 | 1,778 | 5,707 | 4,658 | 4,919 |
| Housing | | 31,557 | - | - | - | - | - | (1,652) | (1,652) | 29,905 | 1,480 | 1,197 |
| Health | | - | - | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 121,199 | - | - | - | - | - | (828) | (828) | 120,370 | 114,373 | 120,997 |
| Planning and development | | 6,503 | - | - | - | - | - | 2,148 | 2,148 | 8,650 | 6,212 | 6,570 |
| Road transport | | 114,696 | - | - | - | - | - | (2,976) | (2,976) | 111,720 | 108,162 | 114,427 |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 452,456 | - | - | - | - | - | 3,998 | 3,998 | 456,454 | 503,904 | 552,145 |
| Energy sources | | 407,979 | - | - | - | - | - | (2) | (2) | 407,977 | 450,892 | 496,165 |
| Water management | | - | - | - | - | - | - | - | - | - | - | - |
| Waste water management | | 44,477 | - | - | - | - | - | (44,477) | (44,477) | - | - | - |
| Waste management | | - | - | - | - | - | - | 48,477 | 48,477 | 48,477 | 53,012 | 55,980 |
| Other | | 275 | - | - | - | - | - | (47) | (47) | 229 | 242 | 255 |
| Total Revenue - Functional | 2 | 1,198,159 | - | - | - | - | - | (1,869) | (1,869) | 1,196,290 | 1,273,535 | 1,362,746 |
| Expenditure - Functional | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 404,987 | - | - | - | - | - | 27,226 | 27,226 | 432,182 | 480,564 | 510,931 |
| Executive and council | | 89,743 | - | - | - | - | - | (12,867) | (12,867) | 76,876 | 81,115 | 86,349 |
| Finance and administration | | 310,707 | - | - | - | - | - | 40,093 | 40,093 | 350,800 | 384,750 | 419,576 |
| Internal audit | | 4,506 | - | - | - | - | - | - | - | 4,506 | 4,699 | 5,006 |
| <i>Community and public safety</i> | | 57,734 | - | - | - | - | - | (6,305) | (6,305) | 51,429 | 52,912 | 56,377 |
| Community and social services | | 15,423 | - | - | - | - | - | 1,172 | 1,172 | 16,595 | 16,450 | 17,529 |
| Sport and recreation | | 21,480 | - | - | - | - | - | (8,548) | (8,548) | 12,933 | 13,924 | 14,834 |
| Public safety | | 17,057 | - | - | - | - | - | 295 | 295 | 17,352 | 18,512 | 19,723 |
| Housing | | 3,773 | - | - | - | - | - | 776 | 776 | 4,549 | 4,025 | 4,290 |
| Health | | - | - | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 327,923 | - | - | - | - | - | (19,941) | (19,941) | 307,982 | 346,724 | 345,892 |
| Planning and development | | 48,103 | - | - | - | - | - | (15,433) | (15,433) | 32,670 | 25,488 | 26,914 |
| Road transport | | 274,585 | - | - | - | - | - | (4,600) | (4,600) | 269,985 | 315,552 | 312,920 |
| Environmental protection | | 5,235 | - | - | - | - | - | 93 | 93 | 5,328 | 5,884 | 6,058 |
| <i>Trading services</i> | | 398,081 | - | - | - | - | - | 134 | 134 | 399,015 | 386,388 | 444,311 |
| Energy sources | | 333,500 | - | - | - | - | - | (8,946) | (8,946) | 324,554 | 317,045 | 369,534 |
| Water management | | - | - | - | - | - | - | - | - | - | - | - |
| Waste water management | | 4,162 | - | - | - | - | - | 9,383 | 9,383 | 13,545 | 4,440 | 4,731 |
| Waste management | | 61,218 | - | - | - | - | - | (303) | (303) | 60,915 | 66,903 | 70,046 |
| Other | | - | - | - | - | - | - | 11 | 11 | 11 | 8 | 9 |
| Total Expenditure - Functional | 3 | 1,189,495 | - | - | - | - | - | 1,125 | 1,125 | 1,190,620 | 1,288,595 | 1,357,520 |
| Surplus/ (Deficit) for the year | | 8,665 | - | - | - | - | - | (2,994) | (2,994) | 5,671 | 4,940 | 5,227 |

KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT BUDGET 2017/18

4.3. TABLE 7 : B3 FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

EC157 King Sabata Dalindyebo - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 30 APRIL 2018

| Vote Description <i>[insert departmental structure etc]</i> | Ref | Budget Year 2017/18 | | | | | | | | | | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
|--|-----|---------------------|----------------|--------------|-----------------------|----------|-----------------------|----------------|----------------|--------------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | | |
| | | A | B | C | D | E | F | G | H | | | | |
| Revenue by Vote | 1 | | | | | | | | | | | | |
| Vote 1 - EXECUTIVE & COUNCIL | | 1,436 | - | - | - | - | - | - | 1,436 | - | 1,517 | 1,602 | |
| Vote 2 - FINANCE & ASSET MANAGEMENT | | 573,329 | - | - | - | - | (9,949) | (9,949) | 563,380 | 632,377 | 666,246 | | |
| Vote 3 - CORPORATE SERVICES | | 784 | - | - | - | - | - | - | 784 | 517 | 546 | | |
| Vote 4 - PLANNING, SOCIAL AND ECONOMIC DEVELOPMENT | | 9,989 | - | - | - | - | 2,780 | 2,780 | 12,769 | 2,402 | 2,537 | | |
| Vote 5 - HUMAN SETTLEMENT | | 31,557 | - | - | - | - | - | - | 31,557 | 3,226 | 3,041 | | |
| Vote 6 - COMMUNITY SERVICES | | 54,345 | - | - | - | - | 4,000 | 4,000 | 58,345 | 59,092 | 62,065 | | |
| Vote 7 - PUBLIC SAFETY | | 23,134 | - | - | - | - | 1,300 | 1,300 | 24,434 | 24,458 | 25,833 | | |
| Vote 8 - INFRASTRUCTURE | | 503,586 | - | - | - | - | - | - | 503,586 | 549,946 | 600,876 | | |
| Total Revenue by Vote | 2 | 1,198,159 | - | - | - | - | (1,869) | (1,869) | 1,196,290 | 1,273,535 | 1,362,746 | | |
| Expenditure by Vote | 1 | | | | | | | | | | | | |
| Vote 1 - EXECUTIVE & COUNCIL | | 98,944 | - | - | - | - | (9) | (9) | 98,936 | 103,287 | 109,731 | | |
| Vote 2 - FINANCE & ASSET MANAGEMENT | | 234,724 | - | - | - | - | (2,382) | (2,382) | 232,342 | 249,463 | 270,107 | | |
| Vote 3 - CORPORATE SERVICES | | 43,467 | - | - | - | - | 3,567 | 3,567 | 47,034 | 42,766 | 45,484 | | |
| Vote 4 - PLANNING, SOCIAL AND ECONOMIC DEVELOPMENT | | 25,365 | - | - | - | - | 5,277 | 5,277 | 30,642 | 26,942 | 28,703 | | |
| Vote 5 - HUMAN SETTLEMENT | | 35,449 | - | - | - | - | (1,898) | (1,898) | 33,551 | 31,408 | 33,465 | | |
| Vote 6 - COMMUNITY SERVICES | | 86,601 | - | - | - | - | (790) | (790) | 85,811 | 89,532 | 93,766 | | |
| Vote 7 - PUBLIC SAFETY | | 114,135 | - | - | - | - | 126 | 126 | 114,262 | 121,760 | 129,772 | | |
| Vote 8 - INFRASTRUCTURE | | 550,809 | - | - | - | - | (2,767) | (2,767) | 548,041 | 603,438 | 646,491 | | |
| Total Expenditure by Vote | 2 | 1,189,495 | - | - | - | - | 1,125 | 1,125 | 1,190,620 | 1,268,595 | 1,357,520 | | |
| Surplus/ (Deficit) for the year | 2 | 8,665 | - | - | - | - | (2,994) | (2,994) | 5,671 | 4,940 | 5,227 | | |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

4.4 TABLE 8 B4 FINANCIAL PERFORMANCE (REVENUE BY SOURCE & EXPENDITURE BY TYPE)

EC157 King Sabata Dalindyebo - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 30 APRIL 2018

| Description | Ref | Budget Year 2017/18 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|------------------|------------------|------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavold. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | +1 2018/19 | +2 2019/20 | |
| R thousands | 1 | A | A1 | B | C | D | E | F | G | H | | |
| Revenue By Source | | | | | | | | | | | | |
| Property rates | 2 | 242,248 | - | - | - | - | - | (10,000) | (10,000) | 232,248 | 275,066 | 290,459 |
| Service charges - electricity revenue | 2 | 388,764 | - | - | - | - | - | 2,980 | 2,980 | 391,743 | 434,588 | 459,787 |
| Service charges - water revenue | 2 | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | 2 | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | 2 | 43,048 | - | - | - | - | - | 4,000 | 4,000 | 47,048 | 51,502 | 54,386 |
| Service charges - other | | 7,420 | - | - | - | - | - | (7,420) | (7,420) | - | - | - |
| Rental of facilities and equipment | | 19,319 | - | - | - | - | - | 2 | 2 | 19,321 | 20,423 | 21,566 |
| Interest earned - external investments | | 3,526 | - | - | - | - | - | - | - | 3,526 | 3,727 | 3,936 |
| Interest earned - outstanding debtors | | 37,807 | - | - | - | - | - | - | - | 37,807 | 39,962 | 42,200 |
| Dividends received | | - | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 2,691 | - | - | - | - | - | 542 | 542 | 3,233 | 3,422 | 3,620 |
| Licences and permits | | 17,168 | - | - | - | - | - | (15,084) | (15,084) | 2,084 | 2,203 | 2,326 |
| Agency services | | - | - | - | - | - | - | 14,218 | 14,218 | 14,218 | 16,023 | 16,920 |
| Transfers and subsidies | | 293,208 | - | - | - | - | - | 2,831 | 2,831 | 296,039 | 310,504 | 325,920 |
| Other revenue | 2 | 6,561 | - | - | - | - | - | 6,062 | 6,062 | 12,623 | 10,974 | 11,589 |
| Gains on disposal of PPE | | 1,422 | - | - | - | - | - | - | - | 1,422 | 1,503 | 1,587 |
| Total Revenue (excluding capital transfers and contributions) | | 1,063,182 | - | - | - | - | - | (1,869) | (1,869) | 1,061,313 | 1,169,887 | 1,234,296 |
| Expenditure By Type | | | | | | | | | | | | |
| Employee related costs | | 422,759 | - | - | - | - | - | (5,748) | (5,748) | 417,012 | 452,054 | 481,912 |
| Remuneration of councillors | | 28,732 | - | - | - | - | - | (235) | (235) | 28,497 | 28,391 | 30,265 |
| Debt impairment | | 28,053 | - | - | - | - | - | - | - | 28,053 | 29,708 | 31,431 |
| Depreciation & asset impairment | | 165,723 | - | - | - | - | - | - | - | 165,723 | 218,340 | 202,035 |
| Finance charges | | 28,461 | - | - | - | - | - | - | - | 28,461 | 30,141 | 31,889 |
| Bulk purchases | | 285,635 | - | - | - | - | - | - | - | 285,635 | 285,386 | 335,892 |
| Other materials | | - | - | - | - | - | - | 6,207 | 6,207 | 6,207 | 22,223 | 23,467 |
| Contracted services | | 7,982 | - | - | - | - | - | 46,359 | 46,359 | 54,341 | 43,494 | 45,516 |
| Transfers and subsidies | | 24,000 | - | - | - | - | - | (23,882) | (23,882) | 118 | 104 | 110 |
| Other expenditure | | 200,149 | - | - | - | - | - | (21,575) | (21,575) | 178,573 | 158,758 | 175,003 |
| Loss on disposal of PPE | | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1,189,495 | - | - | - | - | - | 1,125 | 1,125 | 1,190,620 | 1,266,595 | 1,357,520 |
| Surplus/(Deficit) | | (126,313) | - | - | - | - | - | (2,994) | (2,994) | (129,307) | (98,709) | (123,224) |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 134,978 | - | - | - | - | - | 246,640 | 246,640 | 381,618 | 389,112 | 434,254 |
| 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 | | 8,665 | - | - | - | - | - | 243,646 | 243,646 | 252,311 | 290,403 | 311,030 |
| Taxation | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | | 8,665 | - | - | - | - | - | 243,646 | 243,646 | 252,311 | 290,403 | 311,030 |
| Attributable to municipalities | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 8,665 | - | - | - | - | - | 243,646 | 243,646 | 252,311 | 290,403 | 311,030 |
| Share of surplus/ (deficit) of associate | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 8,665 | - | - | - | - | - | 243,646 | 243,646 | 252,311 | 290,403 | 311,030 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

4.5 TABLE 9 B5 CAPITAL EXPENDITURE BY VOTE

EC157 King Sabata Dalindyebo - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 30 APRIL 2018

| Description | Ref | Budget Year 2017/18 | | | | | | | | | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
|---|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-----------------|--------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjus. | Total Adjus. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | | |
| R thousands | | | | | | | | | | | | |
| Capital Expenditure - Functional | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 7,293 | - | - | - | - | - | (2,906) | (2,906) | 4,387 | 3,488 | 3,690 |
| Executive and council | | | | | | | | 389 | 389 | 389 | | |
| Finance and administration | | 7,293 | | | | | | (3,295) | (3,295) | 3,998 | 3,488 | 3,690 |
| Internal audit | | | | | | | | - | - | - | | |
| <i>Community and public safety</i> | | 78,582 | - | - | - | - | - | 17,231 | 17,231 | 95,813 | 183,299 | 178,558 |
| Community and social services | | 110 | | | | | | (110) | (110) | - | | |
| Sport and recreation | | 250 | | | | | | (70) | (70) | 180 | 243 | 257 |
| Public safety | | 319 | | | | | | (82) | (82) | 237 | 338 | 358 |
| Housing | | 77,902 | | | | | | 17,494 | 17,494 | 95,396 | 182,718 | 177,943 |
| Health | | | | | | | | - | - | - | | |
| <i>Economic and environmental services</i> | | 91,416 | - | - | - | - | - | 20,601 | 20,601 | 112,017 | 88,414 | 93,568 |
| Planning and development | | 7,719 | | | | | | (7,665) | (7,665) | 54 | 57 | 61 |
| Road transport | | 83,697 | | | | | | 28,266 | 28,266 | 111,963 | 88,356 | 93,507 |
| Environmental protection | | | | | | | | - | - | - | | |
| <i>Trading services</i> | | 58,425 | - | - | - | - | - | 11,347 | 11,347 | 69,773 | 15,644 | 35,676 |
| Energy sources | | 58,225 | | | | | | 11,130 | 11,130 | 69,365 | 15,225 | 35,238 |
| Water management | | | | | | | | - | - | - | | |
| Waste water management | | 180 | | | | | | (180) | (180) | - | | |
| Waste management | | 20 | | | | | | 398 | 398 | 418 | 419 | 438 |
| Other | | | | | | | | - | - | - | | |
| Total Capital Expenditure - Functional | 3 | 235,716 | - | - | - | - | - | 46,273 | 46,273 | 281,990 | 290,844 | 311,492 |
| Funded by: | | | | | | | | | | | | |
| National Government | | 98,418 | | | | | | 20,651 | 20,651 | 119,069 | 103,294 | 128,441 |
| Provincial Government | | 128,634 | | | | | | 28,667 | 28,667 | 157,301 | 182,403 | 177,610 |
| District Municipality | | | | | | | | - | - | - | | |
| Other transfers and grants | | | | | | | | - | - | - | | |
| Transfers recognised - capital | 4 | 227,052 | - | - | - | - | - | 49,318 | 49,318 | 276,370 | 285,697 | 306,051 |
| Public contributions & donations | | | | | | | | - | - | - | | |
| Borrowing | | | | | | | | - | - | - | | |
| Internally generated funds | | 8,665 | | | | | | (3,045) | (3,045) | 5,620 | 5,147 | 5,441 |
| Total Capital Funding | | 235,716 | - | - | - | - | - | 46,273 | 46,273 | 281,990 | 290,844 | 311,492 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

4.6 TABLE 10: B6 FINANCIAL POSITION

EC157 King Sabata Dalindyebo - Table B6 Adjustments Budget Financial Position - 30 APRIL 2018

| Description | Ref | Budget Year 2017/18 | | | | | | | | | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
|--|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-----------------|--------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Net. or Prov. Govt | Other Adjus. | Total Adjus. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | | |
| ASSETS | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | |
| Cash | | 24,154 | | | | | | | - | 24,154 | 36,230 | 54,346 |
| Call investment deposits | 1 | 115,509 | - | - | - | - | - | - | - | 115,509 | 268,142 | 413,502 |
| Consumer debtors | 1 | 30,867 | - | - | - | - | - | - | - | 30,867 | 32,897 | 34,695 |
| Other debtors | | 11,438 | | | | | | | - | 11,438 | 55,614 | 95,733 |
| Current portion of long-term receivables | | | | | | | | | - | - | | |
| Inventory | | 8,422 | | | | | | | - | 8,422 | 9,284 | 16,110 |
| Total current assets | | 190,389 | - | - | - | - | - | - | - | 190,389 | 402,148 | 614,386 |
| Non current assets | | | | | | | | | | | | |
| Long-term receivables | | | | | | | | | - | - | | |
| Investments | | | | | | | | | - | - | | |
| Investment property | | 205,205 | | | | | | | - | 205,205 | 245,804 | 288,020 |
| Investment in Associate | | | | | | | | | - | - | | |
| Property, plant and equipment | 1 | 2,251,480 | - | - | - | - | - | - | - | 2,251,480 | 2,139,714 | 2,031,382 |
| Agricultural | | | | | | | | | - | - | | |
| Biological | | | | | | | | | - | - | | |
| Intangible | | 1,186 | | | | | | | - | 1,186 | 1,067 | 3,570 |
| Other non-current assets | | 4,697 | | | | | | | - | 4,697 | 4,697 | 4,697 |
| Total non current assets | | 2,462,568 | - | - | - | - | - | - | - | 2,462,568 | 2,381,283 | 2,327,669 |
| TOTAL ASSETS | | 2,652,957 | - | - | - | - | - | - | - | 2,652,957 | 2,783,431 | 2,942,055 |
| LIABILITIES | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | |
| Bank overdraft | | | | | | | | | - | - | | |
| Borrowing | | 24,072 | - | - | - | - | - | - | - | 24,072 | 36,522 | 54,361 |
| Consumer deposits | | 15,719 | | | | | | | - | 15,719 | 26,375 | 45,808 |
| Trade and other payables | | 156,704 | - | - | - | - | - | - | - | 156,704 | 195,880 | 249,743 |
| Provisions | | | | | | | | | - | - | | |
| Total current liabilities | | 196,495 | - | - | - | - | - | - | - | 196,495 | 258,377 | 349,913 |
| Non current liabilities | | | | | | | | | | | | |
| Borrowing | 1 | 80,096 | - | - | - | - | - | - | - | 80,096 | 147,583 | 176,621 |
| Provisions | 1 | 36,546 | - | - | - | - | - | - | - | 36,546 | 56,570 | 80,394 |
| Total non current liabilities | | 116,642 | - | - | - | - | - | - | - | 116,642 | 204,153 | 257,015 |
| TOTAL LIABILITIES | | 313,137 | - | - | - | - | - | - | - | 313,137 | 463,530 | 606,928 |
| NET ASSETS | 2 | 2,339,820 | - | - | - | - | - | - | - | 2,339,820 | 2,329,901 | 2,335,128 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 1,937,927 | - | - | - | - | - | - | - | 1,937,927 | 1,942,867 | 1,948,094 |
| Reserves | | 401,893 | - | - | - | - | - | - | - | 401,893 | 387,034 | 387,034 |
| Minorities' interests | | | | | | | | | - | - | | |
| TOTAL COMMUNITY WEALTH/EQUITY | | 2,339,820 | - | - | - | - | - | - | - | 2,339,820 | 2,329,901 | 2,335,128 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

4.7 TABLE 11: B7 CASH FLOW STATEMENT

EC157 King Sabata Dalindyebo - Table B7 Adjustments Budget Cash Flows - 30 APRIL 2018

| Description | Ref | Budget Year 2017/18 | | | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------|----------|------------|----------|-----------------|-----------------|------------------|----------------|----------------|-------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or Prov. | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Govt. | Adjusts. | Adjusts. | Budget | Budget | Budget |
| R thousands | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Property rates | | 241,657 | | | | | (10,000) | (10,000) | 231,657 | 274,916 | 290,860 | |
| Service charges | | 453,892 | | | | | 5,300 | 5,300 | 459,192 | 492,298 | 520,851 | |
| Other revenue | | 45,617 | | | | | - | - | 45,617 | 48,309 | 51,110 | |
| Government - operating | 1 | 293,208 | | | | | 2,831 | 2,831 | 296,039 | 310,504 | 325,920 | |
| Government - capital | 1 | 235,716 | | | | | 19,589 | 19,589 | 255,305 | 290,637 | 311,279 | |
| Interest | | 41,222 | | | | | - | - | 41,222 | 43,655 | 46,186 | |
| Dividends | | | | | | | - | - | - | - | - | |
| Payments | | | | | | | | | | | | |
| Suppliers and employees | | (910,975) | | | | | 21,707 | 21,707 | (889,268) | (964,412) | (1,020,240) | |
| Finance charges | | (28,461) | | | | | - | - | (28,461) | (30,141) | (31,869) | |
| Transfers and Grants | 1 | (24,000) | | | | | (23,882) | (23,882) | (47,882) | (25,416) | (34,324) | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 347,877 | - | - | - | - | 15,545 | 15,545 | 363,422 | 440,348 | 459,733 | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | | - | - | | |
| Decrease (increase) in non-current debtors | | | | | | | | | - | - | | |
| Decrease (increase) other non-current receivables | | | | | | | | | - | - | | |
| Decrease (increase) in non-current investments | | | | | | | | | - | - | | |
| Payments | | | | | | | | | | | | |
| Capital assets | | (235,716) | | | | | (19,794) | (19,794) | (255,510) | 290,844 | 311,492 | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (235,716) | - | - | - | - | (19,794) | (19,794) | (255,510) | 290,844 | 311,492 | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Short term loans | | | | | | | | | - | - | | |
| Borrowing long term/financing | | 15,000 | | | | | | | 15,000 | 15,000 | 15,000 | |
| Increase (decrease) in consumer deposits | | | | | | | | | - | - | | |
| Payments | | | | | | | | | | | | |
| Repayment of borrowing | | | | | | | | | - | - | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 15,000 | - | - | - | - | - | - | 15,000 | 15,000 | 15,000 | |
| NET INCREASE/(DECREASE) IN CASH HELD | | | | | | | | | | | | |
| Cash/cash equivalents at the year begin: | 2 | 127,161 | | | | | (4,249) | (4,249) | 122,911 | 746,192 | 786,245 | |
| Cash/cash equivalents at the year end: | 2 | 12,502 | | | | | - | - | 12,502 | 139,662 | 304,373 | |
| Cash/cash equivalents at the year end: | 2 | 139,662 | | | | | (4,249) | (4,249) | 135,413 | 885,854 | 1,090,618 | |

KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18

150

4.8 TABLE 12: B8 CASH BACKED RESERVES

EC157 King Sabata Dalindyebo - Table B8 Cash backed reserves/accumulated surplus reconciliation - 30 APRIL 2018

| Description | Ref | Budget Year 2017/18 | | | | | | | | Budget Year | Budget Year | |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavold. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | |
| | | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | +1 2018/19 | +2 2019/20 |
| R thousands | | | | | | | | | | | | |
| Cash and Investments available | | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 139,662 | - | - | - | - | - | (4,249) | (4,249) | 135,413 | 885,854 | 1,090,618 |
| Other current investments > 90 days | | - | - | - | - | - | - | 4,249 | 4,249 | 4,249 | (581,481) | (622,770) |
| Non current assets - Investments | 1 | - | - | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | | 139,662 | - | - | - | - | - | - | - | 139,662 | 304,373 | 467,848 |
| Applications of cash and Investments | | | | | | | | | | | | |
| Unspent conditional transfers | | - | - | - | - | - | - | - | - | - | - | - |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | | - | - | - | - | - | - | - | - | - | - | - |
| Other working capital requirements | 2 | 115,719 | - | - | - | - | - | 8 | 8 | 115,727 | 111,373 | 126,098 |
| Other provisions | | - | - | - | - | - | - | - | - | - | - | - |
| Long term investments committed | | - | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | | 3,046 | - | - | - | - | - | - | - | 3,046 | 3,046 | 3,046 |
| Total Application of cash and investments: | | 118,765 | - | - | - | - | - | 8 | 8 | 118,773 | 114,418 | 126,144 |
| Surplus(shortfall) | | 20,897 | - | - | - | - | - | (8) | (8) | 20,889 | 189,954 | 339,704 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

151

4.9 TABLE 13: B9 ASSET MANAGEMENT

| Description | Ref | Budget Year 2017/18 | | | | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
|--|-----|----------------------|------------------------------|------------------------------|-------------------------------|---------------------------|---------------------------|
| | | Original Budget A | Other Adjusts. 12 F | Total Adjusts. 13 G | Adjusted Budget 14 H | Adjusted Budget | Adjusted Budget |
| R thousands | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | |
| Total New Assets to be adjusted | 1 | 94,286 | 30,793 | 30,793 | 125,079 | 187,784 | 183,298 |
| <i>Roads Infrastructure</i> | | - | 6,059 | 6,059 | 6,059 | - | - |
| <i>Storm water Infrastructure</i> | | - | - | - | - | - | - |
| <i>Electrical Infrastructure</i> | | - | 2,215 | 2,215 | 2,215 | - | - |
| <i>Information and Communication Infrastructure</i> | | - | 2,781 | 2,781 | 2,781 | - | - |
| Infrastructure | | - | 11,055 | 11,055 | 11,055 | - | - |
| Community Facilities | | 7,719 | 6,632 | 6,632 | 14,351 | - | - |
| Sport and Recreation Facilities | | - | - | - | - | - | - |
| Community Assets | | 7,719 | 6,632 | 6,632 | 14,351 | - | - |
| Operational Buildings | | 492 | (256) | (256) | 236 | 521 | 551 |
| Housing | | 77,902 | 17,437 | 17,437 | 95,340 | 182,718 | 177,943 |
| Other Assets | 6 | 78,394 | 17,181 | 17,181 | 95,575 | 183,239 | 178,494 |
| Computer Equipment | | 7,042 | (4,224) | (4,224) | 2,819 | 3,348 | 3,177 |
| Furniture and Office Equipment | | - | 88 | 88 | 88 | - | - |
| Machinery and Equipment | | 600 | (284) | (284) | 316 | 636 | 1,033 |
| Transport Assets | | 531 | 344 | 344 | 875 | 562 | 594 |
| Total Renewal of Existing Assets to be adjusted | 2 | 141,431 | (18,064) | (18,064) | 123,367 | 103,060 | 128,194 |
| <i>Roads Infrastructure</i> | | 83,418 | (19,402) | (19,402) | 64,015 | 88,060 | 93,194 |
| <i>Storm water Infrastructure</i> | | - | - | - | - | - | - |
| <i>Electrical Infrastructure</i> | | 58,013 | - | - | 58,013 | 15,000 | 35,000 |
| <i>Information and Communication Infrastructure</i> | | - | 1,338 | 1,338 | 1,338 | - | - |
| Infrastructure | | 141,431 | (18,064) | (18,064) | 123,367 | 103,060 | 128,194 |
| Total Upgrading of Existing Assets to be adjusted | 2a | - | 7,065 | 7,065 | 7,065 | - | - |
| Community Facilities | | - | 3,084 | 3,084 | 3,084 | - | - |
| Sport and Recreation Facilities | | - | 3,981 | 3,981 | 3,981 | - | - |
| Community Assets | | - | 7,065 | 7,065 | 7,065 | - | - |
| <i>Roads Infrastructure</i> | | 83,418 | (13,343) | (13,343) | 70,074 | 88,060 | 93,194 |
| <i>Storm water Infrastructure</i> | | - | - | - | - | - | - |
| <i>Electrical Infrastructure</i> | | 58,013 | 2,215 | 2,215 | 60,228 | 15,000 | 35,000 |
| <i>Information and Communication Infrastructure</i> | | - | 4,119 | 4,119 | 4,119 | - | - |
| Infrastructure | | 141,431 | (7,009) | (7,009) | 134,421 | 103,060 | 128,194 |
| Community Facilities | | 7,719 | 9,716 | 9,716 | 17,435 | - | - |
| Sport and Recreation Facilities | | - | 3,981 | 3,981 | 3,981 | - | - |
| Community Assets | | 7,719 | 13,697 | 13,697 | 21,416 | - | - |
| Operational Buildings | | 492 | (256) | (256) | 236 | 521 | 551 |
| Housing | | 77,902 | 17,437 | 17,437 | 95,340 | 182,718 | 177,943 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

152

| Description | Ref | Budget Year 2017/18 | | | | Budget Year +1 | Budget Year +2 |
|---|----------|---------------------|----------------|----------------|------------------|------------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | | 12 | 13 | 14 | | |
| Other Assets | | 78,394 | 17,181 | 17,181 | 95,575 | 183,239 | 178,494 |
| Computer Equipment | | 7,042 | (4,224) | (4,224) | 2,819 | 3,348 | 3,177 |
| Furniture and Office Equipment | | - | 88 | 88 | 88 | - | - |
| Machinery and Equipment | | 600 | (284) | (284) | 316 | 636 | 1,033 |
| Transport Assets | | 531 | 344 | 344 | 875 | 562 | 594 |
| TOTAL CAPITAL EXPENDITURE to be adjusted | 4 | 235,716 | 19,794 | 19,794 | 255,510 | 290,844 | 311,492 |
| ASSET REGISTER SUMMARY - PPE (WDV) | 5 | | | | | | |
| <i>Roads Infrastructure</i> | | 758,981 | (443,821) | (443,821) | 315,160 | 530,555 | 330,777 |
| <i>Storm water Infrastructure</i> | | 296,186 | - | - | 296,186 | 296,186 | 308,339 |
| <i>Electrical Infrastructure</i> | | 191,264 | 208,317 | 208,317 | 399,582 | 191,264 | 207,150 |
| Infrastructure | | 1,246,432 | (235,504) | (235,504) | 1,010,928 | 1,018,006 | 846,266 |
| Community Facilities | | | 9,437 | 9,437 | 9,437 | | |
| Sport and Recreation Facilities | | 363,470 | 6,709 | 6,709 | 370,180 | 455,885 | 468,167 |
| Community Assets | | 363,470 | 16,146 | 16,146 | 379,617 | 455,885 | 468,167 |
| Heritage Assets | | 4,697 | - | - | 4,697 | 4,697 | 4,697 |
| Revenue Generating | | 205,205 | - | - | 205,205 | 245,804 | 288,020 |
| Non-revenue Generating | | | - | - | - | | |
| Investment properties | | 205,205 | - | - | 205,205 | 245,804 | 288,020 |
| Operational Buildings | | 387,753 | (16,923) | (16,923) | 370,831 | 416,696 | 463,124 |
| Housing | | 189,936 | (94,597) | (94,597) | 95,340 | 189,936 | 189,936 |
| Other Assets | | 577,690 | (111,519) | (111,519) | 466,170 | 606,632 | 653,061 |
| Licences and Rights | | 1,186 | - | - | 1,186 | 1,067 | 3,570 |
| Intangible Assets | | 1,186 | - | - | 1,186 | 1,067 | 3,570 |
| Computer Equipment | | | 6,938 | 6,938 | 6,938 | | |
| Furniture and Office Equipment | | | 88 | 88 | 88 | | |
| Machinery and Equipment | | | 400,341 | 400,341 | 400,341 | | |
| Transport Assets | | 20,830 | 344 | 344 | 21,174 | 20,830 | 20,830 |
| Libraries | | 43,058 | (43,058) | (43,058) | - | 38,361 | 43,058 |
| Zoo's, Marine and Non-biological Animals | | | - | - | - | | |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 2,462,568 | 33,776 | 33,776 | 2,496,344 | 2,391,283 | 2,327,669 |
| EXPENDITURE OTHER ITEMS | | | | | | | |
| Depreciation & asset impairment | | 165,723 | - | - | 165,723 | 218,340 | 202,035 |
| Repairs and Maintenance by asset class | 3 | 43,328 | (1,352) | (1,352) | 41,977 | 45,885 | 48,573 |
| <i>Roads Infrastructure</i> | | 25,148 | (4,767) | (4,767) | 20,380 | 26,631 | 28,176 |
| <i>Storm water Infrastructure</i> | | - | - | - | - | - | - |
| <i>Electrical Infrastructure</i> | | 11,746 | (200) | (200) | 11,545 | 12,439 | 13,177 |
| <i>Water Supply Infrastructure</i> | | 153 | (153) | (153) | - | 162 | 171 |
| <i>Sanitation Infrastructure</i> | | 95 | (95) | (95) | - | - | - |
| Infrastructure | | 37,141 | (5,215) | (5,215) | 31,926 | 39,232 | 41,524 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18**

153

| Description | Ref | Budget Year 2017/18 | | | Budget Year +1 2018/19 | Budget Year +2 2019/20 | |
|---|-------|---------------------|----------------------|----------------------|---------------------------|---------------------------|----------------|
| | | Original Budget | Other Adjusts. 12 | Total Adjusts. 13 | Adjusted Budget 14 | Adjusted Budget | |
| Community Facilities | - | | 50 | 50 | 50 | 101 | 106 |
| Sport and Recreation Facilities | - | | 229 | 229 | 229 | - | 10 |
| Community Assets | - | | 279 | 279 | 279 | 101 | 117 |
| Operational Buildings | 2,222 | (679) | (679) | 1,543 | 2,353 | 2,490 | |
| Housing | - | - | - | - | - | - | |
| Other Assets | 2,222 | (679) | (679) | 1,543 | 2,353 | 2,490 | |
| Computer Equipment | 21 | (13) | (13) | 8 | 22 | 24 | |
| Furniture and Office Equipment | 50 | (9) | (9) | 41 | 53 | 56 | |
| Machinery and Equipment | - | 3,404 | 3,404 | 3,404 | - | - | |
| Transport Assets | 3,894 | 882 | 882 | 4,776 | 4,123 | 4,363 | |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | | 209,051 | (1,352) | (1,352) | 207,699 | 264,224 | 250,607 |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | 60.0% | | | 51.0% | 35.4% | 41.2% | |
| <i>Renewal and upgrading of Existing Assets as % of deprecn"</i> | 85.3% | | | 78.7% | 47.2% | 63.5% | |
| <i>R&M as a % of PPE</i> | 1.8% | | | 1.7% | 1.9% | 2.1% | |
| <i>Renewal and upgrading and R&M as a % of PPE</i> | 7.5% | | | 6.9% | 6.2% | 7.6% | |

KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT BUDGET 2017/18

4.10 TABLE 14 : B10 BASIC SERVICE DELIVERY MEASUREMENT

EC157 King Sabata Dalindyebo - Table B10 Basic service delivery measurement - 30 APRIL 2018

| Description | Ref | Budget Year 2017/18 | | | | | | | | | | Budget Year +1 | Budget Year +2 | |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|---------|
| | | 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 | Adjusted Budget | |
| Household service targets | 1 | | | | | | | | | | | | | |
| Water: | | | | | | | | | | | | | | |
| Piped water inside dwelling | | 42626 | | | | | | | | | | | 43 | |
| Piped water inside yard (but not in dwelling) | | 24405 | | | | | | | | | | | 24 | |
| Using public tap (at least min.service level) | | | | | | | | | | | | | | |
| Other water supply (at least min.service level) | | | | | | | | | | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | 3 | 67 | - | - | - | - | - | - | - | - | - | - | 67 | - |
| Using public tap (< min.service level) | | | | | | | | | | | | | | |
| Other water supply (< min.service level) | | | | | | | | | | | | | | |
| No water supply | | | | | | | | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | 5 | | | | | | | | | | | | | |
| Total number of households | | | | | | | | | | | | | | |
| Sanitation/sewerage: | | | | | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | 37356 | | | | | | | | | | | 37,356 | 37356 |
| Flush toilet (with septic tank) | | 0 | | | | | | | | | | | | 0 |
| Chemical toilet | | 0 | | | | | | | | | | | | 0 |
| Pit toilet (ventilated) | | 53138 | | | | | | | | | | | 53,138 | 53138 |
| Other toilet provisions (> min.service level) | | | | | | | | | | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | | 90,494 | - | - | - | - | - | - | - | - | - | - | 90,494 | 90,494 |
| Bucket toilet | | 496 | | | | | | | | | | | 496 | 496 |
| Other toilet provisions (< min.service level) | | 0 | | | | | | | | | | | | 0 |
| No toilet provisions | | 14416 | | | | | | | | | | | 14,416 | 14416 |
| <i>Below Minimum Service Level sub-total</i> | | 14,912 | - | - | - | - | - | - | - | - | - | - | 14,912 | 14,912 |
| Total number of households | 5 | 105,406 | - | - | - | - | - | - | - | - | - | - | 105,406 | 105,406 |
| Energy: | | | | | | | | | | | | | | |

KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT BUDGET 2017/18

| | | | | | | | | | | | | |
|--|----|--|--|--|--|--|--|--|--|---------|---------|---------|
| Electricity (at least min. service level) | | | | | | | | | | 450 | 450 | 450 |
| Electricity - prepaid (> min. service level) | | | | | | | | | | 76732 | 76732 | 76732 |
| <i>Minimum Service Level and Above sub-total</i> | | | | | | | | | | | | |
| Electricity (< min. service level) | | | | | | | | | | 77,182 | 77,182 | 77,182 |
| Electricity - prepaid (< min. service level) | | | | | | | | | | 60464 | 60464 | 60464 |
| Other energy sources | | | | | | | | | | 20888 | 20888 | 20888 |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | | | | | | |
| Total number of households | 5 | | | | | | | | | 81,352 | 81,352 | 81,352 |
| Refuse: | | | | | | | | | | | | |
| Removed at least once a week (min. service) | | | | | | | | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | | | | | | | | | | | | |
| Removed less frequently than once a week | | | | | | | | | | 27,562 | 27,562 | 27,562 |
| Using communal refuse dump | | | | | | | | | | 64603 | 64603 | 64603 |
| Using own refuse dump | | | | | | | | | | 0 | 0 | 0 |
| Other rubbish disposal | | | | | | | | | | 0 | 0 | 0 |
| No rubbish disposal | | | | | | | | | | 11494 | 11494 | 11494 |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | | | | | | |
| Total number of households | 5 | | | | | | | | | 76,097 | 76,097 | 76,097 |
| Total cost of FBS provided (minimum social package) | | | | | | | | | | 103,659 | 103,659 | 103,659 |
| Highest level of free service provided | | | | | | | | | | | | |
| 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 household per month) | | | | | | | | | | | | |
| Sanitation (free sanitation service) | | | | | | | | | | | | |
| Electricity/other energy (50kwh per household per month) | | | | | | | | | | 7,890 | 7,890 | 7,890 |
| Refuse (removed once a week) | | | | | | | | | | 8,000 | 8,000 | 8,000 |
| Total cost of FBS provided (minimum social package) | | | | | | | | | | 15,890 | 15,890 | 15,890 |
| Highest level of free service provided | | | | | | | | | | | | |

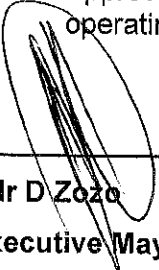
KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT BUDGET 2017/18

| | | | | | | | | | | | | |
|--|----|--------|--|--|--|--|--|--|--|--------|--------|--------|
| Property rates (R'000 value threshold) | | | | | | | | | | | 60000 | |
| Water (kilolitres per household per month) | | | | | | | | | | | 60000 | |
| Sanitation (kilolitres per household per month) | | | | | | | | | | | 60,000 | |
| Sanitation (Rand per household per month) | | | | | | | | | | | | |
| Electricity (kw per household per month) | | | | | | | | | | | 50 | 8 |
| Refuse (average litres per week) | | | | | | | | | | | 50 | 8 |
| Revenue cost of free services provided (R'000) | 17 | | | | | | | | | | | |
| Property rates (R'15 000 threshold rebate) | | | | | | | | | | | | |
| Property rates (other exemptions, reductions and rebates) | | 15,198 | | | | | | | | 15,198 | 16,414 | 17,727 |
| Water | | | | | | | | | | | | |
| Sanitation | | | | | | | | | | | | |
| Electricity/other energy | | | | | | | | | | | | |
| Refuse | | | | | | | | | | | | |
| Municipal Housing - rental rebates | | | | | | | | | | | | |
| Housing - top structure subsidies | | | | | | | | | | | | |
| Other | | | | | | | | | | | | |
| Total revenue cost of free services provided (total social package) | | 15,198 | | | | | | | | 15,198 | 16,414 | 17,727 |

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18****5. RECOMMENDATIONS**

It is recommended that the council:

1. Approves the adjustments of the operating budget as indicated above as indicated in table one.
2. Approves the capital budget as indicated above in table one
3. Approves the adjustment of the SDBIP in line with the changes in both the capital and operating budget




Cllr D Zozo
Executive Mayor

**KING SABATA DALINDYEBO MUNICIPALITY SECOND ADJUSTMENT
BUDGET 2017/18****6. Municipal manager's quality certificate**

I Luvuyo Maka....., municipal manager of King Sabata Dalindyebo, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustment budget 2017/18 and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Mr Luvuyo Maka

Acting Municipal Manager of King Sabata Dalindyebo (EC 157)

Signature _____ 

Date _____

18/04/18



cooperative governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

Private Bag X804, Pretoria, 0001 Tel: (012) 334 0600, Fax: (012) 334 0603
cnr Hamilton and Proes Street, Arcadia, Pretoria

Reference No.: 15/1/1

King Sabata Dalindyebo Local Municipality
P O Box 45
UMTATA
5100
Fax No.: 047-532 5198

Dear Municipal Manager

MUNICIPAL INFRASTRUCTURE GRANT (MIG): REALLOCATION AND AMENDMENT OF THE PAYMENT SCHEDULE IN TERMS OF SECTIONS 20 AND 23(4) OF THE DIVISION OF REVENUE ACT (ACT NO. 1 OF 2017)

National Treasury, in collaboration with the Department of Cooperative Governance has allocated an additional MIG allocation of R18,500 million to **King Sabata Dalindyebo Local Municipality**. The additional funding is subjected to MIG conditions as published in the MIG Policy Framework and the 2017 Division of Revenue Act. The detailed conditions and project(s) to be implemented with the additional allocation are expected to be supportive of:

- (a) Ngangelizwe/Rotary Sport Stadium (inclusive of grand stands), and
- (b) Elliot Street surfacing

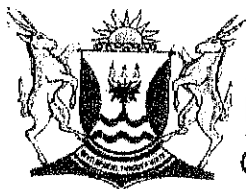
In light of this, the King Sabata Dalindyebo Local Municipality is expected to submit a project(s) milestone, as per the excell attachment on the **3rd of April 2018** and detailed progress report (with consolidated site visits report attached) to **19 June 2018** to the DCOG and provincial MIG office; Derickg@cogta.gov.za and vuyo.madini@eccogta.gov.za. Enquiries regarding the content of this email can be directed to Mr Derick Gabone, Tel: 012 334 5655 or email: derickg@cogta.gov.za

With kind regards,

(pp) Ms V. Mabitsi

Senior Manager: MIG Administration Date:

26 March 2018



Province of the
EASTERN CAPE

COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

Office of the Head of Department

Tyamzashe Building · Phalo Avenue · Private Bag X0035 · Bhisho · 5605

Eastern Cape · REPUBLIC OF SOUTH AFRICA

Tel: +27 (0)40 609 5466 · Fax: +27 (0)40 609 3450 · website: www.ecprov.gov.za/igta/

The Municipal Manager
King Sabatha Dalindyebo Local Municipality
P O Box 44
MTHATHA
5099

Dear Mr M Zenzile

RE: 2017/18 MUNICIPAL ELECTRIFICATION INTERVENTION ALLOCATION: KING SABATHA DALINDYEBO LOCAL MUNICIPALITY REF. T2017/18/01

1. The Eastern Cape Department of Cooperative Governance and Traditional Affairs has provisionally allocated in the 2017/18 an amount of **R 11,229,500 (Eleven Million, Two Hundred and Twenty Nine Thousand, Five Hundred Rands only)** to King Sabatha Dalindyebo Local Municipality, for the municipality to intervene in the electrification of hotspot areas, as were pronounced by the Premier of the Province together with COGTA MEC.
2. Based on the due diligence exercise that was conducted by the department together with your municipal officials in January 2017, the following households was confirmed and agreed to be electrified with the allocations as captured in the table below:

| Municipality | Project Name | Village Name | Targeted House Holds | Rate per Unit | 2017/18 Allocation |
|-------------------------|--------------|--------------|----------------------|------------------|------------------------|
| King Sabatha Dalindyebo | Polar Park | Polar Park | 600 | R 19,500.00 | R 7,700,000.00 |
| | Ngcwanguba | Jojweni | 181 | R 19,500.00 | R 3,529,500.00 |
| TOTAL | | | 781 | 14,378.36 | R 11,229,500.00 |

3. Please note that, this is an interventionist provincial funded programme, whose primary objective is to intervene in the hotspot areas by bringing forward projects planned for later years either by the municipality or ESKOM, but now serving as a complementary funding to the municipal INEP grant and NEP (ESKOM) electrification grant.



Ikamva eliqambileyo!

KING SABATHA DALINDYEBO ELECTRIFICATION INTERVENTION PROJECTS

4. Once all the following Gazette conditions are met, the Department having conducted site verification and data validation, will transfer invoiced payment amounts into the municipal bank account, available starting from 01st April 2017.
5. **Listed are Gazette Conditions:**
 - Submission of a letter acknowledging receipt of this correspondence and acceptance of the 2017/18 R 11,229,500.00 allocation,
 - Submission of signed Project Business plan by the municipality,
 - Signed Declaration of Assurance,
 - Signed Acceptance of Conditions.
 - Signed 2017/18 IDP and 3 Year Capital Plan reflective of these projects,
 - Signed monthly progress report on financials and non-financials
 - Submission of invoice for work done.
 - Submission of Site Verification Report on value created
6. Acknowledging the tedious pre-engineering process involved with electrification projects, the municipality is encouraged to meanwhile use municipal own funds to kick start the pre-engineering processes to ensure that by June 2017 all pre-engineering processes are completed and in July 2017 actual construction work on the ground starts.
7. Since Eskom is an Implementing Agent (IA) for the Ngcwanguba project, the department through the established Provincial Rapid Response Task Team (PRRTT), shall monitor and support the smooth transfer of the IA responsibility to the municipality. It should be noted that it is the prerogative of the municipality to choose the IA of their choice i.e. Eskom, a PSP (Professional Service Provider), etc.
8. Thanking you in advance for your cooperation. For any clarity please don't hesitate to contact Mr. T. Majavu at 082 495 3095 or at tshitsho.majavu@eccogta.gov.za and Mr. V. Madini at 082 418 1090 or at vuyo.madini@eccogta.gov.za

Yours in Accelerated Service Delivery


Mr M Baza
Head of Department (Acting)
Department of Cooperative Governance and Traditional Affairs

Date: 29/2/2017