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## WRITE UP ON FINAL MTREF BUDGET 2022/23 TO 2024/25 TO COUNCIL

### 1. PURPOSE OF THE REPORT

The purpose of this report is to submit to the Council the FINAL MTREF Budget, tariffs, procurement plans and budget related policies for consideration.

### 2. LEGAL STATUTORY REQUIREMENTS

Section 28 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003)  
Section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000). Performance Management Regulations of 2006

### 3. BACKGROUND

This is to submit MTREF budget document, tariffs, procurement plans and budget related policies for 2023 financial year to Council.

### 4. MTREF FINAL BUDGET DISCUSSION

On 31 March 2022 the Council of King Sabata Dalindyebo Local Municipality met in the Council Chambers of King Sabata Dalindyebo Municipality to consider the annual budget of the municipality for the financial year 2022/2023 to 2024/2025. The Council adopted the following resolutions:

The Council of King Sabata Dalindyebo Local Municipality, acting in terms of section 16 of the Municipal Finance Management Act, (Act 56 of 2003) tables the final MTREF budget to be implemented on 1 July 2022

- 4.1. The final MTREF budget of the municipality for the financial year 2022/2023 to 2024/25 and the multi-year and single-year capital appropriations as set out in the following tables:
  - 4.2 Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 11 on page 21;
  - 4.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 12 on page 22;
  - 4.4 Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 13 on page 23; and
    - 4.4.1 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 14 on page 24.
- 4.5 The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
  - 4.5.1 Budgeted Financial Position as contained in Table 15 on page 25;
  - 4.5.2 Budgeted Cash Flows as contained in Table 16 on page 26;
  - 4.5.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table 17 on page 26;
  - 4.5.4 Asset management as contained in Table 18 on page 27; and
  - 4.5.5 Basic service delivery measurement as contained in Table 19 on page 29.
- 5 The Council of King Sabata Dalindyebo Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) final MTREF final tariffs to be implemented on the 1 July 2022 for public notification.
  - 5.1 the tariffs for property rates – as set out in Annexure A,
  - 5.2 the tariffs for electricity – as set out in Annexure B
  - 5.3 the tariffs for solid waste services – as set out in Annexure C
- 6 The Council of King Sabata Dalindyebo Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the final tariffs to be implemented on 1 July 2022 the tariffs for other services, as set out in Annexures G1 to G21 respectively for public notification.
- 7 To give proper effect to the municipality's annual budget, the Council of King Sabata Dalindyebo Local Municipality approves:
  - 7.1 That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
  - 7.2 That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

## **Executive Summary**

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

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. More resources were allocated to basic service delivery projects. The municipality is seriously experiencing cash flow challenges emanating from prior years litigations and slow recovery of debtors especially from domestic consumers as well as limited revenue base. However, there is revenue recovery plan that is being implemented, a turnaround strategy and a debt collector has been contracted to deal with difficult-to- collect debts. For this purpose, attempts are being made to fund depreciation on cash to improve the current cash flow situations of the municipality.

National Treasury's MFMA Circulars No. 112 and 115 were used to guide the compilation of the 2022/2023 to 2024/25 MTREF.

### **Budget assumptions**

The Final MTREF budget of the 2022/2023 to 2024/25 has been compiled based on the following budget principles and guidelines which can be summarized as follows:

- National Treasury has revised South Africa's economic growth estimate for 2023 to 4.8 per cent, from 5.1 per cent at the time of the Medium-Term Budget Policy statement.
- Focus on aging and vast network of roads and electricity infrastructure that require maintenance.
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Municipalities are required to restructure debt by negotiating within their major creditors in terms of repayment plans.
- There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.
- Municipalities to ensure that they render basic services, maintain their assets and clean environment.
- New leadership is advised to decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection, and address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

- To maximize revenue generation, municipalities to reconcile their most recent valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate.
- The setting of cost reflective tariffs is a requirement in terms of Section 74(2) of the Municipal Systems Act 2000, to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget.

In view of the above, the following table is a consolidated overview of the proposed 2022/2023 to 24/25 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2022/2023 MTREF**

**EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue By Source</b>											
Total Revenue (excluding capital transfers and contributions)		1 064 052	1 197 195	1 317 525	1 480 173	1 430 284	1 430 284	1 446 284	1 424 641	1 489 056	1 565 904
Total Expenditure		1 177 568	1 401 419	1 318 599	1 432 066	1 393 471	1 393 471	1 393 471	1 413 567	1 462 775	1 530 187
Surplus/(Deficit)		(113 516)	(204 224)	(1 073)	48 107	36 813	36 813	52 813	11 074	26 281	35 716
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	113 902	128 384	122 384	122 384	122 384	229 801	146 118	138 466
Total Capital Expenditure - Functional	3	127 214	166 644	(9 493)	143 284	137 248	137 248	137 248	239 038	146 139	138 488
National Government		43 091	82 953	(10 103)	86 154	86 154	86 154	86 154	97 046	116 118	121 466
Provincial Government		-	72 554	-	42 230	47 230	47 230	47 230	132 754	30 000	17 000
District Municipality		-	10 555	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	43 091	166 063	(10 103)	128 384	133 384	133 384	133 384	229 801	146 118	138 466
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1 143	581	(713)	14 900	3 822	3 822	3 822	9 237	21	22
Total Capital Funding	7	44 233	166 644	(10 815)	143 284	137 206	137 206	137 206	239 038	146 139	138 488

Total operating revenue reduced by 1 per cent from the 2021/2022 adjusted budget decreasing from R1.45 billion to R1.423 billion. For the two outer years, operational revenue will increase by 5 per cent per annum.

Total operating expenditure for the 2022/2023 financial year has been appropriated at R1.408 billion. It increased by 2 per cent from R1.39 billion to R1.42 billion resulting in surplus of R14.80 million to be utilized on the infrastructure and budget for non-cash items such as depreciation. This continues to increase by 4 and 5 percent in the following years respectively.

Total operating expenditure is appropriated at R234.60 increasing by 42 per cent from the adjusted budget and funded grants to a tune R229.80 million and R4.80 million from internally generated funds.

## 5. OPERATING REVENUE FRAMEWORK

For King Sabata Dalindyebo Municipality to continue improving the quality of services provided to its citizens, it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that municipality is faced with developmental backlogs and high indigent rate. The expenditure required to address basic service delivery challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 93 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases are still to be approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services. The biggest challenge is inability to recover costs associated with the refuse removal from places as far as Coffee Bay , Hole in The Wall and peri-urban Areas
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality has also been considered.

The following table is a summary of the 2022/2023 to 2024/2025 MTREF (classified by main revenue source):

**Table 2 Summary of revenue classified by main revenue source**

**EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2
<b>R thousand</b>	1										
<b>Revenue By Source</b>											
Property rates	2	216 544	217 279	244 824	268 577	269 606	269 606	269 606	298 662	312 111	325 835
Service charges - electricity revenue	2	382 944	423 061	441 465	578 656	562 525	562 525	570 525	554 536	578 936	604 988
Service charges - refuse revenue	2	47 309	54 623	56 563	71 288	59 280	59 280	67 280	50 824	53 460	56 267
Rental of facilities and equipment		19 567	20 135	14 612	34 325	23 460	23 460	23 460	18 575	19 393	20 265
Interest earned - external investments		1 306	1 608	1 361	3 335	3 335	3 335	3 335	1 302	1 359	1 420
Interest earned - outstanding debtors		47 388	49 498	42 190	58 424	58 424	58 424	58 424	20 662	21 571	22 542
Fines, penalties and forfeits		3 410	2 974	8 420	7 573	7 375	7 375	7 375	7 778	8 120	8 485
Licences and permits		206	1 355	1 002	4 092	2 545	2 545	2 545	1 272	1 333	1 397
Agency services		12 319	10 282	14 130	19 418	16 426	16 426	16 426	12 116	10 996	11 491
Transfers and subsidies		312 244	356 623	459 594	384 352	384 656	384 656	384 656	425 596	447 019	476 916
Other revenue	2	12 183	63 037	22 064	48 317	40 838	40 838	40 838	32 754	34 195	35 734
Gains		8 631	(3 281)	11 301	1 815	1 815	1 815	1 815	564	564	564
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 064 052</b>	<b>1 197 195</b>	<b>1 317 525</b>	<b>1 480 173</b>	<b>1 430 284</b>	<b>1 430 284</b>	<b>1 446 284</b>	<b>1 424 641</b>	<b>1 489 056</b>	<b>1 565 904</b>

**Table 3 Percentage growth in revenue by main revenue source**

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21		Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework							
		Audited Outcome	Audited Outcome	% Movement	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25					
<b>Revenue By Source</b>																	
Property rates	2	216 544	217 279	0%	244 824	13%	268 577	269 606	269 606	269 606	10%	298 662	11%	312 111	5%	325 835	4%
Service charges - electricity revenue	2	382 944	423 061	10%	441 465	4%	578 656	562 525	562 525	570 525	27%	554 536	-3%	578 936	4%	604 988	4%
Service charges - refuse revenue	2	47 309	54 623	15%	56 563	4%	71 288	59 280	59 280	67 280	5%	50 824	-24%	53 460	5%	56 267	5%
Rental of facilities and equipment		19 567	20 135	3%	14 612	-27%	34 325	23 460	23 460	23 460	61%	18 575	-21%	19 393	4%	20 265	5%
Interest earned - external investments		1 306	1 608	23%	1 361	-15%	3 335	3 335	3 335	3 335	145%	1 302	-61%	1 359	4%	1 420	4%
Interest earned - outstanding debtors		47 388	49 498	4%	42 190	-15%	58 424	58 424	58 424	58 424	38%	20 662	-65%	21 571	4%	22 542	5%
Fines, penalties and forfeits		3 410	2 974	-13%	8 420	183%	7 573	7 375	7 375	7 375	-12%	7 778	5%	8 120	4%	8 485	5%
Licences and permits		206	1 355	559%	1 002	-26%	4 092	2 545	2 545	2 545	154%	1 272	-50%	1 333	5%	1 397	5%
Agency services		12 319	10 282	-17%	14 130	37%	19 418	16 426	16 426	16 426	16%	12 116	-26%	10 996	-9%	11 491	5%
Transfers and subsidies		312 244	356 623	14%	459 584	29%	384 352	384 656	384 656	384 656	-16%	425 596	11%	447 019	5%	476 916	7%
Other revenue	2	12 183	63 037	417%	22 064	-65%	48 317	40 838	40 838	40 838	85%	32 754	-20%	34 195	4%	35 734	4%
Gains		8 631	(3 281)	-138%	11 301	-444%	1 815	1 815	1 815	1 815	-94%	564	-69%	564	0%	564	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 064 052</b>	<b>1 197 195</b>	<b>13%</b>	<b>1 317 525</b>	<b>10%</b>	<b>1 480 173</b>	<b>1 430 284</b>	<b>1 430 284</b>	<b>1 446 284</b>	<b>9%</b>	<b>1 424 641</b>	<b>-1%</b>	<b>1 489 056</b>	<b>5%</b>	<b>1 565 904</b>	<b>5%</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charges (electricity and refuse) revenues comprise more than two thirds of the total revenue mix, at 91% per cent of R1, 023 billion. Electricity income individually at 55 per cent, followed by property rates at 30.1 per cent and the balance is 5.8 per cent for other revenues.

Operating grants are 29 per cent of the total operating income at R424.8 million with the balance from other various incomes.

#### Table 4 Operating and Capital Transfers and Grant Receipts

Total operating grants amounts R424.9 million of which R404 million is not a conditional grant and the balance is made up of conditional grants.

Total capital grants amount to R 229.8 million made up of the following grants:

- INEP electricity grant R3.2 million
- MIG R93.6 million
- Human Settlements Grant R113.8 million
- Small Town Revitalization Grant R19 million

#### TARRIF SETTING

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

The percentage increases of both Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality. NERSA has approved a 9.6% of tariff increase for Eskom that commenced in from April 2022 and this figure accounts for a 3.49 per cent increase in 2022/23.

#### *Macroeconomic performance and projections, 2020 - 2025*

Fiscal year	2020/21	2021/22 Estimate	2022/23	2023/24	2024/25
<b>Actual</b>			<b>Forecast</b>		
<b>CPI Inflation</b>	<b>2.9%</b>	<b>4.5%</b>	<b>4.8%</b>	<b>4.4%</b>	<b>4.5%</b>

#### *Property Rates*

Rate-able property" means property on which a municipality may in terms of section 2 levy a rate, excluding property fully excluded from the levying of rates in terms of section 17. Property rates are calculated on the market value of a property by multiplying it by a cent amount in the rand, which is determined from the annual budget.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy. In this regard the following stipulations are relevant:



- Owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year.

The following conditions should be met:-

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
- The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.
- 20 per cent rebate will be granted to pensioners.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2022/2023 financial year based on a 4,8 per cent increase from 1 July 2022 is contained below:

## 6. OPERATING EXPENDITURE FRAMEWORK

The following table is a high level summary of the 2022/2023 budget and MTREF (classified per main type of operating expenditure):

**Table 5 Summary of operating expenditure by standard classification item**

**EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Expenditure By Type</b>											
Employee related costs	2	436 530	466 809	511 151	552 644	533 576	533 576	533 576	556 029	576 801	602 755
Remuneration of councillors		27 538	27 393	28 252	34 079	34 079	34 079	34 079	34 079	35 579	37 180
Debt impairment	3	84 340	117 036	13 627	50 521	4 061	4 061	4 061	15 000	10 440	10 910
Depreciation & asset impairment	2	180 487	210 251	164 834	147 486	158 272	158 272	158 272	158 272	165 236	172 672
Finance charges		26 328	36 296	29 142	16 300	6 253	6 253	6 253	6 553	6 841	7 149
Bulk purchases - electricity	2	257 253	315 811	322 020	399 187	413 157	413 157	413 157	452 820	472 744	494 018
Inventory consumed	8	13 994	15 513	10 130	20 058	29 726	29 726	29 726	20 509	21 411	22 374
Contracted services		58 659	68 074	73 549	47 239	59 152	59 152	59 152	44 801	44 932	48 283
Transfers and subsidies		(40 363)	1 393	826	300	469	469	469	500	522	545
Other expenditure	4, 5	130 882	142 845	165 067	164 252	154 726	154 726	154 726	125 003	128 268	134 300
Losses		1 922	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 177 568</b>	<b>1 401 419</b>	<b>1 318 599</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 413 567</b>	<b>1 462 775</b>	<b>1 530 187</b>
<b>Surplus/(Deficit)</b>		<b>(113 516)</b>	<b>(204 224)</b>	<b>(1 073)</b>	<b>48 107</b>	<b>36 813</b>	<b>36 813</b>	<b>52 813</b>	<b>11 074</b>	<b>26 281</b>	<b>35 716</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	113 902	128 384	122 384	122 384	122 384	229 801	146 118	138 466
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)																	
Description	Ref	2018/19	2019/20	2020/21		Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework							
		Audited Outcome	Audited Outcome	Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25					
		1															
<b>Expenditure By Type</b>																	
Employee related costs	2	436 530	466 809	7%	511 151	9%	552 644	533 576	533 576	533 576	4%	556 029	4%	576 801	4%	602 755	4%
Remuneration of councillors		27 538	27 393	-1%	28 252	3%	34 079	34 079	34 079	34 079	21%	34 079	0%	35 579	4%	37 180	5%
Debt impairment	3	84 340	117 036	39%	13 627	-83%	50 521	4 061	4 061	4 061	-70%	15 000	269%	10 440	-30%	10 910	5%
Depreciation & asset impairment	2	180 487	210 251	16%	164 834	-22%	147 486	158 272	158 272	158 272	-4%	158 272	0%	165 236	4%	172 672	4%
Finance charges		26 328	36 296	38%	29 142	-20%	16 300	6 253	6 253	6 253	-79%	6 553	5%	6 841	4%	7 149	5%
Bulk purchases - electricity	2	257 253	315 811	23%	322 020	2%	399 187	413 157	413 157	413 157	28%	452 820	10%	472 744	4%	494 018	5%
Inventory consumed	8	13 994	15 513	11%	10 130	-35%	20 058	28 726	28 726	29 726	193%	20 509	-31%	21 411	4%	22 374	4%
Contracted services		58 659	68 074	16%	73 549	8%	47 239	59 152	59 152	59 152	-20%	44 801	-24%	44 932	0%	48 283	7%
Transfers and subsidies		(40 363)	1 393	-103%	826	-41%	300	469	469	469	-43%	500	7%	522	4%	545	5%
Other expenditure	4, 5	130 882	142 845	9%	165 067	16%	164 252	154 726	154 726	154 726	-6%	125 003	-19%	128 268	3%	134 300	5%
Losses		1 922	-	-100%	-	0%	-	-	-	-	0%	-	-	-	0%	-	0%
<b>Total Expenditure</b>		<b>1 177 568</b>	<b>1 401 419</b>	<b>19%</b>	<b>1 318 599</b>	<b>-6%</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>6%</b>	<b>1 413 567</b>	<b>1%</b>	<b>1 462 775</b>	<b>3%</b>	<b>1 530 187</b>	<b>5%</b>
<b>Surplus/(Deficit)</b>		<b>(113 516)</b>	<b>(204 224)</b>	<b>80%</b>	<b>(1 073)</b>	<b>-99%</b>	<b>48 107</b>	<b>36 813</b>	<b>36 813</b>	<b>52 813</b>	<b>-3530%</b>	<b>11 074</b>	<b>-70%</b>	<b>26 281</b>	<b>137%</b>	<b>35 716</b>	<b>36%</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	80%	113 902	-28%	128 384	122 384	122 384	122 384	7%	229 501	88%	146 118	-36%	138 466	-5%
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>78%</b>	<b>112 828</b>		<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>41%</b>	<b>240 875</b>	<b>51%</b>	<b>172 399</b>	<b>-28%</b>	<b>174 182</b>	<b>1%</b>
<b>Surplus/(Deficit) after taxation</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>78%</b>	<b>112 828</b>		<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>41%</b>	<b>240 875</b>	<b>51%</b>	<b>172 399</b>	<b>-28%</b>	<b>174 182</b>	<b>1%</b>

### 1.5.1. Salaries

The budgeted allocation for employee related costs for the 2022/2023 financial year totals R552,3 million, which equals 39.2 per cent of the total operating expenditure. An annual increase of 4,4 and 4,5 per cent has been included in the two outer years of the MTREF respectively.

### 1.5.2. Remuneration of Councillors

The increase on the budget for the remuneration of councillors has not been increased in the current year. Remuneration of Councillors is set at 2 per cent of the total operating budget. Salaries and remuneration of councillors are 41 per cent of the total expenditure slightly exceeding the norm.

### 1.5.3. Provision for doubtful debts

The provision of debt impairment was determined based on an annual collection rate of 97 per cent and the Debt Write-off Policy of the municipality. For the 2022/23 financial year this amount equates to R20 million for the current and R10.4 million and R10.9 million on the two outer years. Debt impairment has been reduced from R50m budgeted for in the previous year due to debt collector appointed to assist on debt management and credit control.

#### **1.5.4. Provision for impairment and depreciation**

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R158 2 million for the 2022/2023 financial year and equates to 11 per cent of the total operating expenditure and increases to R165.2 million and R172 7 million for the two outer years respectively.

#### **1.5.5. Finance costs**

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.45 per cent (at R6.6 million) of operating expenditure excluding annual redemption for 2022/2023 and increases to R6.841 million and R7.149 million for the two outer years respectively.

#### **1.5.6. Bulk purchases**

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases are still to be approved by NERSA and for the time being the increase is set at 9.6 per cent and this translates to R452.8 million in the 2022/2023 budget and increases to R472.7 million and R494 million in the two outer years respectively. The current budget represents 31.3 % of the total operating budget. This will have to be reviewed after the finalization of the application of ESKOM by NERSA.

#### **1.5.7. Contracted Services**

As part of the compilation of the 2022/2023 MTREF the budget for this category of expenditure amounts to R39.188 million representing 3 per cent of the operating expenditure budget. This increases to R37.909 million and R39.886 million in the two outer years respectively. This includes all outsourced services such as repairs and maintenance catering, and other expenditure contracted to Service Providers and employee related costs.

#### **1.5.8. Other expenditure**

Other expenditure comprises of various line items relating to the daily operations of the municipality. Budgets relating to non-core functions of the municipality has been reduced to ensure that the municipality complies to circulars on cost cutting measures. This is done to cut non-core expenditure and to focus on service delivery and other core functions of the municipality. The budget is set at R128.9 million for general expenditure with an increase to R181.9 million. This represent 9,3 per cent of the total operating budget. Included in the other expenditure are the following line items:

➤ **General expenses other**

General expenditure is budgeted for at R131.6 million and R138.7 million and R146.2 million in the two outer years respectively.

➤ ***Free Basic Services: Basic Social Services Package***

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The budget for the current year is R26 million to cater for free basic electricity, alternative R27.1million and R28.4 million in the two outer years respectively.

➤ ***Repairs and maintenance***

*The budget for the 2022/23 MTREF financial year is R73 million, R86.4 million and R75 million in the outer two years. The above excludes operating expenditure including salaries in relation to sections that are doing repairs for the municipality amounting to R123.83 million. Combined the budget is R196.83 million representing 13.8 per cents including depreciation of related assets and is R109.96 million and is 7.75 %.*

➤ ***Grant and Subsidies Paid***

*The budget for the current year is R16.6 million and increases to R9.5 million and then reduces R11.5 million in the outer two years respectively.*

## **ANNEXURES**

1. FINAL MTREF BUDGET
2. TARIFFS
3. PROCUREMENT PLANS
4. BUDGET RELATED POLICIES

## Recommendations

1. It is recommended that the Council considers the 2022/2023 to 2024/2025 Medium Term Revenue and Expenditure final Budget with its annexures, i.e. Tariffs, Procurement Plans And Budget Related Policies.

Endorsed by,



**CLLR G.N. NELANI  
EXECUTIVE MAYOR**



## **KING SABATA DALINDYEBO ANNUAL BUDGET**

### **2022/23 to 24/25 MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS**

**Copies of this document can be viewed:**

- **In the foyers of all municipal buildings**
- **All public libraries within the municipality**
  - **At [www.ksd.gov.za](http://www.ksd.gov.za)**

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**Part 1 – Annual Budget**

**1.1 Mayor’s Report**

## **1.2 Council Resolutions**

On 31 May 2022 the Council of King Sabata Dalindyebo Local Municipality met in the Council Chambers of King Sabata Dalindyebo Municipality to consider the annual budget of the municipality for the financial year 2022/2023. The Council adopted the following resolutions:

1. The Council of King Sabata Dalindyebo Local Municipality, acting in terms of section 16 of the Municipal Finance Management Act, (Act 56 of 2003) tables the draft budget to be implemented on 1 July 2022:
  - 1.1. The draft annual budget of the municipality for the financial year 2022/2023 and the multi-year and single-year capital appropriations as set out in the following tables:
    - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 11 on page 21;
    - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 12 on page 22;
    - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 13 on page 23; and
    - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 14 on page 24.
  - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
    - 1.2.1. Budgeted Financial Position as contained in Table 15 on page 25;
    - 1.2.2. Budgeted Cash Flows as contained in Table 16 on page 26;
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 17 on page 26;
    - 1.2.4. Asset management as contained in Table 18 on page 27; and
    - 1.2.5. Basic service delivery measurement as contained in Table 19 on page 29.
2. The Council of King Sabata Dalindyebo Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the draft tariffs to be implemented on the 1 July 2022 for public consultation:
  - 2.1. the tariffs for property rates – as set out in Annexure A,
  - 2.2. the tariffs for electricity – as set out in Annexure B
  - 2.3. the tariffs for solid waste services – as set out in Annexure C
3. The Council of King Sabata Dalindyebo Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the draft tariffs to be implemented on 1 July 2022 the tariffs for other services, as set out in Annexures G1 to G21 respectively for public consultation.
4. To give proper effect to the municipality's annual budget, the Council of King Sabata Dalindyebo Local Municipality approves:

- 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
- 4.2. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

### 1.3 Executive Summary

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

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. More resources were allocated to basic service delivery projects. The municipality is seriously experiencing cash flow challenges emanating from prior years litigations and slow recovery of debtors especially from domestic consumers as well as limited revenue base. However, there is revenue recovery plan that is being implemented, a turnaround strategy and a debt collector has been contracted to deal with difficult-to- collect debts.

For this purpose, attempts are being made to fund depreciation on cash to improve the current cash flow situations of the municipality.

National Treasury's MFMA Circulars No. 112 and 115 were used to guide the compilation of the 2022/2023 MTREF.

#### **Budget assumptions**

The draft budget of the 2022/2023 MTREF has been compiled based on the following budget principles and guidelines which can be summarized as follows:

- National Treasury has revised South Africa's economic growth estimate for 2023 to 4.8 per cent, from 5.1 per cent at the time of the Medium Term Budget Policy statement.
- Focus on aging and vast network of roads and electricity infrastructure that require maintenance.
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Municipalities are required to restructure debt by negotiating within their major creditors in terms of repayment plans.
- There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.
- Municipalities to ensure that they render basic services, maintain their assets and clean environment.

- New leadership is advised to decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection, and address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.
- To maximize revenue generation, municipalities to reconcile their most recent valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate.
- The setting of cost reflective tariffs is a requirement in terms of Section 74(2) of the Municipal Systems Act 2000, to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget.

In view of the above, the following table is a consolidated overview of the proposed 2022/2023 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2022/2023 MTREF**

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue By Source</b>											
Total Revenue (excluding capital transfers and contributions)		1 064 052	1 197 195	1 317 525	1 480 173	1 430 284	1 430 284	1 446 284	1 424 641	1 489 056	1 565 904
Total Expenditure		1 177 568	1 401 419	1 318 599	1 432 066	1 393 471	1 393 471	1 393 471	1 413 567	1 462 775	1 530 187
Surplus/(Deficit)		(113 516)	(204 224)	(1 073)	48 107	36 813	36 813	52 813	11 074	26 281	35 716
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	113 902	128 384	122 384	122 384	122 384	229 801	146 118	138 466
Total Capital Expenditure - Functional	3	127 214	166 644	(9 493)	143 284	137 248	137 248	137 248	239 038	146 139	138 488
Nakonal Government		43 091	82 953	(10 103)	86 154	86 154	86 154	86 154	97 046	116 118	121 466
Provincial Government		-	72 554	-	42 230	47 230	47 230	47 230	132 754	30 000	17 000
District Municipality		-	10 555	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	43 091	166 063	(10 103)	128 384	133 384	133 384	133 384	229 801	146 118	138 466
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1 143	581	(713)	14 900	3 822	3 822	3 822	9 237	21	22
Total Capital Funding	7	44 233	166 644	(10 815)	143 284	137 206	137 206	137 206	239 038	146 139	138 488

Total operating revenue reduced by 1 per cent from the 2021/2022 adjusted budget decreasing from R1.45 billion to R1.423 billion. For the two outer years, operational revenue will increase by 5 per cent per annum.

Total operating expenditure for the 2022/2023 financial year has been appropriated at R1.408 billion. It increased by 2 per cent from R1.39 billion to R1.42 billion resulting in surplus of R14.80 million to be utilized on the infrastructure and budget for non-cash items such as depreciation. This continues to increase by 4 and 5 percent in the following years respectively.

Total operating expenditure is appropriated at R234.60 increasing by 42 per cent from the adjusted budget and funded grants to a tune R229.80 million and R4.80 ,million from internally generated funds.

#### **1.4 OPERATING REVENUE FRAMEWORK**

For King Sabata Dalindyebo Municipality to continue improving the quality of services provided to its citizens, it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that municipality is faced with developmental backlogs and high indigent rate. The expenditure required to address basic service delivery challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 93 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases are still to be approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services. The biggest challenge is inability to recover costs associated with the refuse removal from places as far as Coffee Bay , Hole in The Wall and peri-urban Areas
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality has also been considered.

The following table is a summary of the 2022/2023 MTREF (classified by main revenue source):

**Table 2 Summary of revenue classified by main revenue source**

KING SABATA DALINDYEBO MUNICIPALITY

2022/2023 ANNUAL BUDGET AND MTREF

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2
<b>Revenue By Source</b>											
Property rates	2	216 544	217 279	244 824	268 577	269 606	269 606	269 606	298 662	312 111	325 835
Service charges - electricity revenue	2	382 944	423 061	441 465	578 656	562 525	562 525	570 525	554 536	578 936	604 988
Service charges - refuse revenue	2	47 309	54 623	56 563	71 288	59 280	59 280	67 280	50 824	53 460	56 267
Rental of facilities and equipment		19 567	20 135	14 612	34 325	23 460	23 460	23 460	18 575	19 393	20 265
Interest earned - external investments		1 306	1 608	1 361	3 335	3 335	3 335	3 335	1 302	1 359	1 420
Interest earned - outstanding debtors		47 388	49 498	42 190	58 424	58 424	58 424	58 424	20 662	21 571	22 542
Fines, penalties and forfeits		3 410	2 974	8 420	7 573	7 375	7 375	7 375	7 778	8 120	8 485
Licences and permits		206	1 355	1 002	4 092	2 545	2 545	2 545	1 272	1 333	1 397
Agency services		12 319	10 282	14 130	19 418	16 426	16 426	16 426	12 116	10 996	11 491
Transfers and subsidies		312 244	356 623	459 594	384 352	384 656	384 656	384 656	425 596	447 019	476 916
Other revenue	2	12 183	63 037	22 064	48 317	40 838	40 838	40 838	32 754	34 195	35 734
Gains		8 631	(3 281)	11 301	1 815	1 815	1 815	1 815	564	564	564
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 064 052</b>	<b>1 197 195</b>	<b>1 317 525</b>	<b>1 480 173</b>	<b>1 430 284</b>	<b>1 430 284</b>	<b>1 446 284</b>	<b>1 424 641</b>	<b>1 489 056</b>	<b>1 565 904</b>

Table 3 Percentage growth in revenue by main revenue source

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22					2022/23 Medium Term Revenue & Expenditure Framework							
		Audited Outcome	Audited Outcome	% Movement	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25					
<b>Revenue By Source</b>																	
Property rates	2	216 544	217 279	0%	244 824	13%	268 577	269 606	269 606	269 606	10%	298 662	11%	312 111	5%	325 835	4%
Service charges - electricity revenue	2	382 944	423 061	10%	441 465	4%	578 656	562 525	562 525	570 525	27%	554 536	-3%	578 936	4%	604 988	4%
Service charges - refuse revenue	2	47 309	54 623	15%	56 563	4%	71 288	59 280	59 280	67 280	5%	50 824	-24%	53 460	5%	56 267	5%
Rental of facilities and equipment		19 567	20 135	3%	14 612	-27%	34 325	23 460	23 460	23 460	61%	18 575	-21%	19 393	4%	20 265	5%
Interest earned - external investments		1 306	1 608	23%	1 361	-15%	3 335	3 335	3 335	3 335	145%	1 302	-61%	1 359	4%	1 420	4%
Interest earned - outstanding debtors		47 388	49 498	4%	42 190	-15%	58 424	58 424	58 424	58 424	38%	20 662	-65%	21 571	4%	22 542	5%
Fines, penalties and forfeits		3 410	2 974	-13%	8 420	183%	7 573	7 375	7 375	7 375	-12%	7 778	5%	8 120	4%	8 485	5%
Licences and permits		206	1 355	559%	1 002	-26%	4 092	2 545	2 545	2 545	154%	1 272	-50%	1 333	5%	1 397	5%
Agency services		12 319	10 282	-17%	14 130	37%	19 418	16 426	16 426	16 426	16%	12 116	-26%	10 996	-9%	11 491	5%
Transfers and subsidies		312 244	356 623	14%	459 594	29%	384 352	384 656	384 656	384 656	-16%	425 596	11%	447 019	5%	476 916	7%
Other revenue	2	12 183	63 037	417%	22 064	-65%	48 317	40 838	40 838	40 838	85%	32 754	-20%	34 195	4%	35 734	4%
Gains		8 631	(3 281)	-138%	11 301	-444%	1 815	1 815	1 815	1 815	-84%	564	-69%	564	0%	564	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 064 052</b>	<b>1 197 195</b>	<b>13%</b>	<b>1 317 525</b>	<b>10%</b>	<b>1 480 173</b>	<b>1 430 284</b>	<b>1 430 284</b>	<b>1 446 284</b>	<b>9%</b>	<b>1 424 641</b>	<b>-1%</b>	<b>1 489 056</b>	<b>5%</b>	<b>1 565 904</b>	<b>5%</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charges (electricity and refuse) revenues comprise more than two thirds of the total revenue mix, at 91% per cent of R1, 023 billion. Electricity income individually at 55 per cent, followed by property rates at 30.1 per cent and the balance is 5.8 per cent for other revenues.

Operating grants are 29 per cent of the total operating income at R424.8 million with the balance from other various incomes.

Table 4 Operating and Capital Transfers and Grant Receipts

-

Total operating grants amounts R424.9 million of which R404 million is not a conditional grant and the balance is made up of conditional grants.

Total capital grants amount to R 229.8 million made up of the following grants:

- INEP electricity grant R3.2 million
- MIG R93.6 million
- Human Settlements Grant R113.8 million
- Small Town Revitalization Grant R19 million

## TARRIF SETTING

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

The percentage increases of both Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality. NERSA has approved a 9.6% of tariff increase for Eskom that commenced in from April 2022 and this figure accounts for a 3.49 per cent increase in 2022/23.

### Macroeconomic performance and projections, 2020 - 2025

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
		Estimate		Forecast	
<b>Actual</b>					
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

#### 1.4.1 Property Rates

Rate-able property" means property on which a municipality may in terms of section 2 levy a rate, excluding property fully excluded from the levying of rates in terms of section 17. Property rates are calculated on the market value of a property by multiplying it by a cent amount in the rand, which is determined from the annual budget.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).



- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy. In this regard the following stipulations are relevant:
  - Owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year.

The following conditions should be met:-

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
- The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.
- 20 per cent rebate will be granted to pensioners.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2022/2023 financial year based on a 4,8 per cent increase from 1 July 2022 is contained below:

**Table 5 Comparison of proposed rates to levied for the 2022/2023 financial year**

**PROPOSED INCOME TARIFFS AS FROM 01 JULY 2022**

<b>PROPERTY PRATES AND LEVIES</b>	<b>20212022</b>		<b>2022/2023</b>	
<b>Proposed increment 2022/2023</b>				
<b>4.8 %</b>				
Domestic (cents in a Rand)	0,81491	Cents in a Rand	0,84669	Cents in a Rand
Business/ Commercial (cents in a Rand)	1,62982	Cents in a Rand	1,69339	Cents in a Rand
Government/ Parastatals (State Owned) (cents in a Rand)	2,24101	Cents in a Rand	2,32841	Cents in a Rand

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Agricultural (cents in a Rand)	0,20517	Cents in a Rand	0,21317	Cents in a Rand
PSI (cents in a Rand)	0,20517	Cents in a Rand	0,21317	Cents in a Rand
Public Benefit Organisation	0,20517	Cents in a Rand	0,21317	Cents in a Rand
Parking Development Rate (cents in a Rand)	0,25184	Cents in a Rand	0,26166	Cents in a Rand
<b>Fire Levy</b>				
Domestic - Per annum	412,19		428,26	
Business/ Commercial Per Annum	741,97		770,90	

**1.4.2 Sale of Electricity and Impact of Tariff Increases**

A 3.49 per cent increase in the electricity tariffs is proposed. This is however dependent on the finalization of Eskom bulk electricity tariff to municipalities will be effective from 1 July 2022

**Table 6 Comparison between current electricity charges and increases (Domestic)**

ITEM NO	TARIFF DESCRIPTION	2021/2022	2022/2023	2023/2024
	<b>ELECTRICITY TARIFFS</b>			
<b>1</b>	<b>Domestic Prepayment</b>			
1.1	Tariff 1	207.34	227.24	249.06
1.2	Tariff 2 (Indigent)	169.12	185.36	203.15
<b>2</b>	<b>COMMERCIAL TARIFFS</b>			
<b>2.1</b>	<b>Commercial Conventional</b>			
	Energy Charge	231.64	253.88	278.25
	Basic Charge	520.64	570.62	625.40
<b>2.2</b>	<b>Commercial Conventional 3 Phase (40A-60A)</b>			
	Energy Charge	263.75	289.07	316.82
	Basic Charge	520.39	570.35	625.10
<b>2.3</b>	<b>Commercial Prepayment</b>			
	Tariff 3 (small) energy charge	280.16	307.06	336.53
	Tariff 4 (big) energy charge	280.16	307.06	336.53
<b>3</b>	<b>INDUSTRIAL TARIFFS</b>			
<b>3.1</b>	<b>Industrial low: ≤ 100KVA</b>			

ITEM NO	TARIFF DESCRIPTION	2021/2022	2022/2023	2023/2024
	Energy charge	126.30	138.42	151.71
	Basic charge	1 804.41	1 977.63	2 167.49
	Demand charge/ KVA	368.65	404.04	442.83
<b>3.2</b>	<b>Industrial high: ≥ 100KVA</b>			
	Energy charge	90.26	98.92	108.42
	Basic charge	1 581.10	1 732.89	1 899.24
	Demand charge	383.76	420.60	460.98
	Notified Maximum Demand multiplied by KVA tariff rate	27.39	30.02	32.90

Tariffs will have to be reviewed to ensure that they are cost reflective.

CONSUMER DEPOSITS	Notified Maximum Demand multiplied by KVA tariff rate	
CHARGES FOR SERVICES RENDERED	2021/2022	2022/2023
Call out during working hours	547.47	629.59
Call out after hours	786.36	904.31
Disconnect at request of consumer	537.02	617.57
Disconnect for improper use of service or illegal connection	978.29	1 125.04
Disconnect for non-payment of account	801.62	921.87

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Testing of meters:	2021/2022			2022/2023
By Council	72.02			82.82
By independent party	Cost plus 20%			Cost plus 20%
Special reading of meter at customer's request	541.50			622.73
<b><u>Damage of meters and seals, or bypassing of prepayment meters</u></b>				
<b>Meters</b>				
Prepayment/ conventional - Domestic	3693.12			4 247.09
Commercial prepayment/ Conventional	5363.83			6 168.41
Inspection/test of installation after failure of first inspection				
Damage to municipal electrical supply equipment and/cables	5263.39	+repair cost	+repair c	6 052.90
Hire Crane Truck 28T/M	1416.79	/day in advance	/day in a	1 629.31
Medium Crane Truck 5T/M	699.17	/day in advance	/day in a	804.04
Earth leakage test	1449.11	/day in advance	/day in a	1 666.47
HV fault location	1875.98	/day in advance	/day in a	2 157.38
LV fault location	1802.15	/day in advance	/day in a	2 072.47
Oil filtering	1234.50	/lt	/lt	1 419.67
Oil test	1234.50	/lt	/lt	1 419.67
Sales Meters				
CATEGORY				
Conventional - Single Phase	1349.86			1 552.34
Conventional - Three Phase	8003.81			9 204.38
Prepaid - Single Phase	1349.86			1 552.34
Prepaid -Three Phase	3632.76			4 177.67
Terminal Block	485.85			558.72
Terminal Cover	485.85			558.72
Keypad	485.85			558.72
<b>NEW INSTALLATIONS</b>				
Cable connection	448.09	/KVA		515.30
Upgrade	Charge difference + cost			Charge difference + cost
Connection Fee	234.70			269.90

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the municipality.

**1.4.3. Waste Removal and Impact of Tariff Increases**

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality in attempt to breakeven has increased the tariff by 4.8 per cent.

A 4.8 per cent increase in the waste removal tariff is proposed from 1 July 2022. Any increase higher than 4.8 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2022:

Table 7 Comparison between current waste removal fees and increases

## ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022

3.0	<b>SOLID WASTE : Proposed increment 4.8%</b>	2021/2022	2022/2023
	Refuse Removal : Full Level of Service		
	<b>Annual Charges</b>		
3.1.1	Domestic (2 bags or bins once per week)	2 913.16	3 052.99
3.1.2	Commercial/Industrial/Institutional (2 bins or bags once per week)	5 859.59	6 140.85
3.1.3	Per additional bag or bin	2 913.16	3 052.99
3.1.4	Per additional service removal per week	5 859.59	6 140.85
3.1.5	240 L Bin rental per annum		0
	Emptying charge of 240L bin per annum		0
4.2	Refuse Removal : Full Level of Service		0
	<b>Monthly Charges</b>	245.76	257.55
4.2.1	Domestic (2 bags or bins once per week)	6.05	6.34
4.2.2	Commercial/Industrial/Institutional (2 bins or bags once per week)	245.76	257.55
4.2.3	Per additional bag or bin	494.25	517.98
4.2.4	Per additional service removal per week		0
4.2.5	240L Bin rental per month	16.91	17.72
4.2.6	240L Bin Clearance / per bin	35.22	36.91
4.2.7	Emptying charge of 240L bin : Household per month	140.57	147.32
4.3	Refuse Removal : Basic Level of Service		0
	<b>Annual Charges</b>		0
4.3.1	Domestic	1 664.66	1 744.56
4.3.2	Business/Industry	3 895.29	4 082.26
4.3.3	Government Institutions	3 895.29	4 082.26
4.3.4	Coffee Bay & Hole-in-the-Wall	3 895.29	4 082.26
4.4	Refuse Removal : Basic Level of Service		0
	<b>Monthly Charges</b>		0
4.4.1	Domestic	140.57	147.32
4.4.2	Business/Industry	327.95	343.69
4.4.3	Government Institutions	327.95	343.69
			0
4.5	<b>Sales</b>		0
4.5.1	240L Refuse bins (each)	817.12	856.34

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

<b>3.0</b>	<b>SOLID WASTE : Proposed increment 4.8%</b>	<b>2021/2022</b>	<b>2022/2023</b>
4.5.2	Plastic Refuse Bags (per pack)		0
			0
4.6	<b>Skips</b>		0
4.6.1	Rental per skip per month	1 098.51	1 151.24
4.6.2	Rental per skip per year	13 029.90	13 655.34
4.6.3	Charge per clearance of skip	773.16	810.27
			0
<b>4.7</b>	<b>Excess Refuse</b>		0
4.7.1	Garden Refuse (per 2.5lt load)	463.24	485.47
4.7.2	Removal of scrap vehicles (per vehicle load)	648.61	679.74
4.7.3	Hire of skip container per day : Garden Refuse / Excess	352.14	369.04
<b>4.8</b>	<b>Penalty for Illegal Dumping : Proposed increment at 4.6%</b>		0
4.8.1	Garden and/ or domestic refuse	513.26	537.90
<b>4.9</b>	<b>Trolley Bins</b>		0
4.9.1	Rental (per bin per month)	513.26	537.90
4.9.2	Charge per clearance	513.26	537.90
<b>4.1</b>	<b>Disposal Charges to Mthatha &amp; Mqanduli Landfill Site: Weigh Bridge</b>		
4.10.1	Domestic & Trade Waste per tonne	70.44	73.82
4.10.2	Rubble or concrete per tonne	35.22	36.91
4.10.3	Material suitable to be used for cover	free	
<b>4.11</b>	<b>Disposal Charges to Mthatha &amp; Mqanduli Site: Not Weighed</b>		
4.11.1	Small vehicle up to 1 tonne load capacity	63.40	66.44
4.11.2	3 - 4 tonne vehicle	253.59	265.76
4.11.3	5 - 8 tonne vehicle	352.21	369.11
<b>4.12</b>	<b>Garden Waste</b>		0
4.12.1	Clean Greens per tonne	28.18	29.53
4.12.2	Any other green material including tree trunks per tonne	46.49	48.72
<b>4.13</b>	<b>Permits</b>		0
4.13.1	Domestic Solid Waste Handling Permit per vehicle per annum	704.41	738.22

**1.5. OPERATING EXPENDITURE FRAMEWORK**

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The following table is a high level summary of the 2022/2023 budget and MTREF (classified per main type of operating expenditure):

**Table 8 Summary of operating expenditure by standard classification item**

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Expenditure By Type</b>											
Employee related costs	2	436 530	466 809	511 151	552 644	533 576	533 576	533 576	556 029	576 801	602 755
Remuneration of councillors		27 538	27 393	28 252	34 079	34 079	34 079	34 079	34 079	35 579	37 180
Debt impairment	3	84 340	117 036	13 627	50 521	4 061	4 061	4 061	15 000	10 440	10 910
Depreciation & asset impairment	2	180 487	210 251	164 834	147 486	158 272	158 272	158 272	158 272	165 236	172 672
Finance charges		26 328	36 296	29 142	16 300	6 253	6 253	6 253	6 553	6 841	7 149
Bulk purchases - electricity	2	257 253	315 811	322 020	399 187	413 157	413 157	413 157	452 820	472 744	494 018
Inventory consumed	8	13 994	15 513	10 130	20 058	29 726	29 726	29 726	20 509	21 411	22 374
Contracted services		58 659	68 074	73 549	47 239	59 152	59 152	59 152	44 801	44 932	48 283
Transfers and subsidies		(40 363)	1 393	826	300	469	469	469	500	522	545
Other expenditure	4, 5	130 882	142 845	165 067	164 252	154 726	154 726	154 726	125 003	128 268	134 300
Losses		1 922	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 177 568</b>	<b>1 401 419</b>	<b>1 318 599</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 413 567</b>	<b>1 462 775</b>	<b>1 530 187</b>
<b>Surplus/(Deficit)</b>		<b>(113 516)</b>	<b>(204 224)</b>	<b>(1 073)</b>	<b>48 107</b>	<b>36 813</b>	<b>36 813</b>	<b>52 813</b>	<b>11 074</b>	<b>26 281</b>	<b>35 716</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	113 902	128 384	122 384	122 384	122 384	229 801	146 118	138 466
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>

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EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)																	
Description	Ref	2018/19	2019/20	2020/21		Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework							
		Audited Outcome	Audited Outcome	Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25					
<b>Expenditure By Type</b>																	
Employee related costs	2	436 530	466 809	7%	511 151	9%	552 644	533 576	533 576	533 576	4%	556 029	4%	576 801	4%	602 755	4%
Remuneration of councilors		27 538	27 393	-1%	28 252	3%	34 079	34 079	34 079	34 079	21%	34 079	0%	35 579	4%	37 180	5%
Debt impairment	3	84 340	117 036	39%	13 627	-88%	50 521	4 061	4 061	4 061	-70%	15 000	269%	10 440	-30%	10 910	5%
Depreciation & asset impairment	2	180 487	210 251	16%	164 834	-22%	147 486	158 272	158 272	158 272	-4%	158 272	0%	165 236	4%	172 672	4%
Finance charges		26 328	36 296	38%	29 142	-20%	16 300	6 253	6 253	6 253	-79%	6 553	5%	6 841	4%	7 149	5%
Bulk purchases - electricity	2	257 253	315 811	23%	322 020	2%	389 187	413 157	413 157	413 157	28%	452 820	10%	472 744	4%	494 018	5%
Inventory consumed	8	13 994	15 513	11%	10 130	-35%	20 058	29 726	29 726	29 726	193%	20 509	-31%	21 411	4%	22 374	4%
Contracted services		58 659	68 074	16%	73 549	8%	47 239	59 152	59 152	59 152	-20%	44 801	-24%	44 932	0%	48 283	7%
Transfers and subsidies		(40 363)	1 393	-103%	826	-41%	300	469	469	469	-43%	500	7%	522	4%	545	5%
Other expenditure	4, 5	130 882	142 845	9%	165 067	16%	164 252	154 726	154 726	154 726	-6%	125 003	-19%	128 268	3%	134 300	5%
Losses		1 922	-	-100%	-	0%	-	-	-	-	0%	-	-	-	0%	-	0%
<b>Total Expenditure</b>		<b>1 177 568</b>	<b>1 401 419</b>	<b>19%</b>	<b>1 318 599</b>	<b>-6%</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>6%</b>	<b>1 413 567</b>	<b>1%</b>	<b>1 462 775</b>	<b>3%</b>	<b>1 530 187</b>	<b>5%</b>
<b>Surplus/(Deficit)</b>		<b>(113 516)</b>	<b>(204 224)</b>	<b>80%</b>	<b>(1 073)</b>	<b>-99%</b>	<b>48 107</b>	<b>36 813</b>	<b>36 813</b>	<b>52 813</b>	<b>-3530%</b>	<b>11 074</b>	<b>-70%</b>	<b>26 281</b>	<b>137%</b>	<b>35 716</b>	<b>36%</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	80%	113 902	-28%	128 384	122 384	122 384	122 384	7%	229 801	88%	146 118	-36%	138 466	-5%
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>78%</b>	<b>112 828</b>		<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>41%</b>	<b>240 875</b>	<b>51%</b>	<b>172 399</b>	<b>-28%</b>	<b>174 182</b>	<b>1%</b>
<b>Surplus/(Deficit) after taxation</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>78%</b>	<b>112 828</b>		<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>41%</b>	<b>240 875</b>	<b>51%</b>	<b>172 399</b>	<b>-28%</b>	<b>174 182</b>	<b>1%</b>

1.5.1. Salaries

The budgeted allocation for employee related costs for the 2022/2023 financial year totals R552,3 million, which equals 39.2 per cent of the total operating expenditure. An annual increase of 4,4 and 4,5 per cent has been included in the two outer years of the MTREF respectively.

1.5.2. Remuneration of Councilors

The increase on the budget for the remuneration of councilors has not been increased in the current year. Remuneration of Councilors is set at 2 per cent of the total operating budget. Salaries and remuneration of councilors are 41 per cent of the total expenditure slightly exceeding the norm.

1.5.3. Provision for doubtful debts

The provision of debt impairment was determined based on an annual collection rate of 97 per cent and the Debt Write-off Policy of the municipality. For the 2022/23 financial year this amount equates to R20 million for the current and R10.4 million and R10.9 million on the two outer years. Debt impairment has been reduced from R50m budgeted for in the previous year due to debt collector appointed to assist on debt management and credit control.



**1.5.4. Provision for impairment and depreciation**

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R158 2 million for the 2022/2023 financial year and equates to 11 per cent of the total operating expenditure and increases to R165.2 million and R172 7 million for the two outer years respectively.

**1.5.5. Finance costs**

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.45 per cent (at R6.6 million) of operating expenditure excluding annual redemption for 2022/2023 and increases to R6.841 million and R7.149 million for the two outer years respectively.

**1.5.6. Bulk purchases**

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases are still to be approved by NERSA and for the time being the increase is set at 9.6 per cent and this translates to R452.8 million in the 2022/2023 budget and increases to R472.7 million and R494 million in the two outer years respectively. The current budget represents 31.3 % of the total operating budget. This will have to be reviewed after the finalization of the application of ESKOM by NERSA.

**1.5.7. Contracted Services**

As part of the compilation of the 2022/2023 MTREF the budget for this category of expenditure amounts to R39.188 million representing 3 per cent of the operating expenditure budget. This increases to R37.909 million and R39.886 million in the two outer years respectively. This includes all outsourced services such as repairs and maintenance catering, and other expenditure contracted to Service Providers and employee related costs.

**1.5.8. Other expenditure**

Other expenditure comprises of various line items relating to the daily operations of the municipality. Budgets relating to non-core functions of the municipality has been reduced to ensure that the municipality complies to circulars on cost cutting measures. This is done to cut non-core expenditure and to focus on service delivery and other core functions of the municipality. The budget is set at R128.9 million for general expenditure with an increase to R181.9 million. This represent 9,3 per cent of the total operating budget. Included in the other expenditure are the following line items:

➤ **General expenses other**

General expenditure is budgeted for at R131.6 million and R138.7 million and R146.2 million in the two outer years respectively.

➤ **Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The budget for the current year is R26 million to cater for free basic electricity, alternative R27.1million and R28.4 million in the two outer years respectively.

➤ **Repairs and maintenance**

The budget for the 2022/23 MTREF financial year is R73 million, R86.4 million and R75 million in the outer two years. The above excludes operating expenditure including salaries in relation to sections that are doing repairs for the municipality amounting to R123.83 million. Combined the budget is R196.83 million representing 13.8 per cents including depreciation of related assets and is R109.96 million and is 7.75 %.

➤ **Grant and Subsidies Paid**

The budget for the current year is R16.6 million and increases to R9.5 million and then reduces R11.5 million in the outer two years respectively.

## 1.6. CAPITAL EXPENDITURE

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

TABLE 9 2022/2023 MEDIUM-TERM CAPITAL BUDGET PER VOTE

EC157 King Sabata Dalindyebo - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Pre-audit	Budget	Budget	Budget Year
<b>Capital Expenditure - Functional</b>	1										
<b>Governance and administration</b>		1 141	581	(713)	150	(28 796)	(28 796)	(28 796)	2 617	21	22
Executive and council		45	-	-	-	(30 761)	(30 761)	(30 761)	-	-	-
Finance and administration		1 096	581	(713)	150	1 965	1 965	1 965	2 617	21	22
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		40 055	50 172	-	48 609	48 271	48 271	48 271	116 904	-	-
Community and social services		4 268	-	-	5 379	5 000	5 000	5 000	150	-	-
Sport and recreation		3	-	-	-	-	-	-	-	-	-
Public safety		3	-	-	6 000	6 042	6 042	6 042	3 000	-	-
Housing		35 782	50 172	-	37 230	37 230	37 230	37 230	113 754	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		31 825	63 752	(8 903)	93 824	117 087	117 087	117 087	114 571	128 118	119 658
Planning and development		598	-	1 200	-	-	-	-	45 826	-	-
Road transport		31 227	63 752	(10 103)	93 824	117 087	117 087	117 087	68 745	128 118	119 658
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		54 193	52 139	122	700	685	685	685	4 945	18 000	18 808
Energy sources		54 193	52 139	-	-	-	-	-	3 195	18 000	18 808
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	122	700	685	685	685	1 750	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	127 214	166 644	(9 493)	143 284	137 248	137 248	137 248	239 038	146 139	138 488
<b>Funded by:</b>											
National Government		43 091	82 953	(10 103)	86 154	86 154	86 154	86 154	97 046	116 118	121 466
Provincial Government		-	72 554	-	42 230	47 230	47 230	47 230	132 754	30 000	17 000
District Municipality		-	10 555	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	43 091	166 063	(10 103)	128 384	133 384	133 384	133 384	229 801	146 118	138 466
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1 143	581	(713)	14 900	3 822	3 822	3 822	9 237	21	22
<b>Total Capital Funding</b>	7	44 233	166 644	(10 815)	143 284	137 206	137 206	137 206	239 038	146 139	138 488

The capital expenditure for 2022/2023 an amount of R239.41 million and increases to R146.1 million and R138.5million in the two outer years respectively.

- Human Settlement budget for housing is R113. 75 million in 2022/23
- Public Safety R7.70 million
- Community Services R0.150 million
- MIG R93.85 million , R98.1 million and R102.7 million for the MTREF
- INEP grant in 2022/2023 amounts to R3.2 million, R18 million and R18.8 million for the two outer years respectively.
- Small Town Revitalization grants amounts to R19 million for the 2022/2023, R30 million and R17 million for the two outer years respectively.

**1.7. Annual Budget Tables**

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2022/2023 budget and MTREF as approved by the Council.

**Table 10 MBRR Table A1 - Budget Summary**  
 EC157 King Sabata Dalindyebo - Table A1 Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Financial Performance</b>										
Property rates	216 544	217 279	244 824	288 577	289 606	289 606	289 606	298 662	312 111	325 835
Service charges	430 253	477 684	498 028	649 944	621 805	621 805	637 805	605 361	632 396	661 255
Investment revenue	1 306	1 608	1 361	3 335	3 335	3 335	3 335	1 302	1 359	1 420
Transfers recognised - operational	312 244	356 623	459 594	384 352	384 656	384 656	384 656	425 596	447 019	476 916
Other own revenue	103 704	144 001	113 719	173 964	150 882	150 882	150 882	93 721	96 172	100 478
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 064 052</b>	<b>1 197 195</b>	<b>1 317 525</b>	<b>1 480 173</b>	<b>1 430 284</b>	<b>1 430 284</b>	<b>1 446 284</b>	<b>1 424 641</b>	<b>1 489 056</b>	<b>1 565 904</b>
Employee costs	436 530	466 809	511 151	552 644	533 576	533 576	533 576	556 029	576 801	602 755
Remuneration of councillors	27 538	27 393	26 252	34 079	34 079	34 079	34 079	34 079	35 579	37 180
Depreciation & asset impairment	180 487	210 251	164 834	147 486	158 272	158 272	158 272	158 272	165 236	172 672
Finance charges	26 328	36 296	29 142	16 300	6 253	6 253	6 253	6 553	6 841	7 149
Inventory consumed and bulk purchases	271 246	331 324	332 150	419 245	442 882	442 882	442 882	473 329	494 155	516 392
Transfers and grants	(40 363)	1 393	826	300	469	469	469	500	522	545
Other expenditure	275 803	327 954	252 243	262 011	217 938	217 939	217 939	184 804	183 640	193 493
<b>Total Expenditure</b>	<b>1 177 568</b>	<b>1 401 419</b>	<b>1 318 599</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 413 567</b>	<b>1 462 775</b>	<b>1 530 187</b>
<b>Surplus/(Deficit)</b>	<b>(113 516)</b>	<b>(204 224)</b>	<b>(1 073)</b>	<b>48 107</b>	<b>36 813</b>	<b>36 813</b>	<b>52 813</b>	<b>11 074</b>	<b>26 281</b>	<b>35 716</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	87 819	158 414	113 902	128 384	122 384	122 384	122 384	229 801	146 118	138 466
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)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(25 697)</b>	<b>(45 811)</b>	<b>-</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Share of surplus/ (deficit) of associates	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(25 697)</b>	<b>(45 811)</b>	<b>-</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>127 214</b>	<b>166 644</b>	<b>(9 493)</b>	<b>143 284</b>	<b>137 248</b>	<b>137 248</b>	<b>137 248</b>	<b>239 038</b>	<b>146 139</b>	<b>138 488</b>
Transfers recognised - capital	43 091	166 063	(10 103)	128 384	133 384	133 384	133 384	229 801	146 118	138 466
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1 143	581	(713)	14 900	3 822	3 822	3 822	9 237	21	22
<b>Total sources of capital funds</b>	<b>44 233</b>	<b>166 644</b>	<b>(10 815)</b>	<b>143 284</b>	<b>137 206</b>	<b>137 206</b>	<b>137 206</b>	<b>239 038</b>	<b>146 139</b>	<b>138 488</b>
<b>Financial position</b>										
Total current assets	454 844	594 989	710 611	707 512	904 076	904 076	904 076	870 157	1 067 932	1 276 043
Total non current assets	1 216 584	2 392 157	1 040 747	2 531 527	2 357 080	2 357 080	2 357 080	2 463 792	2 562 860	2 528 676
Total current liabilities	613 523	767 647	846 105	418 461	862 125	862 125	862 125	855 884	862 726	863 034
Total non current liabilities	115 021	99 923	78 750	90 936	92 704	92 704	92 704	92 704	92 704	92 704
Community wealth/Equity	882 309	2 149 289	699 720	2 729 642	2 306 096	2 306 096	2 306 096	2 384 797	2 674 789	2 848 417
<b>Cash flows</b>										
Net cash from (used) operating	626 217	1 066 757	231 422	299 001	(779 128)	-	-	357 956	296 261	303 659
Net cash from (used) investing	(993)	(1 033)	(39)	(141 469)	-	-	-	(239 038)	(146 139)	(138 488)
Net cash from (used) financing	-	-	-	24 000	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>624 559</b>	<b>1 536 784</b>	<b>788 040</b>	<b>888 463</b>	<b>(728 782)</b>	<b>-</b>	<b>-</b>	<b>1 410 343</b>	<b>1 560 466</b>	<b>1 725 637</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	19 288	26 309	49 543	242 165	196 801	196 801	196 801	188 071	358 667	538 392
Application of cash and investments	66 400	(2 433)	231 367	(10 443)	(426 702)	390 790	390 790	(121 297)	(139 992)	(166 406)
<b>Balance - surplus (shortfall)</b>	<b>(47 111)</b>	<b>28 742</b>	<b>(181 824)</b>	<b>252 608</b>	<b>623 503</b>	<b>(193 989)</b>	<b>(193 989)</b>	<b>309 367</b>	<b>498 659</b>	<b>704 798</b>
<b>Asset management</b>										
Asset register summary (WDV)	1 144 493	2 268 982	862 500	2 421 385	2 112 240	2 112 240	2 112 240	2 146 164	2 099 115	1 926 465
Depreciation	180 487	210 251	164 834	147 486	158 272	158 272	158 272	158 272	165 236	172 672
Renewal and Upgrading of Existing Assets	80 922	115 099	-	81 571	81 224	81 224	81 224	58 082	98 118	102 658
Repairs and Maintenance	29 609	65 002	52 523	50 957	45 593	45 593	45 593	53 370	55 719	58 226
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	16 000	16 000	16 000	17 000	17 000	17 352	17 728
Revenue cost of free services provided	-	-	-	8 000	8 000	8 000	9 000	9 000	9 396	9 819
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

**Explanatory notes to MBRR Table A1 - Budget Summary**

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

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

Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

- a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
- b. -Capital expenditure is balanced by capital funding sources, of which
  - i. Transfers recognised is reflected on the Financial Performance Budget;
  - ii. Internally generated funds is financed from a combination of the current operating surplus. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.
- c. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed.
- d. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2020/2021 when a small surplus is reflected.

Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs..

KING SABATA DALINDYEBO MUNICIPALITY

2022/2023 ANNUAL BUDGET AND MTREF

**Table 11 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

**EC157 King Sabata Dalindyebo - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)**

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		626 311	650 823	770 433	740 639	736 974	736 974	757 921	794 494	839 421
Executive and council		50	5 665	13	579	-	-	-	-	-
Finance and administration		626 261	644 863	770 419	740 060	736 974	736 974	757 921	794 494	839 421
Internal audit		-	294	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 514	40 776	21 617	57 462	52 753	52 753	133 360	20 469	21 390
Community and social services		2 281	6 580	2 222	2 493	2 516	2 516	772	806	843
Sport and recreation		95	1 268	42	146	108	108	-	-	-
Public safety		8 737	18 805	11 304	17 592	12 899	12 899	18 834	19 662	20 547
Housing		12 401	14 124	8 049	37 230	37 230	37 230	113 754	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		95 916	115 758	108 910	155 176	143 384	143 384	152 111	167 207	160 765
Planning and development		82 286	91 598	84 154	99 190	99 911	99 911	104 671	109 179	114 476
Road transport		13 630	23 813	22 756	55 986	43 473	43 473	47 439	58 028	46 289
Environmental protection		-	347	-	-	-	-	-	-	-
<i>Trading services</i>		444 924	547 051	531 649	654 733	619 060	619 060	609 731	651 623	681 345
Energy sources		395 762	485 344	471 333	580 860	558 021	558 021	557 725	596 930	623 790
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	253	-	-	-	-	-	-	-
Waste management		49 163	61 455	60 316	73 873	61 038	61 038	52 006	54 693	57 556
<i>Other</i>	4	221	1 200	818	546	497	497	1 319	1 382	1 448
<b>Total Revenue - Functional</b>	2	1 190 886	1 355 609	1 431 427	1 608 556	1 552 667	1 552 667	1 654 442	1 635 174	1 704 370
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		497 517	556 154	459 775	520 847	439 548	439 548	449 911	458 392	480 607
Executive and council		77 333	73 569	72 616	97 409	85 346	85 346	88 450	92 342	96 497
Finance and administration		415 960	477 438	382 350	415 650	348 214	348 214	353 433	357 669	375 351
Internal audit		4 224	5 147	4 809	7 788	5 988	5 988	8 028	8 381	8 759
<i>Community and public safety</i>		52 782	159 411	170 535	152 120	177 998	177 998	151 438	158 102	165 216
Community and social services		17 632	21 031	23 219	13 384	22 174	22 174	13 211	13 793	14 413
Sport and recreation		11 184	14 384	16 133	20 886	19 606	19 606	19 803	20 675	21 605
Public safety		22 297	122 086	128 355	112 443	132 862	132 862	112 505	117 455	122 740
Housing		1 422	1 910	2 828	5 408	3 356	3 356	5 919	6 180	6 458
Health		247	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		169 232	213 510	157 526	216 570	199 683	199 683	207 462	214 917	224 589
Planning and development		21 710	21 252	24 890	37 426	28 505	28 505	43 513	45 417	47 460
Road transport		143 036	187 796	127 697	175 569	166 220	166 220	160 375	165 769	173 228
Environmental protection		4 486	4 462	4 941	3 575	4 959	4 959	3 575	3 732	3 900
<i>Trading services</i>		395 681	472 344	530 781	542 517	576 237	576 237	604 755	631 364	658 776
Energy sources		302 103	375 496	390 916	445 797	468 044	468 044	506 923	529 227	553 042
Water management		-	-	-	-	-	-	-	-	-
Waste water management		13 795	4 378	44 663	11 740	11 395	11 395	12 852	13 418	14 021
Waste management		79 782	92 470	95 182	84 981	96 798	96 798	84 981	88 720	92 712
<i>Other</i>	4	43	-	-	11	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	1 115 255	1 401 419	1 318 599	1 432 066	1 393 466	1 393 466	1 413 567	1 462 775	1 530 187
<b>Surplus/(Deficit) for the year</b>		75 631	(45 811)	112 828	176 490	159 201	159 201	240 875	172 399	174 182

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

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

**Table 12 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

EC157 King Sabata Dalindyebo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue by Vote</b>	1									
Vote 1 - Executive AND Council (11: IE)		413 872	485 340	473 078	583 827	560 271	560 271	559 637	597 272	624 147
Vote 2 - Corporate Services (12: IE)		789	1 448	91	441	7 130	7 130	691	722	754
Vote 3 - Finance AND Asset Management (13: IE)		597 650	620 743	764 497	734 820	726 039	726 039	747 825	788 521	831 870
Vote 4 - Planning, Social AND Ec Dev (14: IE)		2 492	5 615	2 677	2 670	2 491	2 491	1 526	1 596	1 674
Vote 5 - Human Settlement (15: IE)		14 011	15 318	10 179	39 872	40 565	40 565	113 956	211	220
Vote 6 - Community Services (16: IE)		59 802	66 035	63 943	75 755	62 920	62 920	57 850	58 893	63 071
Vote 7 - Public Safety (17: IE)		22 088	22 799	23 948	37 922	29 086	29 086	30 120	30 658	32 038
Vote 8 - Infrastructure (18: IE)		80 413	97 704	92 450	133 249	124 165	124 165	142 274	156 937	150 033
<b>Total Revenue by Vote</b>	2	<b>1 191 117</b>	<b>1 315 001</b>	<b>1 430 864</b>	<b>1 608 556</b>	<b>1 552 667</b>	<b>1 552 667</b>	<b>1 653 878</b>	<b>1 634 611</b>	<b>1 703 806</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive AND Council (11: IE)		357 190	468 206	469 568	568 840	571 617	571 617	613 779	640 831	669 668
Vote 2 - Corporate Services (12: IE)		54 665	46 513	65 032	61 810	67 971	67 971	63 781	66 552	69 547
Vote 3 - Finance AND Asset Management (13: IE)		276 420	350 040	233 280	251 882	187 366	187 366	186 208	186 206	194 585
Vote 4 - Planning, Social AND Ec Dev (14: IE)		24 458	26 184	28 361	35 259	31 163	31 163	36 831	38 452	40 182
Vote 5 - Human Settlement (15: IE)		23 779	27 633	28 237	40 207	35 537	35 537	47 023	49 082	51 291
Vote 6 - Community Services (16: IE)		101 495	114 634	113 228	105 635	114 067	114 067	109 057	111 755	118 119
Vote 7 - Public Safety (17: IE)		140 154	152 082	159 904	146 607	162 463	162 463	147 424	153 123	160 013
Vote 8 - Infrastructure (18: IE)		196 875	216 127	220 988	221 824	223 286	223 286	209 464	216 776	226 783
<b>Total Expenditure by Vote</b>	2	<b>1 175 036</b>	<b>1 401 419</b>	<b>1 318 599</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 413 567</b>	<b>1 462 775</b>	<b>1 530 187</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>16 081</b>	<b>(86 418)</b>	<b>112 265</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>240 312</b>	<b>171 836</b>	<b>173 619</b>

**Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the electricity and water trading services.



KING SABATA DALINDYEBO MUNICIPALITY

2022/2023 ANNUAL BUDGET AND MTREF

Table 13 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue By Source</b>											
Property rates	2	216 544	217 279	244 824	268 577	269 606	269 606	269 606	298 662	312 111	325 835
Service charges - electricity revenue	2	382 944	423 061	441 465	578 656	562 525	562 525	570 525	554 536	578 936	604 988
Service charges - refuse revenue	2	47 309	54 623	56 563	71 288	59 280	59 280	67 280	50 824	53 460	55 267
Rental of facilities and equipment		19 567	20 135	14 612	34 325	23 460	23 460	23 460	18 575	19 393	20 265
Interest earned - external investments		1 306	1 608	1 361	3 335	3 335	3 335	3 335	1 302	1 359	1 420
Interest earned - outstanding debtors		47 388	49 498	42 190	58 424	58 424	58 424	58 424	20 682	21 571	22 542
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		3 410	2 974	8 420	7 573	7 375	7 375	7 375	7 778	8 120	8 485
Licences and permits		206	1 355	1 002	4 092	2 545	2 545	2 545	1 272	1 333	1 397
Agency services		12 319	10 282	14 130	19 418	16 426	16 426	16 426	12 116	10 996	11 491
Transfers and subsidies		312 244	356 623	459 594	384 352	384 656	384 656	384 656	425 596	447 019	476 916
Other revenue	2	12 183	63 037	22 064	48 317	40 838	40 838	40 838	32 754	34 195	35 734
Gains		8 631	(3 281)	11 301	1 815	1 815	1 815	1 815	564	564	564
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 084 052</b>	<b>1 197 195</b>	<b>1 317 525</b>	<b>1 480 173</b>	<b>1 430 284</b>	<b>1 430 284</b>	<b>1 446 284</b>	<b>1 424 641</b>	<b>1 489 056</b>	<b>1 565 904</b>
<b>Expenditure By Type</b>											
Employee related costs	2	436 530	466 809	511 151	552 644	533 576	533 576	533 576	556 029	576 801	602 755
Remuneration of councillors		27 538	27 393	26 252	34 079	34 079	34 079	34 079	34 079	35 579	37 180
Debt impairment	3	84 340	117 036	13 627	50 521	4 061	4 061	4 061	15 000	10 440	10 910
Depreciation & asset impairment	2	180 487	210 251	164 834	147 486	158 272	158 272	158 272	158 272	165 236	172 672
Finance charges		26 328	36 296	29 142	16 300	6 253	6 253	6 253	6 553	6 841	7 149
Bulk purchases - electricity	2	257 253	315 811	322 020	399 187	413 157	413 157	413 157	452 820	472 744	494 018
Inventory consumed	8	13 994	15 513	10 130	20 058	29 726	29 726	29 726	20 509	21 411	22 374
Contracted services		58 659	68 074	73 549	47 239	59 152	59 152	59 152	44 801	44 932	48 283
Transfers and subsidies		(40 363)	1 393	826	300	469	469	469	500	522	545
Other expenditure	4, 5	130 882	142 845	165 067	164 252	154 726	154 726	154 726	125 003	128 268	134 300
Losses		1 922	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 177 568</b>	<b>1 401 419</b>	<b>1 316 599</b>	<b>1 432 066</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 393 471</b>	<b>1 413 567</b>	<b>1 462 775</b>	<b>1 530 187</b>
<b>Surplus/(Deficit)</b>		<b>(113 516)</b>	<b>(204 224)</b>	<b>(1 073)</b>	<b>48 107</b>	<b>36 813</b>	<b>36 813</b>	<b>52 813</b>	<b>11 074</b>	<b>26 281</b>	<b>35 716</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 819	158 414	113 902	128 384	122 384	122 384	122 384	229 801	146 118	138 466
		(25 697)	(45 811)	112 828	176 490	159 196	159 196	175 196	240 875	172 399	174 182
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
		(25 697)	(45 811)	112 828	176 490	159 196	159 196	175 196	240 875	172 399	174 182
<b>Surplus/(Deficit) attributable to municipality</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Share of surplus/ (deficit) of associates	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(25 697)</b>	<b>(45 811)</b>	<b>112 828</b>	<b>176 490</b>	<b>159 196</b>	<b>159 196</b>	<b>175 196</b>	<b>240 875</b>	<b>172 399</b>	<b>174 182</b>

KING SABATA DALINDYEBO MUNICIPALITY

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**Table 14 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification, and funding source**

EC157 KING SABATA DALINDYEBO LOCAL MUNICIPALITY - Table A5 Capital Budget											
Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
<b>Single-year expenditure to be appropriated</b>	2										
Vote 9 - Executive AND Council (32: CS)		-	-	-	-	-	-	-	-	-	-
Vote 10 - Fin AND Asset Management (33: CS)		-	-	-	50	50	50	-	787	-	-
Vote 11 - Planning, Social AND Development (34: CS)		226	-	-	5 000	10 000	10 000	-	19 000	30 000	17 000
Vote 12 - Human Settlement (35: CS)		35 782	50 172	-	37 230	37 230	37 230	-	113 754	-	-
Vote 13 - Community Services (36: CS)		-	-	-	3 700	3 700	3 700	-	2 000	-	-
Vote 14 - Public Safety (37: CS)		-	-	-	6 150	6 150	6 150	-	7 700	-	-
Vote 15 - Infrastructure (38: CS)		90 067	127 685	-	91 154	109 037	109 037	-	97 046	116 118	121 466
<b>Capital single-year expenditure sub-total</b>		<b>126 074</b>	<b>177 857</b>	<b>-</b>	<b>143 284</b>	<b>166 166</b>	<b>166 166</b>	<b>-</b>	<b>240 288</b>	<b>146 118</b>	<b>138 466</b>
<b>Total Capital Expenditure - Vote</b>		<b>126 074</b>	<b>177 857</b>	<b>-</b>	<b>143 284</b>	<b>166 166</b>	<b>166 166</b>	<b>-</b>	<b>240 288</b>	<b>146 118</b>	<b>138 466</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>1 141</b>	<b>581</b>	<b>(713)</b>	<b>150</b>	<b>(28 811)</b>	<b>(28 811)</b>	<b>(28 811)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Executive and council		45	-	-	-	(30 761)	(30 761)	(30 761)	-	-	-
Finance and administration		1 096	581	(713)	150	1 950	1 950	1 950	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>40 055</b>	<b>50 172</b>	<b>-</b>	<b>48 609</b>	<b>48 651</b>	<b>48 651</b>	<b>48 651</b>	<b>118 904</b>	<b>-</b>	<b>-</b>
Community and social services		4 268	-	-	5 379	5 379	5 379	5 379	150	-	-
Sport and recreation		3	-	-	-	-	-	-	-	-	-
Public safety		3	-	-	6 000	6 042	6 042	6 042	5 000	-	-
Housing		35 782	50 172	-	37 230	37 230	37 230	37 230	113 754	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>31 825</b>	<b>63 752</b>	<b>(8 903)</b>	<b>93 824</b>	<b>116 707</b>	<b>116 707</b>	<b>116 707</b>	<b>115 571</b>	<b>128 118</b>	<b>119 658</b>
Planning and development		598	-	1 200	-	-	-	-	-	-	-
Road transport		31 227	63 752	(10 103)	93 824	116 707	116 707	116 707	115 571	128 118	119 658
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>54 193</b>	<b>52 139</b>	<b>122</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>4 945</b>	<b>18 000</b>	<b>18 808</b>
Energy sources		54 193	52 139	-	-	-	-	-	3 195	18 000	18 808
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	122	700	700	700	700	1 750	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	<b>127 214</b>	<b>166 644</b>	<b>(9 493)</b>	<b>143 284</b>	<b>137 248</b>	<b>137 248</b>	<b>137 248</b>	<b>239 421</b>	<b>146 118</b>	<b>138 466</b>
<b>Funded by:</b>											
National Government		43 091	82 953	(10 103)	86 154	86 154	86 154	86 154	93 851	98 118	102 658
Provincial Government		-	72 554	-	42 230	47 230	47 230	47 230	132 754	30 000	17 000
District Municipality		-	10 555	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>43 091</b>	<b>166 063</b>	<b>(10 103)</b>	<b>128 384</b>	<b>133 384</b>	<b>133 384</b>	<b>133 384</b>	<b>226 606</b>	<b>128 118</b>	<b>119 658</b>
<b>Borrowing</b>	6	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>1 143</b>	<b>581</b>	<b>(713)</b>	<b>14 900</b>	<b>3 822</b>	<b>3 822</b>	<b>3 822</b>	<b>12 815</b>	<b>24 948</b>	<b>34 319</b>
<b>Total Capital Funding</b>	7	<b>44 233</b>	<b>166 644</b>	<b>(10 815)</b>	<b>143 284</b>	<b>137 206</b>	<b>137 206</b>	<b>137 206</b>	<b>239 421</b>	<b>153 066</b>	<b>153 977</b>

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**Table 15 MBRR Table A6 - Budgeted Financial Position**

EC157 King Sabata Dalindyebo - Table A6 Budgeted Financial Position

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		9 850	16 481	25 257	217 409	171 724	171 724	171 724	163 325	333 921	513 647
Call investment deposits	1	9 439	9 828	24 286	24 756	25 077	25 077	25 077	24 745	24 745	24 745
Consumer debtors	1	74 706	90 434	110 138	392 257	143 100	143 100	143 100	131 157	158 335	186 721
Other debtors		222 323	341 133	412 995	6 770	419 235	419 235	419 235	412 995	412 995	412 995
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	138 525	137 112	137 935	66 320	144 939	144 939	144 939	137 935	137 935	137 935
<b>Total current assets</b>		<b>454 844</b>	<b>594 989</b>	<b>710 611</b>	<b>707 512</b>	<b>904 076</b>	<b>904 076</b>	<b>904 076</b>	<b>870 157</b>	<b>1 067 932</b>	<b>1 276 043</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		197 996	202 453	215 163	322 840	216 960	216 960	216 960	215 163	333 329	333 329
Investment in Associates		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	1 014 854	2 186 979	820 618	2 201 857	2 135 153	2 135 153	2 135 153	2 243 662	2 224 564	2 190 380
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		533	(476)	1 766	3 629	1 766	1 766	1 766	1 766	1 766	1 766
Other non-current assets		3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201
<b>Total non current assets</b>		<b>1 216 584</b>	<b>2 392 157</b>	<b>1 040 747</b>	<b>2 531 527</b>	<b>2 357 080</b>	<b>2 357 080</b>	<b>2 357 080</b>	<b>2 463 792</b>	<b>2 562 860</b>	<b>2 528 676</b>
<b>TOTAL ASSETS</b>		<b>1 671 427</b>	<b>2 987 146</b>	<b>1 751 358</b>	<b>3 239 039</b>	<b>3 261 156</b>	<b>3 261 156</b>	<b>3 261 156</b>	<b>3 333 949</b>	<b>3 630 792</b>	<b>3 804 719</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	22 288	24 561	26 419	24 561	26 419	26 419	26 419	26 419	26 419	26 419
Consumer deposits		18 275	21 337	24 324	36 254	24 324	24 324	24 324	24 324	24 324	24 324
Trade and other payables	4	572 958	721 747	795 360	357 646	811 380	811 380	811 380	805 139	811 981	812 288
Provisions		3	3	3	-	3	3	3	3	3	3
<b>Total current liabilities</b>		<b>613 523</b>	<b>767 647</b>	<b>846 105</b>	<b>418 461</b>	<b>862 125</b>	<b>862 125</b>	<b>862 125</b>	<b>855 884</b>	<b>862 726</b>	<b>863 034</b>
<b>Non current liabilities</b>											
Borrowing		66 541	49 348	27 049	40 361	41 004	41 004	41 004	41 004	41 004	41 004
Provisions		48 480	50 575	51 700	50 575	51 700	51 700	51 700	51 700	51 700	51 700
<b>Total non current liabilities</b>		<b>115 021</b>	<b>99 923</b>	<b>78 759</b>	<b>90 936</b>	<b>92 704</b>	<b>92 704</b>	<b>92 704</b>	<b>92 704</b>	<b>92 704</b>	<b>92 704</b>
<b>TOTAL LIABILITIES</b>		<b>728 544</b>	<b>867 570</b>	<b>924 855</b>	<b>509 398</b>	<b>954 829</b>	<b>954 829</b>	<b>954 829</b>	<b>948 588</b>	<b>955 430</b>	<b>955 738</b>
<b>NET ASSETS</b>	5	<b>942 883</b>	<b>2 119 575</b>	<b>826 503</b>	<b>2 729 642</b>	<b>2 306 326</b>	<b>2 306 326</b>	<b>2 306 326</b>	<b>2 385 360</b>	<b>2 675 362</b>	<b>2 848 981</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		612 806	1 879 666	430 065	2 341 853	2 036 440	2 036 440	2 036 440	2 115 141	2 286 976	2 460 595
Reserves	4	269 503	269 623	269 656	387 789	269 656	269 656	269 656	269 656	387 822	387 822
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>882 309</b>	<b>2 149 289</b>	<b>699 720</b>	<b>2 729 642</b>	<b>2 306 096</b>	<b>2 306 096</b>	<b>2 306 096</b>	<b>2 384 797</b>	<b>2 674 799</b>	<b>2 848 417</b>

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Table 16 MBRR Table A7 - Budgeted Cash Flow Statement

EC157 King Sabata Dalindyebo - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		335 100	355 117	14 448	295 508	1 512 590	-	-	283 783	296 562	309 602
Service charges		234 581	392 392	192 400	604 448	-	-	-	583 543	609 618	637 453
Other revenue		56 107	35 586	34 944	106 152	-	-	-	71 094	72 573	75 842
Transfers and Subsidies - Operational	1	429	201 146	436 318	384 352	-	-	-	428 969	465 206	495 919
Transfers and Subsidies - Capital	1	-	82 517	60 048	128 384	-	-	-	226 606	128 118	119 658
Interest		-	-	-	-	-	-	-	1 302	1 359	1 420
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		-	-	(504 736)	(1 203 543)	(2 291 719)	-	-	(1 230 788)	(1 277 174)	(1 336 234)
Finance charges		-	-	(2 000)	(16 300)	-	-	-	(6 553)	-	-
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>626 217</b>	<b>1 066 757</b>	<b>231 422</b>	<b>299 001</b>	<b>(779 128)</b>	<b>-</b>	<b>-</b>	<b>357 956</b>	<b>296 261</b>	<b>303 659</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	1 815	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(993)	(1 033)	(38)	(143 284)	-	-	-	(239 038)	(146 139)	(138 488)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(993)</b>	<b>(1 033)</b>	<b>(38)</b>	<b>(141 469)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(239 038)</b>	<b>(146 139)</b>	<b>(138 488)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	24 000	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>24 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>625 223</b>	<b>1 065 724</b>	<b>231 383</b>	<b>181 532</b>	<b>(779 128)</b>	<b>-</b>	<b>-</b>	<b>118 918</b>	<b>150 123</b>	<b>165 171</b>
Cash/cash equivalents at the year begin:	2	(665)	471 060	556 656	686 931	50 347	-	-	1 291 425	1 410 343	1 560 466
Cash/cash equivalents at the year end:	2	624 559	1 536 784	788 040	868 463	(728 781)	-	-	1 410 343	1 560 466	1 725 637

Table 17 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

EC157 King Sabata Dalindyebo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	624 559	1 536 784	788 040	886 463	(728 782)	-	-	780 602	1 061 166	1 366 560
Other current investments > 90 days		(605 270)	(1 510 475)	(738 497)	(626 298)	925 583	196 801	196 801	(598 803)	(710 105)	(827 171)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>19 288</b>	<b>26 309</b>	<b>49 543</b>	<b>242 165</b>	<b>196 801</b>	<b>196 801</b>	<b>196 801</b>	<b>181 798</b>	<b>351 061</b>	<b>529 389</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		2 282	12 705	17 686	14 563	17 686	-	-	17 686	17 686	17 686
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	64 118	(15 138)	213 681	(25 007)	(444 388)	-	-	(808 021)	(830 818)	(859 901)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>66 400</b>	<b>(2 433)</b>	<b>231 367</b>	<b>(10 443)</b>	<b>(426 702)</b>	<b>-</b>	<b>-</b>	<b>(790 335)</b>	<b>(813 131)</b>	<b>(842 214)</b>
<b>Surplus(shortfall)</b>		<b>(47 111)</b>	<b>28 742</b>	<b>(181 824)</b>	<b>252 608</b>	<b>623 503</b>	<b>196 801</b>	<b>196 801</b>	<b>972 133</b>	<b>1 164 192</b>	<b>1 371 603</b>

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

Other working capital requirements

Debtors	250 553	401 258	149 644	368 089	817 492	-	-	1 181 125	1 210 763	1 240 154
Creditors due	314 671	386 120	363 325	343 082	373 104	-	-	373 104	379 945	380 253
<b>Total</b>	<b>(64 118)</b>	<b>15 138</b>	<b>(213 681)</b>	<b>25 007</b>	<b>444 388</b>	<b>-</b>	<b>-</b>	<b>808 021</b>	<b>830 818</b>	<b>859 901</b>

Debtors collection assumptions

Balance outstanding - debtors	297 030	431 567	523 133	399 027	562 335	419 235	419 235	549 151	576 330	604 716
Estimate of debtors collection rate	84.4%	93.0%	28.6%	92.2%	145.4%	0.0%	0.0%	215.1%	210.1%	205.1%

It should be noted the municipality has been experiencing a number of challenges including but not limited to:

- Limited revenue base and high expenditure on legal costs.

The municipality has developed and approved a turnaround plan and financial recovery plan which is expected to turnaround the situation.

KING SABATA DALINDYEBO MUNICIPALITY

2022/2023 ANNUAL BUDGET AND MTREF

Table 18 MBRR Table A9 - Asset Management

EC157 KING SABATA DALINDYEBO LOCAL MUNICIPALITY - Table A9 asset Management

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	(1 139 178)	(52 764)	165 417	61 712	55 805	55 805	310 728	194 828	181 829
Roads Infrastructure		(1 073 056)	10 135	164 807	5 300	10 300	10 300	166 990	177 990	164 990
Electrical Infrastructure		2 477	14 595	-	-	-	-	-	-	-
Information and Communication Infrastructure		(20)	243	(19)	-	13	13	19 817	16 817	16 817
Infrastructure		(1 070 601)	24 974	164 788	5 300	10 313	10 313	186 807	194 807	181 807
Community Facilities		1 631	739	-	7 482	7 379	7 379	2 000	-	-
Community Assets		1 631	739	-	7 482	7 379	7 379	2 000	-	-
Revenue Generating		(194)	-	-	-	-	-	-	-	-
Investment properties		(194)	-	-	-	-	-	-	-	-
Operational Buildings		(155 749)	(130 172)	(165)	-	-	-	-	-	-
Housing		35 782	50 172	-	37 230	37 230	37 230	113 754	-	-
Other Assets		(119 968)	(80 001)	(165)	37 230	37 230	37 230	113 754	-	-
Computer Equipment		2 119	471	(42)	-	2 019	2 019	580	-	-
Furniture and Office Equipment		62	-	-	150	(30 569)	(30 569)	800	21	22
Machinery and Equipment		16	121	1 322	5 550	23 433	23 433	1 787	-	-
Transport Assets		2 363	932	(486)	6 000	6 000	6 000	5 000	-	-
Land		45 394	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	77 443	103 304	(10 103)	77 065	77 168	77 168	95 296	116 118	121 466
Roads Infrastructure		24 312	61 720	(10 103)	77 065	77 168	77 168	92 101	98 118	102 658
Electrical Infrastructure		52 876	41 584	-	-	-	-	3 195	18 000	18 808
Information and Communication Infrastructure		30	-	-	-	-	-	-	-	-
Infrastructure		77 217	103 304	(10 103)	77 065	77 168	77 168	95 296	116 118	121 466
Sport and Recreation Facilities		226	-	-	-	-	-	-	-	-
Community Assets		226	-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	3 509	16 480	-	4 506	4 506	4 506	2 820	-	-
Information and Communication Infrastructure		-	16 480	-	-	-	-	-	-	-
Infrastructure		-	16 480	-	-	-	-	-	-	-
Community Facilities		-	-	-	3 000	3 000	3 000	2 820	-	-
Sport and Recreation Facilities		3 509	-	-	1 506	1 506	1 506	-	-	-
Community Assets		3 509	-	-	4 506	4 506	4 506	2 820	-	-
<b>Total Capital Expenditure</b>	4	(1 058 226)	67 021	155 314	143 284	137 479	137 479	408 845	310 946	303 295
Roads Infrastructure		(1 048 746)	71 855	154 704	82 365	87 468	87 468	259 092	276 108	267 648
Electrical Infrastructure		55 353	56 180	-	-	-	-	3 195	18 000	18 808
Information and Communication Infrastructure		10	16 724	(19)	-	13	13	19 817	16 817	16 817
Infrastructure		(993 383)	144 759	154 685	82 365	87 481	87 481	282 103	310 925	303 273
Community Facilities		1 631	739	-	10 482	10 379	10 379	4 820	-	-
Sport and Recreation Facilities		3 734	-	-	1 506	1 506	1 506	-	-	-
Community Assets		5 365	739	-	11 988	11 886	11 886	4 820	-	-
Revenue Generating		(194)	-	-	-	-	-	-	-	-
Investment properties		(194)	-	-	-	-	-	-	-	-
Operational Buildings		(155 749)	(130 172)	(165)	-	-	-	-	-	-
Housing		35 782	50 172	-	37 230	37 230	37 230	113 754	-	-
Other Assets		(119 968)	(80 001)	(165)	37 230	37 230	37 230	113 754	-	-
Computer Equipment		2 119	471	(42)	-	2 019	2 019	580	-	-
Furniture and Office Equipment		62	-	-	150	(30 569)	(30 569)	800	21	22
Machinery and Equipment		16	121	1 322	5 550	23 433	23 433	1 787	-	-
Transport Assets		2 363	932	(486)	6 000	6 000	6 000	5 000	-	-
Land		45 394	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		(1 058 226)	67 021	155 314	143 284	137 479	137 479	408 845	310 946	303 295

**EC157 KING SABATA DALINDYEBO LOCAL MUNICIPALITY - Table A9 asset Management**

ASSET REGISTER SUMMARY - PPE (WDV)	5	1 144 493 (353 387)	2 268 982 2 498 415	862 500 1 322 633	2 421 385 985 255	2 112 132 2 539 338	2 112 132 2 539 338	2 158 977 2 604 536	2 011 762 2 538 506	1 857 920 2 469 506
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure		452 974	597 892	552 081	-	587 016	587 016	531 787	525 264	518 445
Information and Communication Infrastructure		10	243	16 798	-	10 323	10 323	15 319	27 387	22 425
<b>Infrastructure</b>		<b>99 597</b>	<b>3 098 550</b>	<b>1 891 512</b>	<b>985 255</b>	<b>3 138 677</b>	<b>3 138 677</b>	<b>3 144 797</b>	<b>3 077 169</b>	<b>2 988 922</b>
<b>Community Assets</b>		<b>303 906</b>	<b>388 669</b>	<b>388 973</b>	<b>280 821</b>	<b>391 973</b>	<b>391 973</b>	<b>389 073</b>	<b>389 073</b>	<b>389 073</b>
<b>Heritage Assets</b>		<b>3 201</b>	<b>3 201</b>	<b>3 201</b>	<b>3 201</b>	<b>3 201</b>	<b>3 201</b>	<b>3 201</b>	<b>3 201</b>	<b>3 201</b>
<b>Investment properties</b>		<b>197 996</b>	<b>202 453</b>	<b>215 163</b>	<b>322 840</b>	<b>216 960</b>	<b>216 960</b>	<b>215 163</b>	<b>215 163</b>	<b>215 163</b>
<b>Other Assets</b>		<b>66 783</b>	<b>(1 872 641)</b>	<b>(2 064 467)</b>	<b>580 474</b>	<b>(2 057 887)</b>	<b>(2 057 887)</b>	<b>(2 031 568)</b>	<b>(2 111 176)</b>	<b>(2 176 793)</b>
<b>Biological or Cultivated Assets</b>										
<b>Intangible Assets</b>		<b>533</b>	<b>(476)</b>	<b>1 766</b>	<b>3 629</b>	<b>1 766</b>	<b>1 766</b>	<b>1 766</b>	<b>1 766</b>	<b>1 766</b>
<b>Computer Equipment</b>		<b>3 414</b>	<b>6 965</b>	<b>7 767</b>		<b>2 454</b>	<b>2 454</b>	<b>7 810</b>	<b>7 810</b>	<b>7 810</b>
<b>Furniture and Office Equipment</b>		<b>101 307</b>	<b>152 489</b>	<b>154 757</b>	<b>350</b>	<b>121 947</b>	<b>121 947</b>	<b>155 679</b>	<b>155 699</b>	<b>155 721</b>
<b>Machinery and Equipment</b>		<b>23 722</b>	<b>25 122</b>	<b>30 793</b>	<b>5 550</b>	<b>59 143</b>	<b>59 143</b>	<b>33 336</b>	<b>33 336</b>	<b>33 336</b>
<b>Transport Assets</b>		<b>6 198</b>	<b>(70 086)</b>	<b>(101 450)</b>	<b>(68 095)</b>	<b>(91 020)</b>	<b>(91 020)</b>	<b>(94 764)</b>	<b>(94 764)</b>	<b>(94 764)</b>
<b>Land</b>		<b>337 837</b>	<b>336 715</b>	<b>334 485</b>	<b>307 359</b>	<b>326 918</b>	<b>326 918</b>	<b>334 485</b>	<b>334 485</b>	<b>334 485</b>
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>1 144 493</b>	<b>2 268 982</b>	<b>862 500</b>	<b>2 421 385</b>	<b>2 112 132</b>	<b>2 112 132</b>	<b>2 158 977</b>	<b>2 011 762</b>	<b>1 857 920</b>
<b>EXPENDITURE OTHER ITEMS</b>										
<b>Depreciation</b>	<b>7</b>	<b>238 618</b>	<b>338 677</b>	<b>268 143</b>	<b>198 443</b>	<b>203 866</b>	<b>203 866</b>	<b>200 977</b>	<b>209 820</b>	<b>219 262</b>
<b>Repairs and Maintenance by Asset Class</b>	<b>3</b>	<b>180 487</b>	<b>210 251</b>	<b>164 834</b>	<b>147 486</b>	<b>158 272</b>	<b>158 272</b>	<b>158 272</b>	<b>165 236</b>	<b>172 672</b>
<b>Roads Infrastructure</b>		<b>58 131</b>	<b>128 426</b>	<b>103 309</b>	<b>50 957</b>	<b>45 593</b>	<b>45 593</b>	<b>42 704</b>	<b>44 583</b>	<b>46 590</b>
<b>Electrical Infrastructure</b>		<b>31 855</b>	<b>26 986</b>	<b>26 584</b>	<b>26 623</b>	<b>24 796</b>	<b>24 796</b>	<b>21 356</b>	<b>22 296</b>	<b>23 299</b>
<b>Infrastructure</b>		<b>13 857</b>	<b>69 998</b>	<b>43 324</b>	<b>7 433</b>	<b>10 247</b>	<b>10 247</b>	<b>(18 479)</b>	<b>(19 293)</b>	<b>(20 161)</b>
<b>Community Facilities</b>		<b>45 713</b>	<b>96 983</b>	<b>69 909</b>	<b>34 056</b>	<b>35 043</b>	<b>35 043</b>	<b>2 877</b>	<b>3 003</b>	<b>3 138</b>
<b>Sport and Recreation Facilities</b>					<b>28</b>					
<b>Community Assets</b>		<b>15</b>	<b>7 067</b>	<b>6 596</b>	<b>1 099</b>	<b>1 195</b>	<b>1 195</b>	<b>2 058</b>	<b>2 148</b>	<b>2 245</b>
<b>Operational Buildings</b>		<b>684</b>	<b>907</b>	<b>2 389</b>	<b>3 992</b>	<b>857</b>	<b>857</b>	<b>7 329</b>	<b>7 651</b>	<b>7 995</b>
<b>Other Assets</b>		<b>684</b>	<b>907</b>	<b>2 389</b>	<b>3 992</b>	<b>857</b>	<b>857</b>	<b>7 329</b>	<b>7 651</b>	<b>7 995</b>
<b>Computer Equipment</b>		<b>5</b>		<b>26</b>						
<b>Furniture and Office Equipment</b>			<b>43</b>	<b>5</b>	<b>159</b>	<b>1</b>	<b>1</b>	<b>104</b>	<b>108</b>	<b>113</b>
<b>Machinery and Equipment</b>		<b>3 993</b>	<b>7 269</b>	<b>9 013</b>	<b>3 457</b>	<b>1 329</b>	<b>1 329</b>	<b>6 687</b>	<b>6 981</b>	<b>7 295</b>
<b>Transport Assets</b>		<b>7 721</b>	<b>16 158</b>	<b>15 370</b>	<b>8 166</b>	<b>7 169</b>	<b>7 169</b>	<b>23 650</b>	<b>24 691</b>	<b>25 802</b>
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>238 618</b>	<b>338 677</b>	<b>268 143</b>	<b>198 443</b>	<b>203 866</b>	<b>203 866</b>	<b>200 977</b>	<b>209 820</b>	<b>219 262</b>
<b>Renewal and upgrading of Existing Assets as % of total</b>		<b>-7.6%</b>	<b>176.7%</b>	<b>-6.5%</b>	<b>56.9%</b>	<b>59.4%</b>	<b>59.4%</b>	<b>24.0%</b>	<b>37.3%</b>	<b>40.0%</b>
<b>Renewal and upgrading of Existing Assets as % of depr</b>		<b>44.9%</b>	<b>57.0%</b>	<b>-6.1%</b>	<b>55.3%</b>	<b>51.6%</b>	<b>51.6%</b>	<b>62.0%</b>	<b>70.3%</b>	<b>70.3%</b>
<b>R&amp;M as % of PPE</b>		<b>5.7%</b>	<b>5.9%</b>	<b>12.6%</b>	<b>2.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.1%</b>
<b>Renewal and upgrading and R&amp;M as % of PPE</b>		<b>12.0%</b>	<b>11.0%</b>	<b>11.0%</b>	<b>5.0%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>7.0%</b>	<b>8.0%</b>	<b>9.0%</b>

Table 19 MBRR Table A10 - Basic Service Delivery Measurement

EC-157 King Sabata Dalindyebo - Table A10 Basic service delivery measurement		2019/19		2020/21		Current Year 2021/22		2022/23 Medium Term Framework		Budget Year +2 2024/25	
Ref	Description	Outcome	Outcome	Outcome	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
1	<b>Household service targets</b> <b>Water:</b> Piped water inside dwelling Piped water outside dwelling (at least min service level) 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> Using public tap (< min.service level) Other water supply (< min.service level) No water supply <i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-	-	-
5	<b>Total number of households</b> <b>Sanitation/sewerage:</b> Flush toilet (connected to sewerage) Flush toilet (with septic tank) Chemical toilet Other toilet provision (> min.service level) <i>Minimum Service Level and Above sub-total</i> Bucket toilet Other toilet provisions (< min.service level) No toilet provisions <i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
5	<b>Total number of households</b> <b>Energy:</b> Electricity (at least min.service level) Electricity - prepaid (min.service level) <i>Minimum Service Level and Above sub-total</i> Electricity (< min.service level) Other min. service level Other energy sources <i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
5	<b>Total number of households</b> <b>Refuse:</b> Removed at least once a week Removed less frequently than once a week Using own refuse dump Using own rubbish disposal Other rubbish disposal No rubbish disposal <i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
5	<b>Total number of households</b> <b>Below Minimum Service Level sub-total</b>	-	-	-	-	-	-	-	-	-	-
7	<b>Households receiving Free Basic Service</b> Water (8 kilolitre per household per month) Sanitation (free minimum level service) Electricity (free minimum level service) Refuse (removed at least once a week) <b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	-	-	-	-	-	-	-	-	-	-
9	<b>Water (8 kilolitre per household per month)</b> Sanitation (free minimum level service) Electricity/other energy (50kwh per indigent household per month) Refuse (removed once a week for indigent households) <b>Cost of Free Basic Services provided - Informal Settlements (R'000)</b> <b>Total cost of Free Basic Services provided per household</b> Property rates (R value threshold) Water (kilolitre per household per month) Sanitation (kilolitre per household per month) Electricity (kwh per household per month) Refuse (removed at least once a week) <b>Revenue from subsidised services provided (R'000)</b> Property rates (after adjustments) - Impermissible values per section 17 of MPRA excess of section 17 of MPRA Water (in excess of 8 kilolitre per indigent household per month) Sanitation (in excess of free sanitation service to indigent households) Electricity (in excess of free electricity to indigent household per month) Refuse (in excess of one removal a week for indigent household) Municipal Housing - rental subsidies Housing - top structure subsidies Other	-	-	-	-	-	-	-	-	-	-
6	<b>Total revenue cost of subsidised services provided</b>	-	-	-	-	-	-	-	-	-	-
		-	-	-	8 000	8 000	9 000	9 395	9 819	9 395	9 819



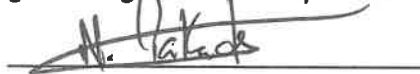
**2.4. Municipal manager's quality certificate**

I NGAMELA PAKADE, 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 annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Ngamela Pakade

Municipal Manager of King Sabata Dalindyebo Municipality (EC 157)

Signature:



Date:

25/05/2022

**ANNEXURE A PROPERTY RATES AND FIRE LEVIES**

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS  
AS FROM 01 JULY 2022**

	2020/2021		2022/2023	
<b><u>PROPERTY PRATES AND LEVIES</u></b>				
<b><u>Proposed increment 2022/2023</u></b>				
<b>4.8%</b>				
<b>General Rate</b>				
Domestic (cents in a Rand)	0,81491	Cents in a Rand	0,84669	Cents in a Rand
Business/ Commercial (cents in a Rand)	1,62982	Cents in a Rand	1,69339	Cents in a Rand
Government/ Parastatals (State Owned) (cents in a Rand)	2,24101	Cents in a Rand	2,32841	Cents in a Rand
Agricultural (cents in a Rand)	0,20517	Cents in a Rand	0,21317	Cents in a Rand
PSI (cents in a Rand)	0,20517	Cents in a Rand	0,21317	Cents in a Rand
Public Benefit Organisation	0,20517	Cents in a Rand	0,21317	Cents in a Rand
Parking Development Rate (cents in a Rand)	0,25184	Cents in a Rand	0,26166	Cents in a Rand
<b>Fire Levy</b>				
Domestic - Per annum	412,19		428,26	
Business/ Commercial Per Annum	741,97		770,90	

**ANNEXURE B ELECTRICITY TARIFFS**

		<b>TARIFF 2022/2023</b>		
	<b>ITEM NO</b>	<b>TARIFF DESCRIPTION</b>	<b>2021/2022</b>	<b>2022/2023</b>
		<b>ELECTRICITY TARIFFS</b>		
	<b>1</b>	<b>Domestic Prepayment</b>		
	<b>1,1</b>	Tariff 1	178,17	190,46
	<b>1,2</b>	Tariff 2 (Indigent)	145,32	155,35
	<b>2</b>	<b>COMMERCIAL TARIFFS</b>		
	<b>2,1</b>	<b>Commercial Conventional</b>		
		Energy Charge	199,30	213,06
		Basic Charge	447,21	478,06
	<b>2,2</b>	<b>Commercial Prepayment</b>		
		Tariff 3 (small) energy charge	240,76	257,37
		Tariff 4 (big) energy charge	240,76	257,37
	<b>3</b>	<b>INDUSTRIAL TARIFFS</b>		
	<b>3,1</b>	<b>Industrial low: ≤ 100KVA</b>		
		Energy charge	108,53	116,02
		Basic charge	1550,65	1 657,65
		Demand charge/ KVA	316,80	338,66
	<b>3,2</b>	<b>Industrial high: ≥ 100KVA</b>		
		Energy charge		
		Basic charge	1358,74	1 452,50
		Demand charge	329,79	352,55
		Notified Maximum Demand multiplied by KVA tariff rate	23,54	25,16
	<b>4,1</b>	<b>CONSUMER DEPOSITS</b>		Notified Maximum Demand multiplied by KVA tariff rate
	<b>5</b>	<b>CHARGES FOR SERVICES RENDERED</b>	<b>2020/2021</b>	<b>2022/2023</b>
	<b>5,1</b>	Call out during working hours	477,76	510,73
	<b>5,2</b>	Call out after hours	686,23	733,58

		TARIFF 2022/2023		
ITEM NO	TARIFF DESCRIPTION	2021/2022	2022/2023	
5,3	Disconnect at request of consumer	468,64	500,98	
5,4	Disconnect for improper use of service or illegal connection	853,73	912,64	
5,5	Disconnect for nonpayment of account	699,56	747,83	
19,6	Testing of meters:	<b>2020/2021</b>	<b>2022/2023</b>	
	By Council	62,85	67,19	
	By independent party	Cost plus 20%	Cost plus 20%	
19,7	Special reading of meter at customer's request	472,56	505,16	
19,8	<b><u>Damage of meters and/ seals, or bypassing of prepayment meters</u></b>			
	<b>Meters</b>			
	Prepayment/ conventional - Domestic	3222,90	3 445,28	
	Commercial prepayment/ Conventional	4680,89	5 003,87	
19,9	Inspection/test of installation after failure of first inspection			
19,10	Damage to municipal electrical supply equipment and/cables	4593,24	+repair cost 4 910,17	
19,11	Hire Crane Truck 28T/M	1236,40	/day in advance 1 321,71	
19,12	Medium Crane Truck 5T/M	610,15	/day in advance 652,25	
19,13	Earth leakage test	1264,60	/day in advance 1 351,86	
19,14	HV fault location	1637,12	/day in advance 1 750,09	

		TARIFF 2022/2023		
ITEM NO	TARIFF DESCRIPTION	2021/2022	2022/2023	
19,15	LV fault location	1572,69	/day in advance	1 681,21
19,16	Oil filtering	1077,32	/lt	1 151,65
19,17	Oil test	1077,32	/lt	1 151,65
19,18	Sales			
	Meters			
	CATEGORY			
	Conventional - Single Phase	1177,99		1 259,27
	Conventional - Three Phase	6984,74		7 466,68
	Prepaid - Single Phase	1177,99		1 259,27
	Prepaid -Three Phase	3170,22		3 388,97
	Terminal Block	423,99		453,24
	Terminal Cover	423,99		453,24
	Keypad	423,99		453,24
19,19	<b>NEW INSTALLATIONS</b>			
	Cable connection	391,03	/KVA	418,02
	Upgrade	Charge difference + cost		Charge difference + cost
	Connection Fee	204,81		218,95

**ANNEXURE C REFUSE REMOVAL AND SOLID WASTE RELATED CHARGES**

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

<b>3.0</b>	<b>SOLID WASTE : Proposed increment 4.8%</b>	<b>2021/2022</b>	<b>2022/2023</b>
	Refuse Removal : Full Level of Service		
	<b>Annual Charges</b>		
3.1.1	Domestic (2 bags or bins once per week)	2 913.16	3 052.99
3.1.2	Commercial/Industrial/Institutional (2 bins or bags once per week)	5 859.59	6 140.85
3.1.3	Per additional bag or bin	2 913.16	3 052.99
3.1.4	Per additional service removal per week	5 859.59	6 140.85
3.1.5	240 L Bin rental per annum		0
	Emptying charge of 240L bin per annum		0
4.2	Refuse Removal : Full Level of Service		0
	<b>Monthly Charges</b>	245.76	257.55
4.2.1	Domestic (2 bags or bins once per week)	6.05	6.34
4.2.2	Commercial/Industrial/Institutional (2 bins or bags once per week)	245.76	257.55
4.2.3	Per additional bag or bin	494.25	517.98
4.2.4	Per additional service removal per week		0
4.2.5	240L Bin rental per month	16.91	17.72
4.2.6	240L Bin Clearance / per bin	35.22	36.91
4.2.7	Emptying charge of 240L bin : Household per month	140.57	147.32
4.3	Refuse Removal : Basic Level of Service		0
	<b>Annual Charges</b>		0
4.3.1	Domestic	1 664.66	1 744.56
4.3.2	Business/Industry	3 895.29	4 082.26
4.3.3	Government Institutions	3 895.29	4 082.26
4.3.4	Coffee Bay & Hole-in-the-Wall	3 895.29	4 082.26
4.4	<b>Refuse Removal : Basic Level of Service</b>		0
	<b>Monthly Charges</b>		0
4.4.1	Domestic	140.57	147.32
4.4.2	Business/Industry	327.95	343.69
4.4.3	Government Institutions	327.95	343.69
			0
4.5	<b>Sales</b>		0
4.5.1	240L Refuse bins (each)	817.12	856.34
4.5.2	Plastic Refuse Bags (per pack)		0
			0
4.6	<b>Skips</b>		0

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

<b>3.0</b>	<b>SOLID WASTE : Proposed increment 4.8%</b>	<b>2021/2022</b>	<b>2022/2023</b>
4.6.1	Rental per skip per month	1 098.51	1 151.24
4.6.2	Rental per skip per year	13 029.90	13 655.34
4.6.3	Charge per clearance of skip	773.16	810.27
			0
<b>4.7</b>	<b>Excess Refuse</b>		0
4.7.1	Garden Refuse (per 2.5lt load)	463.24	485.47
4.7.2	Removal of scrap vehicles (per vehicle load)	648.61	679.74
4.7.3	Hire of skip container per day : Garden Refuse / Excess	352.14	369.04
<b>4.8</b>	<b>Penalty for Illegal Dumping : Proposed increment at 4.6%</b>		0
4.8.1	Garden and/ or domestic refuse	513.26	537.90
<b>4.9</b>	<b>Trolley Bins</b>		0
4.9.1	Rental (per bin per month)	513.26	537.90
4.9.2	Charge per clearance	513.26	537.90
<b>4.1</b>	<b>Disposal Charges to Mthatha &amp; Mqanduli Landfill Site: Weigh Bridge</b>		
4.10.1	Domestic & Trade Waste per tonne	70.44	73.82
4.10.2	Rubble or concrete per tonne	35.22	36.91
4.10.3	Material suitable to be used for cover	free	
<b>4.11</b>	<b>Disposal Charges to Mthatha &amp; Mqanduli Site: Not Weighed</b>		
4.11.1	Small vehicle up to 1 tonne load capacity	63.40	66.44
4.11.2	3 - 4 tonne vehicle	253.59	265.76
4.11.3	5 - 8 tonne vehicle	352.21	369.11
			0
<b>4.12</b>	<b>Garden Waste</b>		0
4.12.1	Clean Greens per tonne	28.18	29.53
4.12.2	Any other green material including tree trunks per tonne	46.49	48.72
			0
<b>4.13</b>	<b>Permits</b>		0
			0
4.13.1	Domestic Solid Waste Handling Permit per vehicle per annum	704.41	738.22

**ANNEXURE D. LIBRARY TARIFF**

ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022										
Proposed increment at 4.8%										
			2021/2022				2022/2023			
<b>13</b>	<b>TELEFAX</b>		20.12	per page or part thereof (excluding coverage page) with minimum of			21.08	per page or part thereof (excluding coverage page) with minimum of		
	Sending									
			59	per message			61.62	per message		
	Receiving		26	per A4 page or part thereof within a minimum of			27.57	per A4 page or part thereof within a minimum of		
				R38.00 per message			0.00	R38.00 per message		
							0.00			
	Note: The fee shall, if sending be paid before any message is transmitted and, if receiving, before any message is handed over to the addressee									
<b>14</b>	<b>LIBRARY</b>						0.00			
	Deposit		113.16				118.59			
	Hire of Hall						0.00			
	<i>Library hours: per hour</i>		44.89				47.04			
	<i>After hours: per hour</i>		84.63				88.69			
	<i>Weekdays and Saturdays per hour</i>		179.24				187.84			
	<i>Sunday and Public Holidays per hour</i>		250.62				262.65			
	<i>Per page - A4</i>		4.08				4.27			
	<b>Subscription Fees</b>						0.00			



	Adults for two (02) books renewable after 2 years		90.00			94.32	New		
	Juniors for two (02) books renewable after 2 years		43.00			45.06	New		
	Country members for four (04) books renewable after 2 years		241.16			252.74			
	Holiday members for two (02) books for 14 days		115.30			120.83			
	<b>Photocopying</b>					0.00			
	Black & White		1.00			1.05			New
	Colour		2			2.10			New
	Internet	R10.00 for 30 minutes	20.00	for 30 minutes		20.96	for 30 minutes		New
		R2.00 per page	20.00	per page		20.96	per page		New
<b>16</b>	<b>LEASES</b>					0.00			
	Registration		289.26			303.14			
<b>17</b>	<b>SUPPLYING INFORMATION</b>					0.00			
	Search for an account not in a service register		41.10			43.07			
	Search for account in a service register		24.07			25.22			
	Supply details of any deed		40.98			42.95			
	Supply of any certificate of valuation or of outstanding charges against property		40.98			42.95			
	Any search for information per hour or part thereof		251.93			264.03			

#### ANNEXURE E PARKS AND RECREATION

ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022			
5.0	PARKS AND RECREATION Proposed increment at 4.8%	2021/2022	2022/2023
5.1	<b>Recreation Grounds</b>		
5.1.1	<b>Deposits</b>		
5.1.1	2010 Wcup Stadium - With Gate Collection	8 095.91	8 484.52
5.1.2	Rotary With Gate Collection	1 966.69	2 061.09
5.1.2	Rotary Without Gate Collection	1 640.25	1 718.98

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

5.1.2.1	<b>Rental (per day)</b>	-	-
5.1.2.2	Premier Division	10 193.17	10 682.44
5.1.2.3	Hire per day (1st Division/Festival	7 243.17	7 590.84
5.1.2.4	(2nd Division)	6 097.25	6 389.92
5.1.2.5	(3rd Division)	3 837.43	4 021.63
	Vodacom	820.13	859.49
	Castle	699.54	733.11
	<b>Mqanduli Stadium</b>	699.53	733.11
<b>5.2</b>	Without gate collection - deposit/ hire	1 640.25	1 718.98
5.2.1	<b>Cemeteries : Proposed increment at 3.9%</b>		
5.2.1.1	<b>Graves</b>		
5.2.1.2	Per Adult burial (Umtata) New	1 300.00	1 362.40
5.2.1.3	Per Child burial (Umtata) New	730.00	765.04
5.2.2	Per Adult or Child (Mqanduli -site only)	65.56	68.71
	<b>Sale of Caskets (each) New</b>	1 850.00	1 938.80
<b>5.3</b>			
5.3.1	<b>Swimming Pools</b>		
5.3.1.1	<b>Sutherland Street</b>		
5.3.1.2	Adults per session New	30.00	31.44
5.3.1.3	Children per session New	13.00	13.62
	Group session (outside pool hours-per hour)		
5.3.2			
5.3.2.1	<b>Ngangelizwe</b>		
5.3.2.2	Adults (per session)	12.94	13.56
5.3.2.3	Children (per session)	7.20	7.55
<b>5.4</b>			
5.4.1	<b>Horticulture (Hire of Plants)</b>		
5.4.2	10-20 plants	363.80	381.26
5.4.3	21-30 plants	394.40	413.33
5.4.4	31-40 plants	426.38	446.85
5.4.5	41-50 plants	500.00	524.00
5.4.6	51-75 plants	550.00	576.40
5.4.7	Charge per clearance	497.05	520.91
<b>5.5</b>	<b>COMMONAGE</b>		
	Grazing fees: per beast per month	3.14	3.29
	Lantyi	25.12	26.33
	Wood sales: head load	0.94	0.98
	Wood sale: Van load	47.10	49.36
	Wood sale: sledge	31.40	32.91
	Tractor or Truck load	78.50	82.27

<b>ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022</b>			
	Wood sales: Whole tree	196.94	206.39
	Poles/ ipali	21.48	22.52
	One bundle- Grass	6.89	7.22
	Sabunga: Truck load	103.29	108.25
	<b>Pound fees: Mqanduli</b>	-	-
	Goat and sheep each	13.77	14.43
	Livestock each	27.54	28.87

#### ANNEXURE F TRAFFIC AND PUBLIC SAFETY TARIFFS

<b>ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022</b>			
<b>Proposed increment at 4.8%</b>			
<b>8.0</b>	<b>ROADS AND WORKS</b>	<b>2021/2022</b>	<b>2022/2023</b>
<b>8.1</b>	<b>Vehicle Crossing (Kerb &amp; Channel only)</b>		
8.1.1	Standard dish type per square meter	3 839.60	4 023.90
8.1.2	Bridge Crossing	3 709.02	3 887.05
8.1.3	Bollards	403.53	422.90
<b>8.2</b>	<b>Premix Pavement Construction</b>		
8.2.1	Premix Pavement Construction (25mm thick)	406.34	425.85
8.2.2	Re-instatement of trenches	11 971.74	12 546.39
8.2.3	Sale of Premix	12 574.04	13 177.60
8.2.4	Sale of Sabunga	58.14	60.93
<b>8.3</b>	<b>Cartage Charges (construction)</b>		
8.3.1	Removal of Builder's Rubble/Spoil (per 5m load or part thereof)	1 996.73	2 092.58
<b>9</b>	<b>CIVIL PROTECTION</b>		
<b>9.1</b>	<b>PERMIT FOR FLAMMABLE SUBSTANCE</b>		
	Category: A - Up to 2275/25	360.29	377.59
	" B - 2276 - 4500 26 kg - 45 kg	431.97	452.71
	" C - 4510-22500	720.26	754.84

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

<b>Proposed increment at 4.8%</b>			
46 kg - 225 kg			
" D - Over 22500			
		1 088.46	1 140.71
9.2	<b>INSPECTION FEES</b>		-
	Flammable Substances	363.05	380.48
	L.P.G	431.97	452.71
	Re-Inspection	431.97	452.71
	Maximum (4 Insp.per year	3 601.67	3 774.55
	Conveyance permit		
	Application- Approval of fire plan		
	Fire Inspection Fees		
	Issuing of compliance certificate		
9.3	<b>FIRE BRIGADE CHARGES</b>		
	<b>Turning Charges (per call)</b>		
	Within Municipal Area	1 080.25	1 132.10
	Outside Municipal Area	3 602.90	3 775.84
	Subsidiary Vehicle	723.11	757.82
	Special Duty	1 807.78	1 894.55
	<b>b) Fire fighting vehicles</b>		
	Motor pump : major	2 882.33	3 020.68
	Motor Pump: medium	2 520.80	2 641.80
	Motor Pump :small	2 161.75	2 265.52
	Portable Pump	2 882.33	3 020.68
	Turntable ladder	2 882.33	3 020.68
	Snorkel	1 079.64	1 131.46
	Rescue Vehicle	1 079.64	1 131.46
	Emergency Vehicle	1 079.64	1 131.46
	<b>c) Occupance or properties including Airport, charges per hour</b>		
	Low risk incidents	179.48	188.09
	Medium risk incidents	361.20	378.53
	High risk incidents	541.80	567.80
	Residential -dwellings	2 018.16	2 115.03
	Flats	2 018.16	2 115.03
	Hotels	3 365.87	3 527.44
	Boarding houses	2 018.16	2 115.03
	Shacks	1 009.08	1 057.52
	Institutional Hospitals	2 693.15	2 822.43

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

**Proposed increment at 4.8%**

Nursing homes	2 693.15	2 822.43
Public assembly-churches	2 693.15	2 822.43
Halls	2 018.16	2 115.03
Cinemas	2 693.15	2 822.43
Theatres	2 693.15	2 822.43
Night clubs	2 693.15	2 822.43
High risk building	5 384.04	5 642.47
Malls	5 384.04	5 642.47
Stadium	5 384.04	5 642.47
Fun Fairs	5 384.04	5 642.47
Schools	2 693.15	2 822.43
University	5 384.04	5 642.47
Tax Ranks	5 384.04	5 642.47
Basement Parking	4 948.30	5 185.81
Commercial Restaurants	2 693.15	2 822.43
Cafes	2 693.15	2 822.43
Offices	2 018.16	2 115.03
Shops	2 018.16	2 115.03
Department Stores	2 018.16	2 115.03
Garages	5 384.04	5 642.47
Workshops	2 693.15	2 822.43
Outside storage	5 384.04	5 642.47
Industry Furniture	2 693.15	2 822.43
Industry-Plastic Rubber	5 384.04	5 642.47
-Textile	2 693.15	2 822.43
-Printing	2 693.15	2 822.43
-Milling	2 693.15	2 822.43
-Petroleum	5 384.04	5 642.47
-Food and Drinks	2 018.16	2 115.03
-Paper and Packaging	2 018.16	2 115.03
-Chemicals	5 384.04	5 642.47
-Alcaline metals	5 384.04	5 642.47
-Metals	2 018.16	2 115.03
-Electronics	2 018.16	2 115.03
-LP Gas	2 693.15	2 822.43
Transport		
-Cars	2 018.16	2 115.03
-Motorcycles	2 018.16	2 115.03

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**
**Proposed increment at 4.8%**

<b>Heavy goods</b>		
-Vehicles	5 384.04	5 642.47
-Hazmat vehicles	5 384.04	5 642.47
<b>Explosive Carrying</b>		
Vehicles	5 384.04	5 642.47
Buses	5 384.04	5 642.47
Ships	2 018.16	2 115.03
Trains	2 693.15	2 822.43
Aircraft: small	5 384.04	5 642.47
Aircraft: medium	2 018.16	2 115.03
Military Aircraft	5 384.04	5 642.47
Other-Rubbish	2 693.15	2 822.43
Grass & Bush	2 018.16	2 115.03
Plantations	1 009.08	1 057.52
Crops	2 693.15	2 822.43
Rescues-vehicle extrication	1 009.08	1 057.52
Water rescues	2 018.16	2 115.03
Lift rescues	2 693.15	2 822.43
Manhole rescues	4 031.83	4 225.35
Trapped rescues	167.04	175.06
Fire extinguisher	336.36	352.51
Fire hoses	404.09	423.48
First aid for sport & recreation	404.09	423.48
Breathing apparatus	404.09	423.48
Refilling of pools (per water cost)	404.09	423.48
Deep Lifting	404.09	423.48
Flushing of stormpipes	404.09	423.48
Spoil of oil removes (plus type of vehicle)	404.09	423.48
Foam concentrate (plus water cost)	203.16	212.92
<b>d) Charge per km</b>		
<b>TYPE</b>		

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

**Proposed increment at 4.8%**

Motor Pump Large	76.53	80.21
Motor Pump medium	61.17	64.11
Motor Pump small	54.30	56.90
Sub Vehicle	45.81	48.01

**e) Standby Charges**

**TYPE**

Motor Pump	168.10	176.17
Sub-Vehicle	65.97	69.14
Other	168.10	176.17

**f) Training fee per person**

Basic fire fighting course	338.93	355.20
Intermediate fire fighting course	400.36	419.57
Advanced fire fighting course	509.54	534.00
Basic Vehicle rescue course	509.54	534.00
Fire marshal course	509.54	534.00
Advanced fire safety course	509.54	534.00

**g) Stationery supply at Fire Department**

Pens	10.80	11.32
Pencils	5.46	5.72
Rubbers	7.64	8.00
Tippex	15.48	16.22
Rulers	7.73	8.10
Clipboards	2.27	2.38
Photostats per sheet	3.31	3.47
Flimsies	331.20	347.10
Video Film copies	138.76	145.42

Old Exams questions and answers	46.17	48.38
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**(per copy older than one year)**

a) State patients		
b) Municipal workers	326.76	342.45
c) Natural disaster casualties		

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

**Proposed increment at 4.8%**

	d) Disabled patients		
	e) Patients with an income of the following amount per month		
	R 100- R 300 p.m	186.53	195.48
	R 301- R 600pm	204.72	214.54
	R 601- R900 p.m	222.92	233.62
	R901-R1200 p.m	247.73	259.62
	R1201-R1500p.m	272.96	286.06
	R1501-R1800 p.m	300.26	314.68
	R1801-R2100 p.m	327.56	343.29
	R2111-R2400 p.m	77.34	81.05
	R2401-R2700 p.m	395.81	414.81
	R2701-R3000 p.m	432.20	452.95
	R3001-R3300 p.m	477.70	500.62
	R3301-R3600 p.m	523.19	548.30
	R3601-and up	677.87	710.40
	f) Ammounts outside area Amount in 9,4 Plus R5,00 per km		
<b>9.4</b>	<b>CITY POLICE</b>		
9.4.1	Tow-away fees Use or contractor		
9.4.2	LMV Without dolly wheels	988.84	1 036.30
	With dolly wheels	606.77	635.89
9.4.3	HMV Low Bed	1 599.82 1 599.82	1 676.62 1 676.62
9.4.4	Impounded Vehicles Storage fees per day or Part thereof	115.55	121.10
9.4.5	Damage to speed trap cable	2 638.69	2 765.34
9.4.6	Office accident report forms		



**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

<b>Proposed increment at 4.8%</b>			
	Search fees on any query or Part thereof	257.44	269.79
9.4.7	Natis search fees Any query or part thereof		
9.4.8	Funeral Escorts per Occasion		
9.4.9	Abnormal Loads per hour or part thereof		
9.4.10	Taxi Parking Bays (on public roads) per registrated taxis at allocated areas per year		
9.4.11	Circus Triangle Bus Rank Permits per bus per year		

**ANNEXURE G BUSINESS LICENSE**

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

Proposed increment at 4.8%

<b>BUSINESS LICENSING TARIFFS</b>		<b>2021/2022</b>	<b>2022/2023</b>
<b>10.5.3</b>	<b>MARKET TABLES</b>		
	1. Small Tables	45.22	47.39
	2. Medium Tables	58.14	60.93
	3. Big Tables	64.60	67.70
	4. Bigger Tables	71.06	74.47
<b>10.5.4</b>	<b>TOWN HALL STALLS</b>		-
	1. Small Stalls	44.87	47.03
	2. Medium Stalls	70.52	73.90
	3. Big Stalls	256.42	268.73
<b>10.5.5</b>	<b>P.P STALLS BELOW ECDC AT ELLIOT</b>	<b>2021/2022</b>	<b>2022/2023</b>
	1. Stalls	34.43	36
	1. Bona fide Farm stalls	37.18	39
	2. Fruit & Vegetables	9.64	10
	3. Clothes	16.53	17
	4. Fruit & Vegetables (BULK)	165.26	173
	5. Sprigg Street Stalls	80.42	84
<b>10.5.6</b>	<b>BUSINESS FEES</b>	1 630.19	1 708
	Established Businesses Annual Fees	2 716.99	2 847
	Tailors/Dressmakers/Shoe Repairs/ Caterers/Saloons Annual Fees	519.50	544
<b>10.5.7</b>	<b>FILIMING AND VIDEO SHOOTING</b>	<b>2021/2022</b>	<b>2022/2023</b>
	Video Shooting per day	1000.00	R 1 048.00
	Filming per day (small companies)	2000.00	R 2 096.00
	Filming per hour (large companies)	400.00	R 419.20

**ANNEXURE H RURAL AND ECONOMIC DEVELOPMENT TARRIF**

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

**Proposed increment at  
4.8%**

10.0	HIRE OF CITY HALLS	2021/2022			2022/2023		
		Norwood	Other	City	Norwood	Other	City
10.1	Profess, concerts Magician shows & the like by visiting companies 7pm to midnight	1231	1279	1329	1 392.91	1 459.77	1 529.84
	Amateur concerts, cabaret shows, Give-It-A- Show Film show, etc. 7pm to midnight Dances, Balls, Discos etc. 7pm to midnight	386	401	417	436.83	457.80	479.77

		2021/2022			2022/2023		
		Norwood	Other	City	Norwood	Other	City
	Private receptions, meetings, weddings, socials per hour to midnight	173.47	180.24	187.27	196.26	205.68	215.55
	Exhibitions, flower Shows per show and the like Weekdays 8am to 5pm	126.58	131.52	136.65	143.21	150.08	157.28
	Weekdays 5pm to 11pm and Saturdays	175.33	182.17	189.27	198.36	207.88	217.86
	Sunday and public holidays per hour	171.98	178.69	185.66	194.57	203.91	213.70
	Bazaar 5pm to 11pm	459.81	477.74	496.37	520.20	545.17	571.34
	Political meetings 5pm to midnight	734.35	762.99	792.75	830.80	870.68	912.47
	Religious service per hour to midnight	115.99	120.52	125.22	131.23	137.53	144.13
10.2	DEPOSIT						
		Norwood	Other	City	Norwood	Other	City
	Town Hall		3215	3340		3 369.22	3 530.94
	Civic Centre		1289	1339		1 350.47	1 415.30

**ANNEXURE H RURAL AND ECONOMIC DEVELOPMENT TARRIF**

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

Proposed increment at  
4.8%

10.0	HIRE OF CITY HALLS	2021/2022	2022/2023
		<b>OTHER HALLS</b>	
	Rotary Hall	361	378
	Banqueting	519	544
	Mqanduli Hall	341	357
	Multi purpose Centre - Mqanduli	341	357
	Multi purpose Centre - Ikwezi	341	357

		2021/2022			2022/2023		
10.3	<b>EXTRAS</b>						
	Use of kitchen cutlery and crockery per function	318	345	392	334	361	411
	Use of halls for rehearsals, preparations, decorations, etc. 5pm to 11pm only weekdays	114	116	123	119	122	129
	Use of piano : per function Steinway piano(City Hall only)			269			282
	Broadway Piano			125			131
10.4	<b>OVERTIME</b>						
	Weekday & Saturdays	153	164	174	161	172	182
	Sundays & Public holidays	213	228	242	223	239	253

		2021/2022			2022/2023		
	Public address system :per function (City Hall)						
	Auction Sale	2090		2885	2190		3023
10.5	<b>HIRE OF CIVIC HALL FURNISHINGS</b>						
10.5.1	<b>FOR USE WITHIN THE MUNICIPAL AREA</b>						
	Deposit		1544			1618	
	For any period up to 24 hours per chair						
	Chairs: per chair		8			8	

**ANNEXURE H RURAL AND ECONOMIC DEVELOPMENT TARRIF**

**ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2022**

**Proposed increment at  
4.8%**

10.0	HIRE OF CITY HALLS	2021/2022		2022/2023	
	Tables: per table For period over 24 hours : per 24 hours Chairs: per chair Tables: per table	29			30
10.5.2	<b>FOR USE OUTSIDE THE MUNICIPAL AREA</b> Deposit For a period up to 24 hours Chairs: per chair Tables: per table For period over 24 hours : per 24 hours Chairs: per chair Tables: per table				

## ANNEXURE I

## HUMAN SETTLEMENTS

## TARIFFS FOR HUMAN SETTLEMENTS DIRECTORATE : 2022/2023

Proposed increment at 4.8%

ITEM	SERVICE	2021/2022 TOTAL R/Cents	2022/2023 TOTAL R/Cents	COMMENTS
1	<b><u>DEVELOPMENT PLANNING</u></b>			
1.1	<b><u>Application for consent</u></b>			
1.1.1	Application fee (excluding advertising)	R 2 788.94	R 2 922.81	4.8% increase
1.2	<b><u>Application for Rezoning</u></b> (excluding advertising)			
1.2.1	Erven 0- 2500m <sup>2</sup>	R 2 972.41	R 3 115.08	4.8% increase
1.2.2	Erven 2501 -5 000m <sup>2</sup>	R 5 571.80	R 5 839.25	4.8% increase
1.2.3	Erven 5 001 -10 000m <sup>2</sup>	R 9 224.58	R 9 667.36	4.8% increase
1.2.4	Erven 1ha - 5ha m <sup>2</sup>	R 14 545.99	R 15 244.20	4.8% increase
1.2.5	Erven over 5ha m <sup>2</sup>	R 18 181.95	R 19 054.69	4.8% increase
1.3	<b><u>Application for departure</u></b>			
1.3.1	Erven smaller than 500 m <sup>2</sup>	R 896.12	R 939.13	4.8% increase
1.3.2	Erven 500 -750 m <sup>2</sup>	R 590.94	R 619.30	4.8% increase
1.3.3	Erven larger than 750m <sup>2</sup>	R 1 185.51	R 1 242.41	4.8% increase
1.4	<b><u>Subdivision -application fees</u></b>			
1.4.1	Basic fee	R 2 030.41	R 2 127.87	4.8% increase
1.4.2	Charge per subdivision	R 185.22	R 194.11	4.8% increase
1.4.3	(Remainder considered as a subdivision)			
1.5	<b><u>Application fee for Removal of Restriction</u></b>	R 1 630.19	R 1 708.44	

**TARIFFS FOR HUMAN SETTLEMENTS DIRECTORATE : 2022/2023**

**Proposed increment at 4.8%**

ITEM	SERVICE	2021/2022	2022/2023	COMMENTS
1.6	<u>Consolidation fee</u>	R 2 173.59	R 2 277.92	
1.7	<u>Limited Special Consent fee</u>	R 1 412.83	R 1 480.65	
1.8	<u>Application for Appeal</u>	R 3 803.78	R 3 986.36	
1.9	<u>Second Dwelling fee Per M2</u>	R 42.38	R 44.42	per square meter
1.10	<u>Application for demolition permit</u>	R 201.08	R 210.73	4.8% increase
1.11	<u>Zoning Certificate</u>	R 84.45	R 88.50	4.8% increase
1.12	<u>Spatial Development Framework Documents- CD</u>			
1.12.1	Town Planning Scheme- Document	R 1 089.02	R 1 141.30	4.8% increase
1.12.2	Town Planning Scheme- CD	R 217.51	R 227.95	4.8% increase

**TARIFFS FOR HUMAN SETTLEMENTS DIRECTORATE : 2022/2023**

**Proposed increment at 4.8%**

ITEM	SERVICE	2021/2022	2022/2023	COMMENTS
		TOTAL R/Cents	TOTAL R/Cents	
6	<b>Building Control</b>			
6.1	Building plan application fee per m <sup>2</sup>	R 0.72	R 0.75	Unchanged
6.1.1	Minimum application charge	R 736.94	R 772.31	4.8% increase
6.2	<b>Estimation of building value (R/m<sup>2</sup>)</b>		R 0.00	
6.2.1	Dwelling house	R 4 452.86	R 4 666.59	4.8% increase
6.2.2	Outside buidling	R 3 663.39	R 3 839.24	4.8% increase
6.2.3	Flats, townhouses, Hotels	R 4 958.39	R 5 196.39	4.8% increase
6.2.4	Carport, Covered Parking	R 1 821.31	R 1 908.73	4.8% increase
6.2.5	Patios & pergolas	R 1 696.66	R 1 778.10	4.8% increase
6.2.6	Factories, warehouses, Cimemas shops, offices, hotels, churches,	R 4 071.98	R 4 267.43	4.8% increase
6.2.7	schools	R 4 854.51	R 5 087.53	4.8% increase
6.2.8	Basement Parking	R 1 821.31	R 1 908.73	4.8% increase
6.2.9	Swimming Pools (set fee)	R 789.20	R 827.09	4.8% increase
6.2.10	Boundary walls (set fee)	R 789.20	R 827.09	4.8% increase
6.2.11	Tents for max. 2 days (set fee)	R 789.20	R 827.09	4.8% increase
6.2.12	As Built (Fine)	R 10 390.00	R 10 888.72	Fine plus rate per square meter
6.2.13	Internal Alterations			10% of work estimate
6.2.14	Airports	R 5 000.00	R 5 240.00	
6.2.15	Institutions ( Universities and Colleges)	R 4 700.00	R 4 925.60	



TARIFFS FOR HUMAN SETTLEMENTS DIRECTORATE : 2022/2023

Proposed increment at 4.8%

ITEM	SERVICE	2021/2022	2022/2023	COMMENTS
		TOTAL R/Cents	TOTAL R/Cents	
6	<b><u>Building Control</u></b>			
6.1	Building plan application fee per m <sup>2</sup>	R 0.72	R 0.75	Unchanged
6.1.1	Minimum application charge	R 736.94	R 772.31	4.8% increase
6.2	<b><u>Estimation of building value (R/m2)</u></b>		R 0.00	
6.2.1	Dwelling house	R 4 452.86	R 4 666.59	4.8% increase
6.2.2	Outside buidling	R 3 663.39	R 3 839.24	4.8% increase
6.2.3	Flats, townhouses, Hotels	R 4 958.39	R 5 196.39	4.8% increase
6.2.4	Carport, Covered Parking	R 1 821.31	R 1 908.73	4.8% increase
6.2.5	Patios & pergolas	R 1 696.66	R 1 778.10	4.8% increase
6.2.6	Factories, warehouses, Cimemas shops, offices, hotels, churches,	R 4 071.98	R 4 267.43	4.8% increase
6.2.7	schools	R 4 854.51	R 5 087.53	4.8% increase
6.2.8	Basement Parking	R 1 821.31	R 1 908.73	4.8% increase
6.2.9	Swimming Pools (set fee)	R 789.20	R 827.09	4.8% increase
6.2.10	Boundary walls (set fee)	R 789.20	R 827.09	4.8% increase
6.2.11	Tents for max. 2 days (set fee)	R 789.20	R 827.09	4.8% increase
6.2.12	As Built (Fine)	R 10 390.00	R 10 888.72	Fine plus rate per square meter 10% of work estimate
6.2.13	Internal Alterations			
6.2.14	Airports	R 5 000.00	R 5 240.00	
6.2.15	Institutions ( Universities and Colleges)	R 4 700.00	R 4 925.60	
6.2.16	Health Facilities (Hospital & Clinics)	R 4 700.00	R 4 925.60	
6.2.17	Halls, Place of Worships	R 4 200.00	R 4 401.60	
6.2.18	Demolitions (Permit)	R 1 500.00	R 1 572.00	
6.3	<b><u>Other Charges</u></b>			
6.3.1	Drainage inspection	R 261.67	R 274.23	4.8% increase
6.3.2	Preliminary Plans for comment	R 0.00	R 0.00	unchanged
6.3.3	Resubmission of lapsed Plans without any alterations	R 736.93	R 772.31	4.8% increase
6.3.4	Resubmission of Queried/amended plans			unchanged (per 50 m2)
6.3.5	Building without an approved plan (penalty fee)		R 10 000.00	/unchanged

**TARIFFS FOR HUMAN SETTLEMENTS DIRECTORATE : 2022/2023**

**Proposed increment at 4.8%**

ITEM	SERVICE	2021/2022	2022/2023	COMMENTS
6.3.6	Subscription to KSDM Building Stats Submission a) Monthly b) Annually			Unchanged Unchanged
6.4	<b>Building Operation Charges</b>			
6.4.1	Temporary hoarding application fee (per linear metre)	R 152.87	R 160.21	4.8% increase
6.4.2	Footway deposit (refundable less damage per square metre)	R 55.09	R 57.73 R 0.00	4.8% increase
6.4.3	Use of footway during building operations (per Linear Metre)	R 227.24	R 238.15	4.8% increase
6.4.4	(non-refundable-per linear metre of hoarded area)		R 0.00	
6.4.5	Illegal dumping of builder's rubble	R 2 853.53	R 2 990.50	4.8% increase
6.5	<b>Contractors Camps : Deposits</b>			
	Camp Size			
	1000m <sup>2</sup> or less	R 6 664.20	R 6 984.08	4.8% increase
	10001m <sup>2</sup> - 4000m <sup>2</sup>	R 13 328.41	R 13 968.17	4.8% increase
	40001m - 6000m <sup>2</sup>	R 15 985.00	R 16 752.28	4.8% increase
	6000 m <sup>2</sup>	R 15 985.00	R 16 752.28	4.8% increase
	<b>Contractors Camps Fee (Per Month/ Paid Upfront)</b>			
	1000m <sup>2</sup> or less	R 1 868.84	R 1 958.54	4.8% increase
	10001m <sup>2</sup> - 4000m <sup>2</sup>	R 3 730.80	R 3 909.88	4.8% increase
	40001m - 6000m <sup>2</sup>	R 5 240.19	R 5 491.72	4.8% increase
6.5	<b>Plan Refund/Replacements</b>			
6.5.1	Recalled/withdrawn plans (In circulation)			Municipality retains 30% (adming fee) of application fee, on all withdrawn plans

**TARIFFS FOR HUMAN SETTLEMENTS DIRECTORATE : 2022/2023**

**Proposed increment at 4.8%**

ITEM	SERVICE	2021/2022	2022/2023	COMMENTS
	<i>Ngangelizwe 2 rooms</i>	460.75	R 482.86	
	<i>Ngangelizwe 3 rooms</i>	574.88	R 602.47	
	<i>Ngangelizwe 4 rooms</i>	1150.61	R 1 205.84	
	<i>Ngangelizwe sites with sewer</i>	750.94	R 786.99	
	<i>Ngangelizwe sites with nightsoil</i>	860.42	R 901.72	
	<i>Church sites</i>	491.30	R 514.88	
	<i>Trading sites</i>	2016.11	R 2 112.88	
	<i>Staff cottage/ Flats</i>	1481.54	R 1 552.65	
	<i>Staff houses</i>	2978.33	R 3 121.29	
8.2	<b>STAFF HOUSES</b>			
	<i>Cottages/ Flats</i>	1239	R 1 298.73	
	<i>Houses</i>	2491	R 2 610.85	
<b>11.3</b>	<b><u>Application Fees</u></b>			
<b>11.3.1</b>	<b>For Advertising Signs</b>			
	a) Per application (general)	R 780.86	R 818.34	monthly
	b) Per Billboard < 40m2 on Private Property	R 3 814.81	R 3 997.92	monthly
	c) Per Super Billboard >40m2 on Private Property	R 4 577.76	R 4 797.49	monthly
<b>11.3.2</b>	<b>Application fee for Newspaper Headline Posters</b>			
	a) Annual deposit	R 11 857.57	R 12 426.74	Once off refundable deposit
	b) Annual administration fee	R 5 921.90	R 6 206.15	Monthly
<b>11.3.3</b>	<b>Application fee for Estate Agent Boards</b>			
	a) Annual deposit	R 11 857.57	R 12 426.74	Once off refundable deposit
	b) Annual administration fee	R 5 921.90	R 6 206.15	annually
<b>11.3.4</b>	<b>Application fee for temp. wrapping sign on construction site</b>			
	a) Per application	R 2 286.13	R 2 395.86	
<b>11.4</b>	<b>Removal and Penalty Fees</b>			



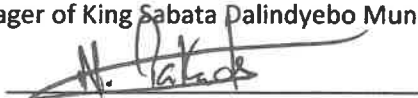
**2.4. Municipal manager's quality certificate**

I NGAMELA PAKADE, 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 annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Ngamela Pakade

Municipal Manager of King Sabata Dalindyebo Municipality (EC 157)

Signature:



Date:

25/05/2022

**SCHEDULE OF PROCUREMENT PLAN IN RESPECT OF ADVERTISED COMPETITIVE BIDS (GOONS, INFRASTRUCTURE PROJECTS OR SERVICES IN EXCESS OF R200 000 INCLUDING ALL APPLICABLE TAXES)**

2022/23 FINANCIAL YEAR

**Name of Municipality**

Name of Accounting Officer

Signature of Accounting Officer

Telephone number and e-mail address

King Sabata Dalindyebo Municipality

Mr N. Pakade

047 501 4371  
mmsec@ksd.gov.za

Department	Description of goods/services/infrastructure project	Estimated value (including all applicable taxes)	Procurement method	Date of submission of specification to SCM	Envisaged date of advertisement in the website, newspapers or other media.	Envisaged closing date of bid	Envisaged date of award	Envisaged project start date	Responsible office (Department)	
E T A N D T R A S P O R T I C E	Interest On External Borrowing	8 553 144,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Agency Payments- Security Serv	579 224,00	Competitive bidding process	15-Jul-22	20-Jul-22	20-Aug-22	18-Nov-22	25-Nov-22	CHIEF FINANCE OFFICER	
	Collection of arrears debt	2 400 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Contour Prepayment System	1 500 000,00	Competitive bidding process	15-Jul-22	28-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	CHIEF FINANCE OFFICER	
	Audit Fee - External	9 748 400,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Assessment rates - Residential	9 000 000,00	Competitive bidding process	20-Jul-22	03-Aug-22	04-Sep-22	03-Dec-22	10-Dec-22	CHIEF FINANCE OFFICER	
	Bank Charges	600 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Rental Of Financial System	300 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Insurance	2 050 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Insurance excess	300 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Commission on prepayment elect	1 200 000,00	Competitive bidding process	20-Jul-22	03-Aug-22	04-Sep-22	03-Dec-22	10-Dec-22	CHIEF FINANCE OFFICER	
	Consultants and Professional Fee	625 164,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	CHIEF FINANCE OFFICER	
	Valuation Roll Expenses	210 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Materialia Stores - Meters	1 400 000,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	CHIEF FINANCE OFFICER	
	Post & Telecommunications	658 000,00	Competitive bidding process	20-Jul-22	03-Aug-22	04-Sep-22	03-Dec-22	10-Dec-22	CHIEF FINANCE OFFICER	
	Fuel & Oil	250 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Hire Charges - Transport Extrnl	17 670 389,31	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Tracker Insurance	450 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	VEHICLE REGISTRATION	1 500 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Advertising Fees	800 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	CHIEF FINANCE OFFICER	
	Flng Grant Expend. - Capacity building of staff	2 850 000,00	Competitive bidding process	24-Aug-22	07-Sep-22	09-Oct-22	07-Jan-23	14-Jan-23	CHIEF FINANCE OFFICER	
	Vehicles, Machinery & Plant	10 340 881,37	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	CHIEF FINANCE OFFICER	
	<b>MUNICIPAL MANAGER - ADMINISTRATION</b>									
	Accommodation	200 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	MUNICIPAL MANAGER
	Strategic Planning - Accommodation	300 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	MUNICIPAL MANAGER
Strategic Planning Conferences & Seminars	400 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	MUNICIPAL MANAGER	
Strategic Planning-Consultants & Professional fees	400 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	MUNICIPAL MANAGER	
Conferences & Seminars	200 000,00	Competitive bidding process	2022/08/02	16-Aug-22	17-Sep-22	16-Dec-22	23-Dec-22	23-Dec-22	MUNICIPAL MANAGER	
Consultants & Professional Fee	500 000,00	Competitive bidding process	2022/08/02	16-Aug-22	17-Sep-22	16-Dec-22	23-Dec-22	23-Dec-22	MUNICIPAL MANAGER	
<b>GENERAL EXPENSES - SPEAKER</b>										
Accommodation	600 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	MUNICIPAL MANAGER	
Air transport	200 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	MUNICIPAL MANAGER	
Community Participation	800 000,00	Competitive bidding process	2022/08/15	29-Jun-22	31-Jul-22	28-Oct-22	05-Nov-22	05-Nov-22	GM	
Council ward committee meeting	1 110 000,00	Competitive bidding process	2022/08/15	29-Jun-22	31-Jul-22	28-Oct-22	05-Nov-22	05-Nov-22	GM	
Entertainment - Civic	300 000,00	Competitive bidding process	2022/08/15	29-Jun-22	31-Jul-22	28-Oct-22	05-Nov-22	05-Nov-22	GM	
Fuel & Oil	264 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	GM	
Training Ward committees	700 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	GM	
Legal Fees	295 398,64	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	GM	
<b>EXECUTIVE MAJOR</b>										
Accommodation	500 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	GM	
Air transport	220 000,00	Existing contract	N/A	N/A	N/A	N/A	N/A	N/A	GM	

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M A N S E T T L E M E N T	Property - Transfer Fees	500 000,00	Existing contract	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	DIRECTOR HUMAN SETTLEMENTS	
	Property - Valuation fees	500 000,00	Existing contract	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	DIRECTOR HUMAN SETTLEMENTS	
	Consultants & Professional Fee - Coffee bay / Mapuzi: Hole in the Wall, Basementing	300 000,00	Competitive bidding process	01-Jul-22	15-Jul-22	16-Aug-22	14-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR HUMAN SETTLEMENTS	
	Consultants & Professional Fee- Zimbabwe Exl 77	500 000,00	Competitive bidding process	01-Jul-22	15-Jul-22	16-Aug-22	14-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR HUMAN SETTLEMENTS	
	NSRB/Mapuzi L SDF Planning	400 000,00	Competitive bidding process	01-Jul-22	15-Jul-22	16-Aug-22	14-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR HUMAN SETTLEMENTS	
	NSRB/Mapuzi L SDF Reviewal	250 000,00	Competitive bidding process	01-Jul-22	15-Jul-22	16-Aug-22	14-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR HUMAN SETTLEMENTS	
	NSRB/Mapuzi L SDF Feasibility Study - Metro status	800 000,00	Competitive bidding process	01-Jul-22	15-Jul-22	16-Aug-22	14-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	21-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR HUMAN SETTLEMENTS	
	Mapuzi Government Precinct	400 000,00	Competitive bidding process	18-May-23	01-Jun-23	03-Jul-23	01-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	DIRECTOR HUMAN SETTLEMENTS	
	Automotive Corridor Masterplan	350 000,00	Competitive bidding process	18-May-23	01-Jun-23	03-Jul-23	01-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	DIRECTOR HUMAN SETTLEMENTS	
	S.E. Z. Airport Precinct Plan	350 000,00	Competitive bidding process	18-May-23	01-Jun-23	03-Jul-23	01-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	DIRECTOR HUMAN SETTLEMENTS	
	Mission Exl Planning & survey	500 000,00	Competitive bidding process	18-May-23	01-Jun-23	03-Jul-23	01-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	DIRECTOR HUMAN SETTLEMENTS	
	Magandji 200 Business	500 000,00	Competitive bidding process	18-May-23	01-Jun-23	03-Jul-23	01-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	DIRECTOR HUMAN SETTLEMENTS	
	Magandji 500 Residential	500 000,00	Competitive bidding process	18-May-23	01-Jun-23	03-Jul-23	01-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	08-Oct-23	DIRECTOR HUMAN SETTLEMENTS	
	Planning & survey Services	1 000 000,00	Competitive bidding process	08-Mar-23	22-Mar-23	23-Apr-23	22-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	DIRECTOR HUMAN SETTLEMENTS	
	Quint Planning L SDF	250 000,00	Competitive bidding process	08-Mar-23	22-Mar-23	23-Apr-23	22-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	DIRECTOR HUMAN SETTLEMENTS	
	Spring Street Signage/boards	350 000,00	Competitive bidding process	08-Mar-23	22-Mar-23	23-Apr-23	22-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	DIRECTOR HUMAN SETTLEMENTS	
	Gazette Notices - CB & Western L SDF	500 000,00	Competitive bidding process	08-Mar-23	22-Mar-23	23-Apr-23	22-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	DIRECTOR HUMAN SETTLEMENTS	
	Outdoor Advertising & signage	2 000 000,00	Competitive bidding process	08-Mar-23	22-Mar-23	23-Apr-23	22-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	29-Jul-23	DIRECTOR HUMAN SETTLEMENTS	
	T E C H N I C A L	TECHNICAL SERVICES																		
		Roads, Str Repair / Resealing- Plant hiring	1 959 995,00	Existing contract	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	DIRECTOR TECHNICAL SERVICES
Fuel & Oil		2 488 222,00	Existing contract	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	DIRECTOR TECHNICAL SERVICES	
Leasing Charges		409 370,00	Existing contract	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	DIRECTOR TECHNICAL SERVICES	
Fuel & Oil		323 528,00	Existing contract	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	DIRECTOR TECHNICAL SERVICES	
COVID - 19 Consumables		550 000,00	Competitive bidding process	20-Jul-22	03-Aug-22	04-Sep-22	03-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	DIRECTOR TECHNICAL SERVICES	
Buildings & Installation		2 622 215,00	Competitive bidding process	20-Jul-22	03-Aug-22	04-Sep-22	03-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	DIRECTOR TECHNICAL SERVICES	
Roads, Str Repair / Resealing- Contractors for manhole lids		762 220,00	Competitive bidding process	20-Jul-22	03-Aug-22	04-Sep-22	03-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	10-Dec-22	DIRECTOR TECHNICAL SERVICES	
Roads, Str Repair / Resealing- Contractors for Slurry Seal and rejuvenation		3 928 878,00	Competitive bidding process	20-Jul-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Roads, Str Repair / Resealing- Materials		12 566 632,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Rural Roads Maintenance- Contractors for stone piling		1 959 995,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Rural Roads Maintenance- Management of Tow Behind graders		2 722 215,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Rural Roads Maintenance- Materials		2 127 771,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Rural Roads Maintenance- Plant Hiring		1 524 440,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Vehicles, Machinery & Plant		1 415 552,00	Competitive bidding process	21-Sep-22	05-Oct-22	06-Nov-22	04-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	11-Feb-23	DIRECTOR TECHNICAL SERVICES	
Electr Infrast. Mains & Cable - Overhead lines		2 953 159,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES	
Electr Infrast. Mains & Cable - Temporary Connections		974 825,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES	
Electr Infrast. Mains & Cable - Underground cable	324 875,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
Tools & Equipment	871 109,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
Traffic Lights - Controllers and Equipment	1 028 966,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
Traffic Lights - Maintenance	1 992 595,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
Electr Infrast. Mains & Cable - High Masts	326 666,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
Electr Infrast. Mains & Cable - Street Lights	330 990,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
Electr Infrast. Mains & Cable - MinibusStations	217 777,00	Competitive bidding process	19-Oct-22	05-Nov-22	06-Dec-22	04-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	11-Mar-23	DIRECTOR TECHNICAL SERVICES		
P U B L I C S A F E T Y	PUBLIC SAFETY																			
	Fuel & Oil	213 989,00	Existing contract	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	DIRECTOR PUBLIC SAFETY	
	Renalis	226 724,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
	Conferences & Seminars	323 528,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
	Fuel & Oil	259 206,00	Existing contract	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	DIRECTOR PUBLIC SAFETY	
	License Fees	862 741,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
	Printing & Stationery	323 528,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
	Accommodation	323 528,00	Existing contract	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	DIRECTOR PUBLIC SAFETY	
	Fuel & Oil	509 008,00	Existing contract	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	DIRECTOR PUBLIC SAFETY	
	EPWP - Grant Expenditure	754 380,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
	Streets - Road Marking	381 110,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
	Tools & Equipment	326 666,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY	
Fixed Cameras - Red light Violations	300 000,00	Competitive bidding process	15-Jul-22	29-Jul-22	30-Aug-22	28-Nov-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	05-Dec-22	DIRECTOR PUBLIC SAFETY		



## List of Budget Related Policies

2022-2023

Number	NAME OF POLICY	SECTION/UNIT	COUNCIL APPROVAL DATE	EFFECTIVE DATE	Custodian/Contact Person
1)	Asset Management Policy	Assets, Fleet & Stores	31/05/2022	1/7/2022 to 30/06/2023	Mrs A Viki lahle : Manager Assets, Stores & Fleet
2)	Budget Policy	Budgeting	31/05/2022	1/7/2022 to 30/06/2023	Mrs P Mpa hwa : Manager Budgeting & Compliance
3)	Cost Containment Policy	Budgeting	31/05/2022	1/7/2022 to 30/06/2023	Mrs P Mpa hwa : Manager Budgeting & Compliance
4)	Credit Control Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
5)	Debt Settlement Incentive Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
6)	Equitable Share Policy	Accounting	31/05/2022	1/7/2022 to 30/06/2023	Mr S Mfobo : Manager: Accounting
7)	Fleet Management Policy	Assets, Fleet & Stores	31/05/2022	1/7/2022 to 30/06/2023	Mrs A Viki lahle : Manager Assets, Stores & Fleet
8)	Indigent Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
9)	Inventory Policy	Assets, Fleet & Stores	31/05/2022	1/7/2022 to 30/06/2023	Mrs A Viki lahle : Manager Assets, Stores & Fleet
10)	Investment Policy/ Principles of financial Management	Accounting	31/05/2022	1/7/2022 to 30/06/2023	Mr S Mfobo : Manager: Accounting
11)	Irregular, Fruitless & Wasteful Policy	Supply Chain Management	31/05/2022	1/7/2022 to 30/06/2023	Mr N. Zibi : G:M SCM
12)	Loss Control Policy	Assets, Fleet & Stores	31/05/2022	1/7/2022 to 30/06/2023	Mrs A Viki lahle : Manager Assets, Stores & Fleet
13)	Property Rates Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
14)	Supply Chain management Policy	Supply Chain Management	31/05/2022	1/7/2022 to 30/06/2023	Mr N. Zibi : G:M SCM
15)	Subsistence & Travelling Policy	Expenditure & Salaries	31/05/2022	1/7/2022 to 30/06/2023	Mrs N Dayiso : Manager Expenditure & Salaries
16)	Tariffs Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
17)	Unallocated Deposits Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
18)	Virement Policy	Budgeting	31/05/2022	1/7/2022 to 30/06/2023	Mrs P Mpa hwa : Manager Budgeting & Compliance
19)	Write-Off Policy	Revenue & Credit Control	31/05/2022	1/7/2022 to 30/06/2023	Mrs Z. Viki lahle : Manager Revenue
20)	SCM policy for Infrastructure Procurement & Delivery Management	Supply Chain Management	31/05/2022	1/7/2022 to 30/06/2023	Mr N. Zibi : G:M SCM