



DRAFT

ANNUAL BUDGET REPORT FOR

ABAQULUSI MUNICIPALITY

2016/17 TO 2018/19

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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ABBREVIATIONS AND ACRONYMS

Adjustments Budgets – Prescribed in Section 28 of the Municipal Finance Management Act, this is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting, or affected by, the budget. Examples include tariff policy, rates policy and credit control and debt policy.

Budget Steering committee – Committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in Section 53 of the MFMA.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the municipality, and the month end balances of cash and short-term investments.

CPI – Headline Consumer Price Index

DMTN – Domestic Medium Term Note

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

DORB – Division of Revenue Bill. Annual legislation tabled in parliament, but not enacted, which shows the allocations from national to local government.

Executive Management Team – A team comprising the Municipal Manager and the Executive Directors. It reports to the Municipal Manager.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted at assisting municipalities with the costs of free basic services.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI – Key Performance Indicators. Measures of service output and/or outcome.

MFMA - Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

MTREF – *Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.*

MYPD – *Multi Year Price Determination*

NT – *National Treasury*

Operating Expenditure – *The day-to-day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.*

Portfolio Committee – *In line with Section 79 of the Structures Act, the Municipality's Portfolio Committees process policies and bylaws relating to the functional areas within their terms of reference, and are responsible for implementation monitoring of these, as well as oversight of the functional areas. Portfolio Committees are also responsible for assessing and monitoring services delivery, ensuring that annual budgets are spent wisely, and that there is no wastage or corruption.*

Rates – *Local Government tax based on assessed valuation of a property.*

TMA – *Total Municipal Account*

SCM - *Supply Chain Management*

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

SFA – *Strategic Focus Areas. The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these Strategic Focus Areas.*

Vote – *One of the main segments into which a budget is divided, usually at directorate level.*

Part 1 – Annual Budget

Mayor's Report

During the State of the National Address the President remarked that we are proud of our democracy and what we have achieved in a short space of time. Our democracy is functional, solid and stable. A lot has been done to promote inclusion and a non-racial society.

The President further stated that the country is again facing a difficult economic climate, most importantly our country seems to be at risk of losing its investment grade status from ratings agencies. If that happens it will become more expensive for us to borrow money from abroad to finance our programmes of building a better life for all, especially the poor. The situation requires an effective turnaround plan from us. It is about doing things differently and also acting on what may not have been acted upon before. South Africa remains an attractive investment destination and although we face challenges the positive attributes far outweigh the challenges. If there are any disagreements or problems between us we must solve the issues before they escalate for the common good of our country.

A resilient and fast growing economy is at the heart of our economic transformation agenda and our National Development Plan (NDP). When the economy grows it delivers jobs. Since the financial crisis in 2008 our economy has faced many difficulties and that is why government embarked on an aggressive infrastructure development programme to stimulate growth.

We have made an undertaking to spend public funds wisely and to cut wasteful expenditure, but without compromising on the core business of government and the provision of services to our communities. In 2013 the Minister of Finance announced cost containment measures to ensure excessive and wasteful expenditure has been reduced but there is still more to be done to cut wastage. We all have a lot to do to turn the economy around and to cut wastage. We will go through a difficult period but when the economy recovers we will be able to stand tall for having done the right thing.

The nine point plan consists of:

- *Resolving the energy challenge*
- *Revitalising agriculture*
- *Adding value to our mineral wealth*
- *More effective implementation of a higher impact Industrial Policy Action Plan*
- *Encouraging private sector investment*
- *Moderating workplace conflict*
- *Unlocking the potential of SMME's, cooperatives, township and rural enterprises*
- *State reform and boosting the role of state owned companies, information and communications technology (ICT) infrastructure, water, sanitation and transport infrastructure*
- *Operation Phakisa aimed at growing the ocean economy and other sectors*

The country has made significant progress in the implementation of the plan. The electricity supply has stabilised and there has been no load shedding since August last year.

An Agri-Parks programme for the revitalisation of agriculture has been introduced with the aim of increasing the participation of small holder farmers in agricultural activities.

Water is a critical resource for economic growth and a better life. Five provinces have been seriously affected by drought and KwaZulu-Natal is one of the provinces that have been devastated by the drought conditions. Livestock is dying and the agricultural sector is going through a difficult period. Tougher times still lie ahead and government will continue to assist farmers and water tank facilities to communities. Civil society country wide has to be commended for the initiative taken to provide water relief too many communities in distress. The building of water infrastructure remains critical so that we can expand access to our people and industry. To curb water losses the Department of Water and Sanitation has begun the training of 15 000 artisans or plumbers who will fix leaking taps in their local communities.

The local government elections will be held during 2016. The youth are urged to register for the opportunity to cast their votes.

The Back to Basics local government revitalisation plan was launched and 2015 has been the year of intensive implementation. During the second phase national government will engage in active monitoring and accountability measures. This will include unannounced visits to municipalities, spot checks of supply chain management processes, the implementation of recommendations of forensic reports, site visits to Municipal Infrastructure grant funded projects and increased interventions to assist struggling municipalities.

A ten point plan of Back to Basics priority actions has been developed to guide this next phase. The plan includes the promotion of community engagement, which is absolutely critical to enable communities to provide feedback on their experience of local government.

Achieving our objective of creating jobs, reducing inequality and pushing back the frontiers of poverty the country needs faster growth. Given the economic conditions it is clear that government will not achieve the growth target it hoped to achieve by 2019. We have to double our efforts and work together to propel us through the tough global and domestic conditions.

During the tabling of the National Budget speech, Minister Gordhan mentioned the challenges and advised that it is an opportunity for all to turn the economy's direction towards hope, confidence and a better future for all. All of us want a society at peace with itself, a nation energised by the task of building stronger foundations for our future society and economy. We all want government to function effectively, people to work in dignity and see progress throughout the land.

Bold and constructive leadership is required in all sectors, a shared vision, a common purpose and the will to find common ground. Above all we need action not words. We need to unite as a team, sharing our skills and resources to build social solidarity, defend the institutions of our democracy and develop our economy inclusively.

The plan is to:

- *Manage our finances in a prudent and sustainable way*

- *Re-ignite confidence and mobilise the resources of all social partners*
- *Collectively invest more in infrastructure to increase potential growth*
- *Give hope to our youth through training and economic opportunities*
- *Protect South Africans from the effects of the drought*
- *Continuously improve our education and health systems*
- *Accelerate transformation towards an inclusive economy and participation by all*
- *Strengthen social solidarity and extend our social safety net*

The budget relies on institutions of good governance and a public ethic that values honesty and fairness. If we act together on these principles we can overcome the challenges of tough economic times and difficult adjustments.

The NDP acknowledges that investment in infrastructure has to be enhanced and sustained both to underpin economic growth and address the spatial inefficiency. Our economic recovery depends on our ability to convert the NDP plan into actions that deliver on the promise of a better life for all.

During the tabling of the October 2015 Medium Term Budget Policy Statement, the then Minister of Finance advised that “if we do not achieve growth, revenue will not increase. If revenue does not increase, expenditure cannot be expanded.”

We cannot spend money we do not have. Until we ignite growth and generate more revenue we have to be tough on ourselves.

Additional more stringent cost containment measures have been introduced across all departments. Through streamlining the procurement processes considerable savings can be achieved and services providers paid on time.

The Finance Minister further emphasised that municipalities are facing growing pressures from both the rising costs of bulk services and the rapidly growing numbers of households. There is still under spending on infrastructure grants and a review of grants is being done which in the future will allow for refurbishment of assets, recognising the long-term nature of municipal infrastructure. Water sector grants are being restructured to reduce duplication and the associated administration burden. Refinements are proposed to take into account the diverse challenges of urban and rural areas as well as the different sized towns and cities.

On tabling the KZN Provincial Budget in 2016, MEC for Finance Ms B Scott mentioned the sluggish economic performance further compounded by the worst drought being experienced in the country over the past two decades which is driving food prices higher.

As a result of this economic outlook government has had to act decisively to ensure the sustainability of our finances and government programmes.

The Provincial cost-cutting measures have been reviewed and their relevance assessed which has resulted in new cost-cutting measures being added by the Budget Council as follows:

- *Combating wasteful and inefficient spending*
- *A decrease in the cost of compensation of employees*
- *Closing down under-performing programmes that are not delivering the desired outcomes*
- *A general 'haircut' across all departments and activities, including events*
- *No new programmes and a slowdown on the rate of growth on existing programmes including sponsorships and events held*
- *A rescheduling or postponement on capital spending*
- *Improved revenue collection*
- *Intensification of existing cost-cutting measures*
- *Cutting the budgets of departments.*

During 2016/2017 funds have been allocated for drought relief to the Department of Co-operative Governance and Traditional Affairs to provide for the drilling and equipping of boreholes across the KZN province, the procurement of water tankers to support fire fighting in the province. The procurement and installation of raw water mass storage facilities to augment the water source for the water service authorities. Funds have also been allocated to the Department of Agriculture and Rural Development for the scooping of dams and procuring winter fodder in areas which have insufficient grazing due to the drought.

In conclusion the MEC stated that fiscal discipline is what has helped deal with the fiscal consolidation cuts without dramatically affecting service delivery, however she believes there is more that can be done to ensure key strategic priorities are correctly funded and the continuation of cost-cutting and not being scared to make tough decisions in difficult times.

The latest budget cuts implemented across the country over the 2016/2017 MTEF are forcing us to look at our spending behaviour closely and find ways to do things smarter, finding ways to deliver our services at a lower cost while not impacting on the quality of service we provide.

I would like to thank our Speaker, my Executive Council, and Honourable Councillors for their support. We had to take a number of really tough decisions in the preparation of the Draft 2016/2017 Medium Term Expenditure Budget and we did so collectively. I would also like to extend my gratitude to the Acting Accounting Officer and the Finance Department officials under the CFO for their guidance and technical support in these difficult times. I thank the Heads of departments and their managers for the role that they have played in ensuring that we spend on the budget in the correct manner.

Thank you

Council Resolutions

On 31 March 2016 the Council of Abaqulusi Local Municipality met in the Council Chambers of Abaqulusi Municipality to consider the draft annual budget of the municipality for the financial year 2016/17. The Council noted the following draft resolutions:

1. The Council of Abaqulusi Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The Annual Budget of the municipality for the Financial Year 2016/17 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 18 on page 50;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 19 on page 53;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 21 on page 57; 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 22 on page 61.
 - 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 23 on page 63;
 - 1.2.2. Budgeted Cash Flows as contained in Table 24 on page 66;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 25 on page 68;
 - 1.2.4. Asset management as contained in Table 26 on page 71; and
 - 1.2.5. Basic service delivery measurement as contained in Table 27 on page 75.
2. The Council of Abaqulusi Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016 the proposed tariffs of Abaqulusi Municipality
3. To give proper effect to the municipality's annual budget, the Council of Abaqulusi Local Municipality approves:
 - 3.1. 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 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. *The Council of Abaqulusi Local Municipality approves and adopts with effect from 1 July 2016 all budget related policies.*
6. The MFMA Circular No 72 indicates that all municipalities must formulate service Level Standards which must form part of the 2016/17 tabled MTREF budget documentation. The Service Level Standards need to be tabled before the Council for formal adoption.

The setting of standards is an integral part of the service delivery value chain. It provides transparency in understanding performance indicators and strengthens the entire performance management system. In addition it ensures accountability on the part of the officials responsible for providing the service.

Local government is mostly classified in the service delivery and governance category and as such needs to be clear on what the public at large can expect as a service delivery standard. Rate payers must be placed in a position by which they are able to measure the service outputs against the predetermined service standards. This also serves as a performance rating instrument at an organisational and individual level.

It is for this reason that the municipality must adopt service standards as part of our strategic objectives and report on the achievements.

The service standards must at a minimum incorporate the administrative, technical and economic development categories of the municipality.

The following are to be considered for use:

Administrative service standards

- Turnaround time in dealing with correspondence received
- Turnaround time in opening a consumer account
- Technical service standards
- Turnaround time in dealing with reported incidents (water leakage, potholes, power outages, etc.)
- Turnaround time in restoring water and electricity connectivity

Economic development service standards

- Turnaround time in processing rezoning applications
- Turnaround time in processing building plans
- Turnaround time in processing special business applications

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 service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate funds will be transferred from low- to high priority programmes so as to maintain sound financial stewardship. A critical review will also be undertaken of expenditure on non-essential and 'nice-to-have' items. 2016/17 MTREF was drafted in context of an economy that is not projected to grow supported.

The draft budget for the 2016/17 MTREF period is based on the realisation that revenues and cash flows are expected to remain under pressure in 2016/17 and the municipality must adopt a conservative approach when projecting expected revenues and cash receipts. The municipality must further in terms of MFMA Circular 78 and 79 carefully consider the affordability of tariff increases especially in relation to domestic consumers which makes up the bulk of the municipality's revenue base whilst considering the level and quality of services versus the associated cost.

The draft budget was compiled by ensuring that the financial management processes are transparent, aligned to the accountability cycle and facilitate good governance that is accountable to the local community. Public perception shows high levels of unhappiness with service delivery and perceived corruption at municipalities and sound leadership is required as well as measures put in place to address mismanagement by implementing effective systems to measure, monitor and evaluate performance.

The draft budget supports the provision of basic services to the communities, facilitating social and economic development, promoting a safe and healthy environment in a sustainable manner.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- Ensuring the timely delivery of capital programmes (eliminate under-spending of capital budgets) and to review all by-laws and development approval processes with a view of removing any bottlenecks to investment and job creation.
- Under spending on repairs and maintenance – often seen as a way to reduce short term spending which shortens the life of assets, increases long term maintenance and refurbishment costs and causes a deterioration in the reliability of our infrastructure
- Spending on non-priorities – including unnecessary travel, luxury furnishings, excessive catering and the use of consultants to perform routine tasks.
- The increased cost of bulk electricity due to tariff increases from Eskom. This is placing pressure on the budget as the tariff the municipality has been allowed to charge is less than the bulk cost meaning there are less funds available for maintenance. Continuous high increases are not sustainable as it gets to a point where services are no longer affordable.
- Not just employing more people without any reference to the level of staffing required delivering effective services. The municipality must through fully participating in the Expanded Public Works Program focus on maximizing its contribution to job creation by ensuring that service delivery and capital projects use labour intensive methods wherever appropriate and implement interns programmes to provide young people with on-the-job training.
- Collecting outstanding debts – this requires political commitment, sufficient administration capacity and pricing policies that ensure that bills are accurate and affordable.
- Pricing services correctly – the full cost of services must be reflected in the tariffs charged to consumers who can afford to pay. Overly generous subsidies and rebates that result in services running at a loss cannot be entertained.

The following budget principles and guidelines directly informed the compilation of the draft 2016/17 MTREF:

- The 2015/16 Adjustment Budget priorities and targets, as well as the base line allocations contained in the Adjustment Budget.
- Service level standards were used to inform the measurable objectives, targets and backlog eradication goals.
- Tariff and property rate increases should be affordable and try not to exceed inflation as measured by the CPI, except where the price increases in the services that are beyond the control of the municipality, i.e. Eskom.
- No budget has been allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the Division of Revenue Act gazette.

National Treasury has issued a Circular (MFMA Circular No 64) giving guidance to municipalities of what should be done to maximise the revenue generating potential of existing sources of revenue such as property rates and trading services. Further Circulars will be issued by National Treasury to guide municipalities in developing credible revenue frameworks by reaffirming the fundamental principles of costing, revenue management and revenue enhancement.

Revenue management is described as a fundamental and routine financial management function of the municipality's revenue generating business that includes billing and collection activities in respect of trading services and property rates.

Revenue enhancement is about improving by making more, in the case of municipal revenue it is associated with increasing the value of revenue generated. Revenue enhancement can be broken into two components. The first being national policy developments that give rise to additional sources of revenue from government (grant funding) and the second component is the ability of the municipality to grow its own revenue base.

MFMA Circular No 58 advises that the municipality must ensure that the billing systems are accurate; accounts are sent out to residents on a monthly basis and follow-up to collect revenue owed to the municipality.

In terms of MFMA Circular No 64 the main responsibility of the municipality is to deliver services. In terms of Section 75A of the Municipal Systems Act the municipality is allowed to levy and recover fees, charges or tariffs in respect of municipal service delivery functions and recover collection charges and interest on outstanding amounts. The municipality must adopt by-laws to give effect to the implementation and enforcement of the tariff policies.

Revenue generation is everyone's responsibility, not just that of the revenue Section. The municipality must effectively manage all functions that impact protecting and growing the revenue base. The implementation of internal controls along the revenue value chain will aid effective data handovers; utilising system data validation mechanisms and ensuring that service level standards are fundamental to ensuring the integrity of the billing data but are advised to stay away from costly data cleansing exercises.

The following are fundamental to maximising the existing revenue:

- Billing system that correctly reflects all billing and customer information required to issue accurate accounts to consumers.
- All property within the municipal jurisdiction must be correctly valued and the billing system must be updated with any change in property ownership. This is necessary to protect and grow the property rates base.
- Effective business processes to ensure new property development as well as improvements to existing properties are valued as required.
- Correct categorisation of properties.
- Water and electricity meter numbers must be recorded correctly and linked to corresponding property.
- Continual maintenance of water and electricity meters to minimise losses due to leakages or incorrectly metered consumption.
- Accurate meter reading and minimising the amount of meter reading estimates.
- Refuse and sanitation service charges must be included in all billing records and the municipality must ensure these services are not run at a loss.
- Billing queries to be resolved within reasonable timeframes.

- Municipal functions must be adequately staffed with competently skilled individuals who understand the job requirements and how to deliver on it.

The Circular further advises municipalities to table “surplus” budgets. To achieve this the municipality must ensure cost reflective tariffs; operation efficiencies; maximising revenue regenerating potential of own revenue sources and a productive workforce and sound decision making to ensure that the limited financial resources are spent wisely so that value for money is achieved.

National Treasury’s MFMA Circular No. 72, 74, 75, 78 and 79 was used to guide the compilation of the Draft 2016/17 MTREF.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the Draft 2016/19 MTREF

	Adjustment Budget 2015/ 2016	Draft Budget Year 2016 / 2017	Draft Budget Year + 2017 / 2018	Draft Budget Year +2 2018 / 2019
	R Thousand	R Thousand	R Thousand	R Thousand
<i>Total Operating Revenue</i>	490,065	518,965	560,466	605,154
<i>Total Operating Expenditure</i>	614,590	638,701	683,462	731,733
(Surplus) / Deficit for the Year	124,524	119,736	122,997	126,578
Total Capital Expenditure	70,866	71,388	75,287	78,352

Total operating revenue has increased by R 28, 9 million for the 2016/17 financial year when compared to the 2015/16 Adjustment Budget. For the two outer years, operational revenue will increase, equating to a total revenue growth of R 115 million over the MTREF when compared to the 2015/16 financial year.

Total operating expenditure for the 2016/17 financial year has been appropriated at R 614, 5 million and translates into a budgeted operating deficit of R 124, 5 million for non-cash items. When compared to the 2015/16 Adjustment Budget, operational expenditure has increased by 6, 6% in the 2016/17 budget and 6, 2% and 5, 9% increases for each of the respective outer years of the MTREF.

The capital budget of R 71, 3 million for 2016/17 is 1% more when compared to the 2015/16 Adjustment Budget. The increase is due to additional grant funding from INEG. The capital program increases to R 75, 2 million in the 2017/18 financial year due and then increases to R 78, 3 million in 2018/19 due to an increase in MIG & INEG. A portion of the capital budget will be funded from internally generated funds in each of the financial years of the MTREF. Capital from government grants and transfers amounts to R 55 million which is R 500 thousand **LESS** than the 2015/16 financial year. MIG amounting to R 35 million and INEG of R 20 million with capital from own funds of R 16 million

Operating Revenue Framework

For Abaqulusi Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices 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 municipal area and continued economic development;
- Efficient revenue management, which aims to ensure a 92% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the Draft 2016/17 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by Main Revenue Source A4

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Revenue By Source											
Property rates	2	41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
Property rates - penalties & collection charges		851	1,306	1,890	1,700	2,000	1,999	1,999	2,132	2,264	2,398
Service charges - electricity revenue	2	126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
Service charges - water revenue	2	30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
Service charges - sanitation revenue	2	16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
Service charges - refuse revenue	2	12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		800	1,189	1,297	1,387	1,159	805	805	1,463	1,542	–
Interest earned - external investments		3,979	4,375	3,166	3,406	1,835	977	977	1,956	2,077	2,200
Interest earned - outstanding debtors		–	–	–	–	15	–	–	16	17	18
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines		1,982	9,375	8,297	3,506	2,007	314	314	1,713	1,819	1,927
Licences and permits		5,216	4,415	4,063	4,538	4,215	3,802	3,802	4,493	4,772	5,053
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational		107,975	135,051	113,621	112,027	114,616	110,232	131,529	114,588	121,245	129,171
Other revenue	2	1,599	43,348	45,828	3,507	459	15,591	15,591	2,109	2,255	4,013
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		349,855	459,439	461,077	456,312	433,083	398,972	420,269	463,878	502,500	545,145

Not applicable

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 % of the revenue basket for the Municipality.

Service charge revenues comprise more than 58, 5% of the total revenue mix. In the 2016/17 financial year, revenue from services charges is expected to total R 271, 2 million. This increases to R 298, 3 million and R 328, 1 million in the respective financial years of the MTREF. This can be mainly attributed to the increased cost of bulk electricity due to rapid increases in the Eskom tariffs for bulk electricity and consumers using less electricity due to the cost. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 64 KZN263 SA1 (see page 99).

Property rates is the second largest revenue source totalling 14, 3 % or R 66, 3 million rand and increases to R 74, 5 million by 2018/19.

The third largest sources is “other revenue” which consists of various items such as income received from permits and licenses, building plan fees, connection fees and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related. The anticipated revenue from other revenue is R 9, 7 million.

Operating grants and transfers totals R 114, 6 million in the 2015/16 financial year and decreases to R 114, 5 million for 2016/17. Note that the year-on-year growth is 5, 9% and 5, 9% in the two outer years.

The municipality hopes to receive additional funding which will be applied to address:

- Compensation for rising costs of providing free basic water and electricity to poor households.
- Accelerate provision of access to clean water through bulk and reticulation projects.
- Accelerate provision of access to electricity and improving the sustainability of access through the refurbishment of key infrastructure.
- Expand the collection and use of date on the condition of municipal roads.
- Increase the number of interns with infrastructure-related skills. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 3 Operating Transfers and Grant Receipts – SA18 – Transfer & Grant Receipts

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		96,444	101,839	109,287	128,640	130,640	132,382	130,907	137,410	145,177
Local Government Equitable Share		84,293	89,399	96,203	106,693	106,693	106,097	107,884	115,710	123,222
Finance Management		1,500	1,550	1,698	1,600	1,600	1,600	1,625	1,700	1,955
Municipal Systems Improvement		800	890	1,010	930	930	930	–	–	–
EPWP Incentive		851	1,000	1,376	1,417	1,417	1,417	1,398	–	–
Integrated National Electrification Programme		9,000	9,000	9,000	18,000	20,000	22,338	20,000	20,000	20,000
Other transfers/grants [insert description]		–	–	–	–	–	–	–	–	–
Provincial Government:		1,565	5,497	4,353	3,295	4,045	4,045	3,681	3,835	3,994
Sport and Recreation		134	143	151	166	166	166	175	184	193
Provincial Library Grant		1,234	2,592	2,700	2,789	2,789	2,789	3,148	3,274	3,405
Cyber Cadet Grant		197	240	252	340	340	340	358	377	396
Thusong Centre		–	2,522	1,250	–	750	750	–	–	–
District Municipality:		100	50	–	100	100	100	100	100	100
[insert description]		–	–	–	–	–	–	–	–	–
ZDM		100	50	–	100	100	100	100	100	100
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	98,109	107,386	113,640	132,035	134,785	136,527	134,688	141,345	149,271
<u>Capital Transfers and Grants</u>										
National Government:		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Municipal Infrastructure Grant (MIG)		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
TOTAL RECEIPTS OF TRANSFERS & GRANTS		120,909	137,293	147,798	167,601	170,351	172,093	169,766	179,311	189,280

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.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. The municipality must however take into account the labour and other input costs of services, the need to ensure financial sustainability, local economic conditions, the affordability of services, the indigent policy. An appropriate balance between the interests of poor households, other consumers and financial sustainability needs to be maintained as excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of 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. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability. Based on NERSA's approval of a 9,4% increase to Eskom; municipalities are advised in MFMA Circular 78 to formulate electricity tariff structures based on an increase of 8%.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The percentage increase for property rates is 6,6%. All households receive a rebate on the first R 15,000 and indigent residents a further R 65,000.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R 15 000 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 % rebate will be granted to registered indigents in terms of the Indigent Policy;

- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 50 % (calculated on a sliding scale) will be granted to 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. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants 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% grant-in-aid on the assessment rates of rateable 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.

The categories of rateable properties for purposes of levying rates and the proposed rates for the 2016/17 financial year based on a 6,6 % increase from 1 July 2016 is contained below:

Table 4 Comparison of proposed rates to be levied for the 2016/17 financial year

Category	Current Tariff (1 July 2015)	Proposed tariff (from 1 July 2016)
	C	C
<i>Residential properties</i>	0,0070753	0,0075422
<i>State owned properties</i>	0,0176882	0,0188556
<i>Business & Commercial</i>	0,0176882	0,0188556
<i>Agricultural</i>	0,0017689	0,0018857
<i>Vacant land</i>	0,0176882	0,0188556
<i>Municipal rateable – Residential</i>	0,0070753	0,0075422
<i>Industrial</i>	0,0176882	0,0188556
<i>Non-permitted use/Illegal usage</i>	0,0176882	0,0188556
<i>Public benefit organisation properties</i>	0,0017689	0,0018857
<i>Special consent</i>	0,0176882	0,0188556

1.3.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2016.

To mitigate the need for water tariff increases, municipalities are encouraged to put in place appropriate strategies to limit water losses to acceptable levels. Water losses have increased from 42% in 2013/14 to 46% in 2014/15 and further increased to 60, 87% in 2015/16.

Zululand District Municipality as well as Abaqulusi municipality has undertaken a critical assessment of its capital infrastructure requirements. The assessment indicates that the current infrastructure is unlikely to sustain its long-term ability to supply water and the District Municipality will have no other choice but to provide funding for infrastructure upgrades.

A tariff increase of 10% from 1 July 2016 for water is proposed. In addition 6 kl water per 30-day period will again be granted free of charge to all indigent community members.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 5 Proposed Water Tariffs

CATEGORY	CURRENT TARIFFS 2016/16	PROPOSED TARIFFS 2016/17
	Rand per kl	Rand per kl
RESIDENTIAL		
(i) 0 to 6 kl per 30-day period	8.63	9.49
(ii) 6.01 to 30 kl per 30-day period	8.63	9.49
(iii) 30.01 to 99 kl per 30-day period	9.33	10.26
(iv) More than 99.01 per 30-day period	10.72	11.79
BUSINESS		
(i) 0 to 6 kl per 30-day period	8.63	9.49
(ii) 6.01 to 30 kl per 30-day period	8.63	9.49
(iii) 30.01 to 99 kl per 30-day period	9.33	10.26
(iv) More than 99.01 per 30-day period	10.72	11.79

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 6 Comparison between current water charges and increases (Domestic)

Monthly consumption	Current amount payable	Proposed amount payable	Difference (Increase)	Percentage change
kℓ	R	R	R	
20	172.60	189.86	17.26	10%
30	258.90	284.79	25.89	10%
40	373.20	410.52	37.32	10%
50	466.50	513.15	46.65	10%
80	746.40	821.04	74.64	10%
100	1072.00	1179.20	107.20	10%

The tariff structure of the 2015/16 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R11.79 per kilolitre for consumption in excess of 99kℓ per 30 day period.

Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. Eskom has submitted a request for a 9, 44 % increase in the ESKOM bulk electricity tariff to municipalities which will be effective from 1 July 2016 but NERSA has not yet approved % increase guidelines for municipalities.

NERSA for the past 5 years in a row has allowed Eskom to increase its tariff to municipalities higher than what municipalities may charge their consumers and this continues to have a negative impact on the municipality's revenue from electricity and is starting to impact on the maintenance of the electrical infrastructure and the Section continues to show a deficit. An analysis of the municipality's consumption patterns is being done to calculate more accurate tariffs and submitted to NERSA for approval. The tariff increase is 10% to ensure the Section is ring fenced.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs on the water charges for domestic customers:

Table 7 Comparison between current electricity charges and increases (Domestic)

DESCRIPTION	APPROVED TARIFFS 2015/2016	PROPOSED TARIFFS 2016/2017 10.00%	PROPOSED TARIFFS 2017/2018 10%	PROPOSED TARIFFS 2018/2019 10%
<u>Domestic (Conventional)</u>				
Basic charge	R 64.49	R 70.94	R 78.04	R 85.84
Demand side management levy				
Network charge				
Cost per unit kWh - 0-50kwh - step tariff 10%	R 0.81	R 0.89	R 0.98	R 1.08
Cost per unit kWh - 051-350kwh -step tariff 10%	R 1.12	R 1.23	R 1.35	R 1.48

DESCRIPTION	APPROVED TARIFFS 2015/2016	PROPOSED TARIFFS 2016/2017 10.00%	PROPOSED TARIFFS 2017/2018 10%	PROPOSED TARIFFS 2018/2019 10%
<i>Cost per unit kWh - 351-600kwh - step tariff 10%</i>	R 1.48	R 1.63	R 1.79	R 1.97
<i>Cost per unit kWh - >600kwh - step tariff 10%</i>	R 1.72	R 1.90	R 2.09	R 2.30

The step tariff advised by NERSA and implemented since July 2011 results that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the Municipality. Most of the suburbs and inner municipality reticulation network was designed or strengthened in the early 1980's with an expected 20-25 year life-expectancy. The upgrading of the Municipality's electricity network has therefore become a strategic priority, especially the substations and transmission lines. Electricity losses have increased from 20, 46% in 2013/14 to 30, 46% in 2014/15 and for 2015/16 the estimated loss is 46, 88%.

The approved budget for the Electricity Section can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply). It is estimated that special funding for electricity bulk infrastructure to the amount of R50 million per year for five years will be necessary to steer the Municipality out of this predicament. It must be noted that Eskom will receive an amount of R 19 million to perform electrification and this will then have to be maintained by the municipality.

In addition the Section must raise awareness and promote behaviour change through communication and education to ensure the 10% reduction in energy consumption is achieved. A renewable and cleaner energy plan has to be developed, monitored, evaluated and updated annually. To upgrade street lights to LED fittings and other energy efficiency projects is a costly exercise for which funding must be sourced.

Owing to the high increases in Eskom's bulk tariffs, it is clearly not possible to fund these necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers.

Sanitation and Impact of Tariff Increases

A tariff increase of 10% for sanitation from 1 July 2016 is proposed. This Section is currently operating at a deficit and it is generally accepted that all service departments should at least break even. This is based on the input cost assumptions related to water. It should be noted that electricity costs contributes approximately 10% of waste water treatment input costs, therefore the higher than CPI increase of 10% for sanitation tariffs. The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (100% of 6 kl water) will be applicable to registered indigents; and
- The total revenue expected to be generated from rendering this service amounts to R26, 4 million for the 2016/17 financial year.

Table 8 Comparison between current sanitation charges and increases

CATEGORY	CURRENT TARIFF 2015/16		PROPOSED TARIFF 2016/17	
	% DISCHARGED	TARIFF PER kl	% DISCHARGED	TARIFF PER kl
		R		R
0 – 30 kl per 30-day period	75	6.40	75	7.04
30.01 – 99 kl per 30-day period	75	7.38	75	8.12
99.01 and above kl per 30-day period	75	7.94	75	8.73

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

Table 9 Comparison between current sanitation charges and increases, single dwelling- houses

Monthly sanitation consumption kl	Current amount Payable R	Proposed amount Payable R	Difference (10% increase) R
30	269.86	296.85	26.99
30.01 to 99	532.00	585.20	53.20
99.01 and above	532.00	585.20	53.20

Waste Removal and Impact of Tariff Increases

The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The service of refuse collection is outsourced which is the main contributor of expenditure as well as the cost of remuneration. This Section is budgeted to have a deficit. It is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models.

A 10% increase in the waste removal tariff is proposed from 1 July 2016. Higher increases will not be viable in 2016/17 owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 10 % can 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 2016:

Table 10 Comparison between current waste removal fees and increases

	WASTE REMOVAL 2015/16	WASTE REMOVAL 2016/17
<i>Tariff per container/household per month or part of a month: Areas serviced by means of: (Tariff is multiplied by the number of service rounds per week and the number of containers/households.)</i>	<i>Per month (R)</i>	
<i>Residential</i>	<i>79.57</i>	<i>87.53</i>
<i>Businesses per container</i>	<i>246.05</i>	<i>270.66</i>
<i>Businesses bulk container</i>	<i>2466.50</i>	<i>2713.15</i>

Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept to a 10 %, increase for all households including indigent households.

In terms of Section 64 2(g) of the MFMA a Municipality must for the purposes of the sub-Section take reasonable steps to ensure

- (g) that the municipality charges interest on arrears, except where the council has granted exemptions in accordance with its budget related policies and within a prescribed framework;

Table 11 KZN263 Table SA14 – Household Bills

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			Budget Year +2 2018/19
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17 % incr.	Budget Year 2016/17	Budget Year +1 2017/18	
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		424.60	450.08	475.28	508.55	508.55	508.55	10.0%	559.41	615.35	676.88
Electricity: Basic levy		43.20	50.98	56.08	64.49	64.49	64.49	10.0%	70.94	78.03	85.84
Electricity: Consumption		1,057.90	1,248.32	1,373.15	1,579.12	1,579.12	1,579.12	10.0%	1,737.03	1,910.74	2,101.81
Water: Basic levy		26.30	30.20	33.22	36.54	36.54	36.54	10.0%	40.19	44.21	48.63
Water: Consumption		185.39	213.20	234.52	257.97	257.97	257.97	10.0%	283.77	312.14	343.36
Sanitation		76.10	87.52	96.27	105.90	105.90	105.90	10.0%	116.49	128.14	140.95
Refuse removal		54.70	62.91	69.20	76.12	76.12	76.12	10.0%	83.73	92.11	101.32
Other											
sub-total		1,868.19	2,143.21	2,337.72	2,628.69	2,628.69	2,628.69	10.0%	2,891.56	3,180.71	3,498.79
VAT on Services		261.55	300.05	327.28	368.02	368.02	368.02	0.01	404.82	445.30	489.83
Total large household bill:		2,129.74	2,443.26	2,665.00	2,996.71	2,996.71	2,996.71	10.0%	3,296.38	3,626.01	3,988.62
% increase/-decrease			14.7%	9.1%	12.4%	-	-	10.0%	10.0%	10.0%	10.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		235.62	249.76	263.75	282.21	282.21	282.21	10.0%	310.43	341.47	375.62
Electricity: Basic levy		43.20	50.98	56.08	64.49	64.49	64.49	10.0%	70.94	78.03	85.84
Electricity: Consumption		452.99	534.53	587.98	676.18	676.18	676.18	10.0%	743.80	818.18	900.00
Water: Basic levy		26.30	30.20	33.22	36.54	36.54	36.54	10.0%	40.19	44.21	48.63
Water: Consumption		154.50	177.68	195.45	215.00	215.00	215.00	10.0%	236.50	260.15	286.17
Sanitation		76.10	87.52	96.27	105.90	105.90	105.90	10.0%	116.49	128.14	140.95
Refuse removal		54.70	62.91	69.20	76.12	76.12	76.12	10.0%	83.73	92.11	101.32
Other											
sub-total		1,043.41	1,193.58	1,301.95	1,456.44	1,456.44	1,456.44	10.0%	1,602.08	1,762.29	1,938.52
VAT on Services		146.08	167.10	182.27	203.90	203.90	203.90	0.01	224.29	246.72	271.39
Total small household bill:		1,189.49	1,360.68	1,484.22	1,660.34	1,660.34	1,660.34	10.0%	1,826.38	2,009.01	2,209.91
% increase/-decrease			14.4%	9.1%	11.9%	-	-	10.0%	10.0%	10.0%	10.0%

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			Budget Year +2 2018/19
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17 % incr.	Budget Year 2016/17	Budget Year +1 2017/18	
Rand/cent				-0.37	0.31	-1.00	-				
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		-	-	-	-	-	-				
Electricity: Basic levy		43.20	50.98	56.08	64.49	64.49	64.49	10.0%	70.94	78.03	85.84
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		26.30	30.20	33.22	36.54	36.54	36.54	10.0%	40.19	44.21	48.63
Water: Consumption		76.14	87.56	96.32	105.95	105.95	105.95	10.0%	116.55	128.20	141.02
Sanitation		76.10	87.52	96.27	105.90	105.90	105.90	10.0%	116.49	128.14	140.95
Refuse removal		54.70	62.91	69.20	76.12	76.12	76.12	10.0%	83.73	92.11	101.32
Other											
sub-total		276.44	319.17	351.09	389.00	389.00	389.00	10.0%	427.90	470.69	517.76
VAT on Services		38.70	44.68	49.15	54.46	54.46	54.46	0.01	59.91	65.90	72.49
Total small household bill:		315.14	363.85	400.24	443.46	443.46	443.46	10.0%	487.81	536.59	590.25
% increase/-decrease			15.5%	10.0%	10.8%	-	-	10.0%	10.0%	10.0%	10.0%

Operating Expenditure Framework

The Municipality's expenditure framework for the draft 2016/17 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services;
- Strict adherences to the principle of **no project plan no budget**. If there is no business plan no funding allocation can be made; and
- Creation of job opportunities by the municipality thus an increase in staff costs.

The following table is a high level summary of the Draft 2016/17 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by type Table A4 by standard classification item

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Expenditure By Type	-										
Employee related costs	2	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
Remuneration of councillors		12,093	13,981	14,819	16,390	15,533	15,555	15,555	16,620	17,817	19,046
Debt impairment	3	4,599	7,128	16,848	1,698	7,000	7,000	7,000	7,461	7,924	8,392
Depreciation & asset impairment	2	96,241	108,415	92,546	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Finance charges		2,325	3,079	1,623	650	900	650	650	959	1,019	1,079
Bulk purchases	2	112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Other materials	8	-	-	-	25,691	24,673	19,371	19,371	26,301	27,932	29,580
Contracted services		26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Transfers and grants		-	-	-	14,096	16,170	15,893	15,893	17,237	18,306	19,386
Other expenditure	4, 5	75,402	84,953	141,615	50,580	68,464	31,799	31,799	47,923	49,685	94,418
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		431,250	476,135	560,945	505,984	614,310	532,724	532,724	638,701	683,463	731,732

Table 13 Summary of operating expenditure – Revenue by source -Table A4 by standard classification item

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Revenue By Source											
Property rates	2	41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
Property rates - penalties & collection charges		851	1,306	1,890	1,700	2,000	1,999	1,999	2,132	2,264	2,398
Service charges - electricity revenue	2	126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
Service charges - water revenue	2	30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
Service charges - sanitation revenue	2	16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
Service charges - refuse revenue	2	12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		800	1,189	1,297	1,387	1,159	805	805	1,463	1,542	–
Interest earned - external investments		3,979	4,375	3,166	3,406	1,835	977	977	1,956	2,077	2,200
Interest earned - outstanding debtors		–	–	–	–	15	–	–	16	17	18
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines		1,982	9,375	8,297	3,506	2,007	314	314	1,713	1,819	1,927
Licences and permits		5,216	4,415	4,063	4,538	4,215	3,802	3,802	4,493	4,772	5,053
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational		107,975	135,051	113,621	112,027	114,616	110,232	131,529	114,588	121,245	129,171
Other revenue	2	1,599	43,348	45,828	3,507	459	15,591	15,591	2,109	2,255	4,013
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		349,855	459,439	461,077	456,312	433,083	398,972	420,269	463,878	502,500	545,145
Expenditure By Type											
Employee related costs	2	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
Remuneration of councillors		12,093	13,981	14,819	16,390	15,533	15,555	15,555	16,620	17,817	19,046
Debt impairment	3	4,599	7,128	16,848	1,698	7,000	7,000	7,000	7,461	7,924	8,392
Depreciation & asset impairment	2	96,241	108,415	92,546	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Finance charges		2,325	3,079	1,623	650	900	650	650	959	1,019	1,079
Bulk purchases	2	112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Other materials	8	–	–	–	25,691	24,673	19,371	19,371	26,301	27,932	29,580
Contracted services		26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Transfers and grants		–	–	–	14,096	16,170	15,893	15,893	17,237	18,306	19,386

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Other expenditure	4, 5	75,402	84,953	141,615	50,580	68,464	31,799	31,799	47,923	49,685	94,418
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		431,250	476,135	560,945	505,984	614,310	532,724	532,724	638,701	683,463	731,732
Surplus/(Deficit)		(81,395)	(16,696)	(99,868)	(49,672)	(181,227)	(133,752)	(112,455)	(174,823)	(180,963)	(186,587)
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	6	9,000	9,000	49,911	53,566	55,566	53,566	53,566	55,078	57,966	60,009
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)

The budgeted allocation for employee related costs for the 2016/17 financial year totals R142,3 million, which equals 28,12% of the total operating expenditure. The multi-year Salary and Wage Collective Agreement from SALGBC for municipalities advised to budget for an annual increase of 7% for the 2016/17 financial year and for the two outer years 6.8% has been utilized. As part of the Municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized downwards. As part of the planning assumptions and interventions all vacancies were originally removed from the budget and a report was compiled by the Finance Department relating to the prioritization of critical vacancies within the Municipality. The outcome of this exercise was the inclusion of critical and strategically important vacancies. Excessive overtime has been observed by National Treasury during their analysis of municipal budgets and although it is considered acceptable as long as it related to essential services an excessively high allocation could be an indication of performance inefficiencies as it is an expensive form of remuneration easily abused. If National Treasury finds excessive overtime to be legitimate it will be an indication that the organisational structure is insufficiently funded and funds being rather appropriated against vacancies. The maximum percentage allowable for overtime is of total remuneration.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 92% and the Debt Write-off Policy of the Municipality. For the 2016/17 financial year this amount equates to R 7, 4 million and an amount of R 7, 9 for 2017/18 million which escalates to R8, 3 million by 2018/19. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 110,9 million for the 2016/17 financial and equates to 17,7% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register.

Bulk purchases are directly informed by the purchase of electricity from ESKOM. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. ESKOM increase has been budgeted for at 9, 4%.

Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. For 2016/17 the percentage of this against the group of expenditure is 4,2% (R 26,3 million) and continues to grow for the two outer years of which budget allocation is in excess of R 3 million by 2018/19.

Contracted services have increased for the Municipality for the 2016/17 financial year. As part of the compilation of the 2016/17 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2016/17 financial year, this group of expenditure totals R 100, 2 million and has escalated overall by just 2, 7 %, clearly demonstrating the need to investigate these contracts before the 2017/18 financial year to try and apply cost efficiencies. For the two outer years growth has been limited to 5.9%. As part of the process of identifying further cost efficiencies, a business process re-engineering project will commence in the 2016/17 financial year to identify alternative practices and

procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. The reason for the escalation is the additional refuse services for the small towns where refuse was in the past not being collected and the additional security costs as more security guards had to be employed due to theft and damage of infrastructure. Further details relating to contracted services can be seen in Table 64 KZN263 SA1 (see page 100).

Other expenditure comprises of various line items such as insurances, telephone costs, bank charges, Subsistence and travelling, leasing of office equipment, vehicle leases and other costs relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 6% for 2016/17 and curbed at 5.8% for the two outer years, indicating that significant cost savings have been already realised. Further details relating to contracted services can be seen in Table 64 KZN263 SA1 (see page 100).

The following table gives a breakdown of the main expenditure categories for the 2016/17 financial year.

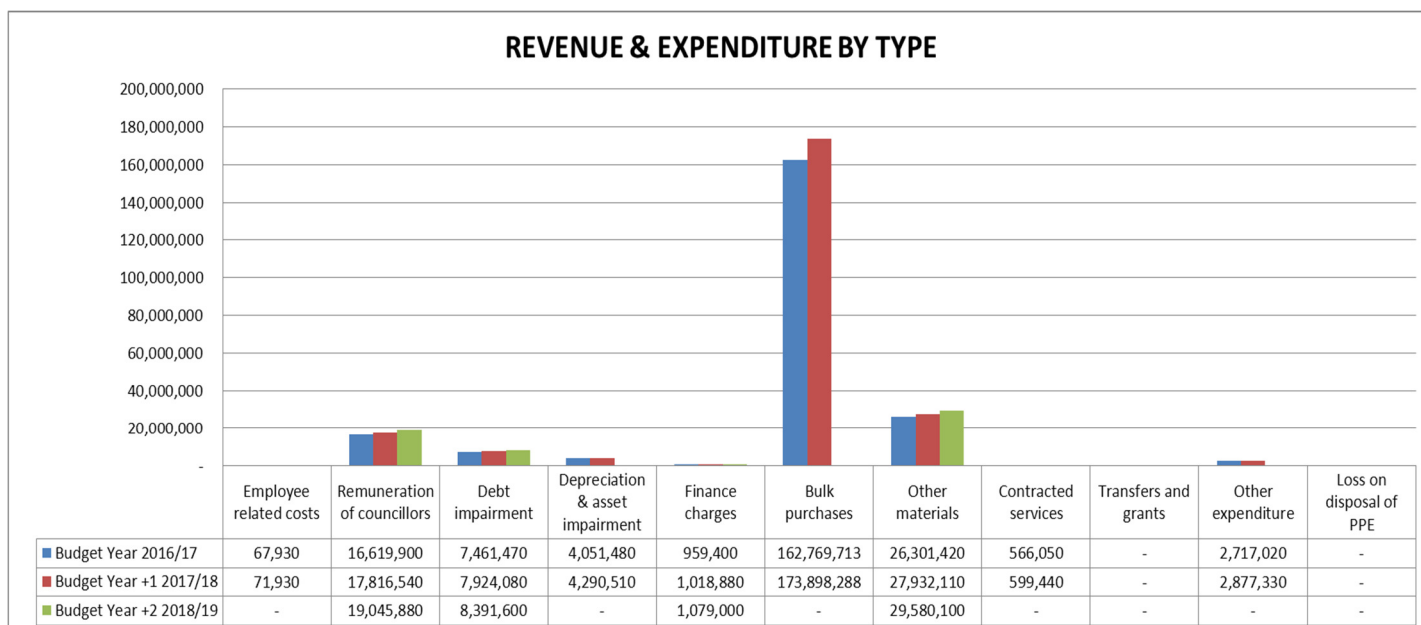


Figure 1 Main operational expenditure categories for the 2015/16 financial year

1.4.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2016/17 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by MFMA Circulars 72, 74, 75, 78 and 79 and the outcome of the 2014/2015 audit qualification the municipality must budget for 10% of its expenditure budget to be allocated to repairs and maintenance and the on-going health of the municipality's infrastructure must be supported by an asset management plan. A further 40% of the municipal budget must be allocated to Capital for the renewal of existing assets and provide a detailed explanation and assurance that the budgeted amount is adequate to secure the on-going health of the municipality's infrastructure supported by reference to its asset management plan. The municipality in the state of local government finances and financial management has been accused of persistent under spending on capital and that the municipality is too reliant on capital grants. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 14 Operational Repairs and Maintenance Schedule SA1

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and Maintenance by Expenditure Item										
Employee related costs										
Other materials										
Contracted Services										
Other Expenditure	13,804	12,227	15,064	25,741	24,653	19,371	19,371	26,301	27,932	29,580
Total Repairs and Maintenance Expenditure	13,804	12,227	15,064	25,741	24,653	19,371	19,371	26,301	27,932	29,580

During the compilation of the 2016/17 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the ageing of the Municipality's infrastructure and historic deferred maintenance. To this end, repairs and maintenance is allocated an amount of R 26,3 million which is more than the adjustment budget of 2015/2016 by R 1,6 million and will increase in the other two years to R 27,9 million to R 29,5 million. During the 2015 Adjustment Budget this allocation was reduced from R 25,6 to R 24,6 million owing to the challenges faced by the Municipality. Notwithstanding, as part of the 2016/17 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. The total allocation for 2016/17 equates to R 26, 3 million in relations to the Adjustment Budget and continues to grow over the MTREF. In relation to the total operating expenditure, repairs and maintenance comprises of 4, 1% and 4, 1% for the respective financial years of the MTREF.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 15 Repairs and maintenance per asset class (Expenditure other items) – Schedule A9

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
CAPITAL EXPENDITURE										
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		96,241	108,415	92,546	21,994	104,088	104,088	110,958	117,838	124,790
<u>Repairs and Maintenance by Asset Class</u>	3	13,804	12,227	15,064	25,741	24,654	19,371	26,301	27,933	29,580
Infrastructure - Road transport		5,379	4,792	5,921	9,015	9,215	4,041	9,823	10,432	11,048
Infrastructure - Electricity		4,322	2,177	2,435	7,340	6,250	5,205	6,663	7,076	7,493
Infrastructure - Water		2,390	3,019	3,311	3,404	4,356	5,404	4,643	4,931	5,222
Infrastructure - Sanitation		1,437	997	1,982	1,810	1,910	3,085	2,036	2,162	2,290
Infrastructure - Other		–	21	–	500	200	–	213	266	240
Infrastructure		13,528	11,006	13,649	22,069	21,931	17,735	23,378	24,867	26,292
Community		423	838	769	2,050	1,401	393	1,632	1,734	1,838
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	(146)	383	645	1,622	1,322	1,244	1,292	1,331	1,450
TOTAL EXPENDITURE OTHER ITEMS		110,046	120,641	107,609	47,735	128,742	123,459	137,259	145,770	154,370

For the 2016/17 financial year, R 23, 2 million of total repairs and maintenance will be spent on infrastructure assets. Electricity infrastructure receives R 6,6 million, road infrastructure of R 9,8 million, water R 4,6 million, sanitation R 2 million and refuse R 213 thousand.

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 on an annual basis. The applications are strictly reviewed annually and this year tighter controls were implemented to ensure this service is given to only the poorest of the poor. Detail relating to free services, cost of free basis services, revenue foregone owing to free basic services as well as basic service delivery measurement is contained in Table 27 KZN263 A10 (Basic Service Delivery Measurement) on page 75.

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 municipality's cost for the Free Basic Services is R 17, 2 million.

Capital Expenditure

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

Table 16 2015/16 Medium-Term Capital Budget per Vote – Schedule SA6

Strategic Objective	Goal	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Basic Service Delivery	Electricity	9,027	10,919	13,524	22,180	29,200	29,200	29,807	30,415	31,030
	Water	–	22	–	2,025	1,710	1,710	1,823	1,936	2,050
	Waste Water	–	14	591	1,550	1,550	1,550	1,652	1,755	1,858
	Waste	–	–	26	320	60	60	64	68	72
	Community	122	151	65	1,670	1,250	1,250	1,333	1,415	1,499
Infrastructure	Roads	33	130	40,950	35,861	35,886	35,886	35,419	38,328	40,393
Good Governance	Planning & Development Support	–	251	–	40	40	40	43	45	48
	Services & Fleet	63	110	275	770	770	770	821	872	923
	Executive & Council	–	–	–	–	–	–	–	–	–
	Financial Management	49	63	38	600	400	400	426	453	480
Allocations to other priorities										
Total Capital Expenditure		9,294	11,660	55,469	65,016	70,866	70,866	71,388	75,287	78,352

For 2016/17 an amount of R 16, 3 million has been appropriated for the development of infrastructure from internal funding and R 55 million from grant funding. In the outer years this amount totals R 17, 3 million and R18, 3 million from internal funding and R 57, 9 million and R 60 million from grant funding respectively for each of the financial years. Roads, storm water, bus route and other rural projects receives the highest allocation of R35 million in 2016/17 which equates to 63,6% followed by electricity infrastructure at 36,4% or R20 million.

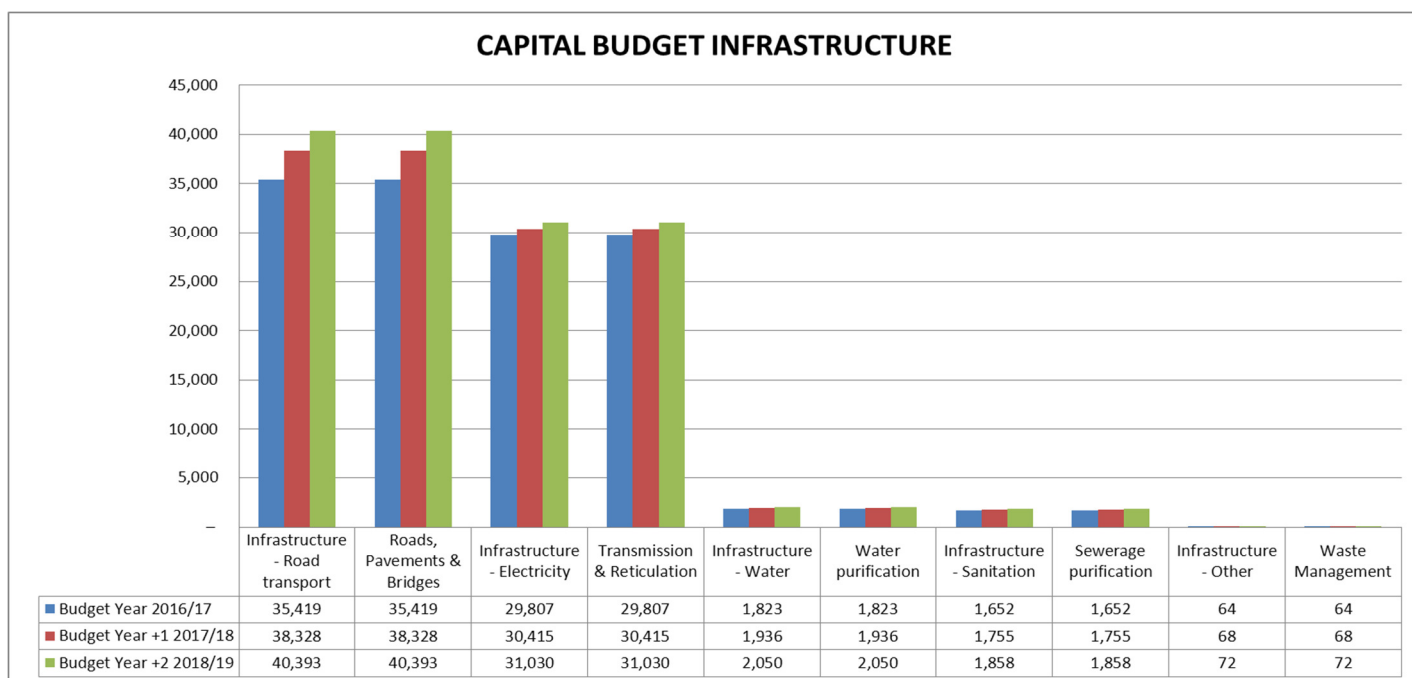
Total net assets represent 77, 1 % or R 71, 3 million of the total capital budget. Further detail relating to asset classes and proposed capital expenditure is contained in Table 26, A9 (Asset Management) on page 36. In addition to the Table A9, KZN263 Tables SA34a, b, c and d provides a detailed breakdown of the capital programme relating to new asset construction; capital asset renewal as well as operational repairs and maintenance by asset class (refer to pages 88, 89 and 90). Some of the salient projects to be undertaken over the medium-term includes, amongst others:

- Cemetery development;
- Parks, recreational facilities and swimming pools;
- Fire fighting and security equipment;
- Customer care offices;
- Electricity for all (backlog eradication) – from ESKOM and the Municipality;
- Refurbishment and renewal electrical network;
- New electricity infrastructure;
- Public lighting;
- Waste water treatment works;
- Upgrading and renewal of sewers;
- Bulk supply and backlog eradication of water;
- Refurbishment and renewal of water network;
- Backlog eradication of roads;
- Backlog eradication of storm water drainage;
- Rehabilitation of roads; and
- Extension of main entry roads.

Furthermore pages 92 to 96 contain a detail breakdown of the capital budget per project over the medium-term.

The following graph provides a breakdown of the capital budget to be spent on infrastructure related projects over the MTREF.

Figure 2 Capital Infrastructure Programme



Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 61 A5. It needs to be noted that as part of the 2016/17 MTREF, this expenditure has been factored into the two outer years of the operational budget.

Annual Budget Tables

The following eighteen 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 2016/17 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

Table 17 KZN263 Table SA1 - Budget Summary

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>											
Net Property Rates		41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>											
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - electricity revenue		126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
Service charges - water revenue	6										
Total Service charges - water revenue		30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>											
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - water revenue		30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>											

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - sanitation revenue		16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
Service charges - refuse revenue	6										
Total refuse removal revenue		12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Other Revenue by source											
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Other Revenue		-	-	-	2,577	-	15,153	15,153	1,620	1,735	3,463
Burial fees		-	-	-	180	180	180	180	192	204	216
Encroachment fees		1,599	43,348	45,828	53	53	55	55	57	60	64
Photostat Copies		-	-	-	46	21	20	20	23	24	25
Special Consent		-	-	-	-	40	39	39	43	45	48
Gate fees		-	-	-	-	1	2	2	1	1	1
Building Plan fees		-	-	-	53	15	17	17	16	17	18
SETA		-	-	-	197	-	-	-	-	-	-
Tender deposits		-	-	-	300	60	50	50	64	68	72
Rates Clearances		-	-	-	73	60	55	55	64	68	72
Monument Fees		-	-	-	29	29	20	20	31	32	34
Total 'Other' Revenue	3	1,599	43,348	45,828	3,507	459	15,591	15,591	2,109	2,255	4,013
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	57,446	61,465	73,915	72,132	71,355	55,229	55,229	81,418	87,280	93,303
Pension and UIF Contributions		603	612	647	15,485	15,053	14,467	14,467	16,107	17,267	18,458
Medical Aid Contributions		4,080	4,589	4,942	5,677	5,643	5,313	5,313	6,038	6,473	6,919
Overtime		10,403	8,996	12,348	9,633	16,812	16,736	16,736	17,989	19,284	20,615
Performance Bonus		4,315	4,590	4,810	6,676	5,575	5,454	5,454	7,078	7,585	8,107

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Motor Vehicle Allowance		6,839	10,554	8,751	7,269	7,176	7,018	7,018	7,679	8,231	8,799
Cell phone Allowance		11,943	12,085	12,839	583	571	556	556	611	655	700
Housing Allowances		342	262	250	334	1,035	1,037	1,037	1,108	1,187	1,269
Other benefits and allowances		1,944	2,270	2,052	2,703	2,248	2,738	2,738	4,298	4,608	4,926
Payments in lieu of leave		3,743	2,298	2,002	2,848	3,579	3,579	3,579	3,815	4,051	4,291
Long service awards		28	29	32	36	29	28	28	31	34	36
Post-retirement benefit obligations		–	–	–	3,636	5,402	5,402	5,402	5,758	6,115	6,476
sub-total	4	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
Contributions recognised - capital											
<i>MIG</i>				40,911	35,566	35,566	35,566	35,566	35,078	37,966	40,009
<i>INEG</i>		9,000	9,000	9,000	18,000	20,000	18,000	18,000	20,000	20,000	20,000
Total Contributions recognised - capital		9,000	9,000	49,911	53,566	55,566	53,566	53,566	55,078	57,966	60,009
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		96,145	88,655	82,095	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Lease amortisation		–	19,664	9,058	–	–	–	–	–	–	–
Capital asset impairment		96	96	1,393	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE		–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	10	96,241	108,415	92,546	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Bulk purchases											
Electricity Bulk Purchases		112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Total bulk purchases	1	112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Transfers and grants											
Cash transfers and grants		–	–	–	105	170	95	95	181	192	204
Non-cash transfers and grants		–	–	–	13,991	16,000	15,798	15,798	17,056	18,113	19,182
Total transfers and grants	1	–	–	–	14,096	16,170	15,893	15,893	17,237	18,306	19,386
Contracted services											
<i>List services provided by contract</i>		26,703	28,723	43,121	35,292	38,574	26,558	26,558	37,317	39,329	–
<i>Internal Audit</i>					2,000	2,000			2,132	2,264	2,398

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Meter Reading					2,000	2,600	2,556	2,556	2,772	2,943	3,117
Computer Services					720	550	478	478	586	623	659
VAT Consultant					-	900	893	893	959	1,019	1,079
Parks					6,665	6,150	6,097	6,097	6,556	6,962	7,373
Security					12,000	12,100	12,068	12,068	12,899	13,698	14,507
Refuse Removal					10,500	10,400	9,343	9,343	11,086	11,774	12,468
Steiner					12	22	22	22	23	25	26
Digging of Graves					50	50	26	26	53	57	60
Electricity-Engineer					1,200	500	398	398	533	566	599
WSSA					370	370	370	370	394	419	444
Munsoft					1,000	1,500	1,487	1,487	1,599	1,698	1,798
Infrastructure Plan					1,000	1,000	1,000	1,000	1,066	1,132	1,199
Shared Services					500	500			533	566	599
Nurses' working with traffic											
Forensic Auditors					220	720			768	815	863
Brandfin Trade cc											
Total client services											
Commission on vendor sales					1,089	1,089	1,070	1,070	1,161	1,233	1,306
Photocopiers & faxes					750	600	508	508	640	679	719
Lease of vehicles					17,105	16,850	13,152	13,152	17,962	19,076	20,201
Telephones					1,000	1,180	1,176	1,176	1,258	1,336	1,415
sub-total	1	26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Allocations to organs of state:											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total contracted services		26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Other Expenditure By Type											
Collection costs		6,586	-	57,183	-	-	-	-	-	-	-
Contributions to 'other' provisions		68	(135)	-	-	-	-	-	-	-	-
Consultant fees		532	672	1,522	1,050	850	400	400	1,108	1,169	-
Audit fees		1,283	2,482	5,234	2,000	2,000	3,909	3,909	2,132	2,264	2,398
General expenses	3	66,933	81,933	77,677	20,241	34,913	-	-	11,856	11,495	55,222

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
<i>List Other Expenditure by Type</i>		-	-	-	-	-	-	-	-	-	-
Ward Committee Members		-	-	-	2,800	2,400	2,237	2,237	2,558	2,717	2,877
Newsletter & Radio Slot		-	-	-	150	150	150	150	160	170	171
Advertisements & Notices		-	-	-	500	350	339	339	373	396	420
Allowances & Pensioners Contributions		-	-	-	1,746	1,400	1,129	1,129	1,492	1,585	1,678
Banking Services		-	-	-	1,550	1,350	1,178	1,178	1,439	1,528	1,619
Brochures & Postcards		-	-	-	10	10	10	10	111	11	12
Cartage & Rail age		-	-	-	75	75	48	48	80	85	90
Chemicals		-	-	-	2,575	3,525	3,390	3,390	3,758	3,991	4,226
Cleaning Materials		-	-	-	437	404	327	327	431	457	484
Conference Fees & Travelling		-	-	-	3,020	3,128	3,450	3,450	3,334	3,541	3,750
Municipal Services		-	-	-	6,655	7,132	7,007	7,007	7,603	8,074	8,550
Compensation Commissioner		-	-	-	550	550	550	550	586	623	659
Strategic Planning Sessions & Refreshments		-	-	-	187	192	133	133	205	217	230
Budget Road show		-	-	-	500	650	500	500	693	736	779
First Aid Supplies		-	-	-	16	16	-	-	17	18	19
Council Community Projects		-	-	-	1,000	1,000	1,000	1,000	1,066	1,132	1,199
LED Projects & Poverty Alleviation		-	-	-	3,300	5,400	3,076	3,076	5,756	6,113	6,474
Spluma		-	-	-	1,000	1,000	1,000	1,000	1,066	1,132	1,199
Indigent Burials		-	-	-	220	220	204	204	235	249	264
Insurances		-	-	-	1,000	1,750	1,762	1,762	1,866	1,981	2,098
Total 'Other' Expenditure	1	75,402	84,953	141,615	50,580	68,464	31,799	31,799	47,923	49,685	94,418
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure		13,804	12,227	15,064	25,741	24,653	19,371	19,371	26,301	27,932	29,580
Total Repairs and Maintenance Expenditure	9	13,804	12,227	15,064	25,741	24,653	19,371	19,371	26,301	27,932	29,580

Explanatory notes to KZN263 Table A1 - Budget Summary

1. *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).*
2. *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.*
3. *Financial management reforms emphasises 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 negative 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 are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.*
4. *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. This place 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 2018/19, when a smaller deficit is reflected.*
5. *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. It is anticipated that by 2018/19 the water backlog will have been very nearly eliminated.*

Table 18 KZN263 Table SA2 - Budgeted Financial Performance (Revenue and Expenditure by Standard Classification)

Description	Vote 1 - Municipal Governance & Administration	Vote 2 - Budget & Treasury	Vote 3 - Corporate Services	Vote 4 - Community & Public Safety	Vote 5 - Technical Services	Vote 6 - Trading Services	Vote 7 - Other	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
	R thousand															
Revenue By Source																
Property rates	-	64,184	-	-	-	-	-	-	-	-	-	-	-	-	-	64,184
Property rates - penalties & collection charges	-	2,132	-	-	-	-	-	-	-	-	-	-	-	-	-	2,132
Service charges - electricity revenue	-	-	-	-	-	175,450	-	-	-	-	-	-	-	-	-	175,450
Service charges - water revenue	-	-	-	-	-	43,681	-	-	-	-	-	-	-	-	-	43,681
Service charges - sanitation revenue	-	-	-	-	-	26,428	-	-	-	-	-	-	-	-	-	26,428
Service charges - refuse revenue	-	-	-	-	-	19,496	-	-	-	-	-	-	-	-	-	19,496
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	858	167	211	196	-	-	-	-	-	-	-	-	-	-	1,432
Interest earned - external investments	-	1,956	-	-	-	-	-	-	-	-	-	-	-	-	-	1,956
Interest earned - outstanding debtors	-	16	-	-	-	-	-	-	-	-	-	-	-	-	-	16
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	1,606	-	-	-	-	-	-	-	-	-	-	-	1,606
Licences and permits	-	-	-	2,468	2,132	-	-	-	-	-	-	-	-	-	-	4,600
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	15	1,633	-	252	147	6,168	-	-	-	-	-	-	-	-	-	8,215
Transfers recognised - operational	-	109,509	-	3,681	36,476	20,000	100	-	-	-	-	-	-	-	-	169,766
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	15	180,288	167	8,219	38,951	291,223	100	-	-	-	-	-	-	-	-	518,963
Expenditure By Type																
Employee related costs	6,767	18,082	12,676	24,763	20,442	53,503	391	-	-	-	-	-	-	-	-	136,624
Remuneration of councillors	16,620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,620
Debt impairment	7,461	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,461
Depreciation & asset impairment	4,527	507	4,398	6,637	26,119	68,771	-	-	-	-	-	-	-	-	-	110,958
Finance charges	-	693	-	-	-	-	-	-	-	-	-	-	-	-	-	693

Description	Vote 1 - Municipal Governance & Administration	Vote 2 - Budget & Treasury	Vote 3 - Corporate Services	Vote 4 - Community & Public Safety	Vote 5 - Technical Services	Vote 6 - Trading Services	Vote 7 - Other	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
	R thousand															
Bulk purchases	-	-	-	-	-	159,013	-	-	-	-	-	-	-	-	-	159,013
Other materials	-	21	1,386	1,632	9,845	13,555	2	-	-	-	-	-	-	-	-	26,439
Contracted services	5,328	5,822	3,518	20,940	12,046	21,863	-	-	-	-	-	-	-	-	-	69,516
Transfers and grants	-	1,625	-	-	1,398	15,457	100	-	-	-	-	-	-	-	-	18,580
Other expenditure	27,385	9,091	3,667	6,726	-	32,647	138	-	-	-	-	-	-	-	-	79,653
Loss on disposal of PPE	-	-	-	-	13,314	-	-	-	-	-	-	-	-	-	-	13,314
Total Expenditure	68,089	35,842	25,644	60,698	83,162	364,808	630	-	-	-	-	-	-	-	-	638,873
Surplus/(Deficit)	(68,073)	144,446	(25,477)	(52,479)	(44,212)	(73,585)	(530)	-	-	-	-	-	-	-	-	(119,910)
Transfers recognised - capital	-	-	-	-	35,078	20,000	-	-	-	-	-	-	-	-	-	55,078
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(68,073)	144,446	(25,477)	(52,479)	(9,134)	(53,585)	(530)	-	-	-	-	-	-	-	-	(64,832)

Explanatory notes to KZN263 Table A2 - Budgeted Financial Performance (Revenue and Expenditure by Standard Classification)

1. *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.*
2. *Note the Total Revenue on this table includes capital revenues (Transfers recognised – Capital) and so does not balance to the operating revenue shown on Table A4.*
3. *Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case for Electricity, Water, Solid Waste and Waste water functions. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.*
4. *Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under Governance & Administration.*

Table 19 KZN263 Table SA3 - Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		–	41,643	26,071	26,071	26,071	26,071	26,071	26,071	26,071	26,071
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	–	41,643	26,071	26,071	26,071	26,071	26,071	26,071	26,071	26,071
Consumer debtors											
Consumer debtors		57,066	46,962	74,485	74,485	74,485	74,485	74,485	74,485	74,485	74,485
Less: Provision for debt impairment		(26,293)	(4,992)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)
Total Consumer debtors	2	30,773	41,970	69,517	69,517	69,517	69,517	69,517	69,517	69,517	69,517
Debt impairment provision											
Balance at the beginning of the year											
Contributions to the provision		(26,293)	(31,237)	–	–	–	–	–	–	–	–
Bad debts written off											
Balance at end of year		(26,293)	(31,237)	–	–	–	–	–	–	–	–
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		5,050,148	3,093,183	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856
Leases recognised as PPE	3	–	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		3,299,343	1,551,688	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380
Total Property, plant and equipment (PPE)	2	1,750,805	1,541,495	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–	1,381	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		–	–	–	–	–	–	–	–	–	–
Total Current liabilities - Borrowing		–	1,381	–	–	–	–	–	–	–	–

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Trade and other payables											
Trade and other creditors		35,956	57,094	66,129	66,129	66,129	66,129	66,129	66,129	66,129	66,129
Unspent conditional transfers		33,505	6,310	5,245	5,245	5,245	5,245	5,245	5,245	5,245	5,245
VAT		(1,221)	(3,402)	-	-	-	-	-	-	-	-
Total Trade and other payables	2	68,240	60,002	71,374	71,374	71,374	71,374	71,374	71,374	71,374	71,374
Non current liabilities - Borrowing											
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		-	3,195	7	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		-	3,195	7	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits		47,173	36,565	62,275	62,275	62,275	62,275	62,275	62,275	62,275	62,275
List other major provision items											
Refuse landfill site rehabilitation		97,133	53,122	55,632	55,632	55,632	55,632	55,632	55,632	55,632	55,632
Other		-	-	-	7	7	7	7	7	7	7
Total Provisions - non-current		144,306	89,687	117,907	117,914	117,914	117,914	117,914	117,914	117,914	117,914
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		1,790,670	1,547,502	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437
GRAP adjustments											
Restated balance		1,790,670	1,547,502	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437
Surplus/(Deficit)		(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)
Appropriations to Reserves		(2,771)	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	1,715,503	1,539,806	1,419,480	1,473,331	1,343,776	1,389,251	1,410,548	1,349,692	1,346,440	1,342,859
Reserves											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1,715,503	1,539,806	1,419,480	1,473,331	1,343,776	1,389,251	1,410,548	1,349,692	1,346,440	1,342,859

Explanatory notes to KZN263 Table A3 - Budgeted Financial Performance (Revenue and Expenditure by municipal vote)

1. 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 organisational 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.

Table 20 Surplus/ (Deficit) calculations for the trading services

Vote Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote									
Vote 1 - Municipal Governance & Administration	6,161	6,909	1,049	9,018	9,013	9,013	15	16	16
Vote 2 - Budget & Treasury	115,747	154,317	206,917	167,262	166,622	159,781	180,288	192,578	204,779
Vote 3 - Corporate Services	697	2,837	3,797	332	907	907	167	178	188
Vote 4 - Community & Public Safety	7,244	14,944	14,120	9,496	7,552	5,692	8,219	8,654	9,098
Vote 5 - Technical Services	26,806	54,846	51,431	39,706	39,305	40,113	38,942	40,595	42,793
Vote 6 - Trading Services	202,099	234,535	233,674	283,965	266,567	236,932	291,223	318,346	348,180
Vote 7 - Other	100	50	–	100	100	50	100	100	100
Total Revenue by Vote	358,855	468,438	510,988	509,879	490,066	452,488	518,956	560,466	605,154

None

2. The electricity trading is showing signs of improvement over the 2016/17 MTREF from a deficit in the adjustment budget for 2015/16 of approximately R 50,9 million to a deficit of R 32,7 million in 2016/17 and increases in the outer two years. This is primarily as a result of the high increases in ESKOM bulk purchases and the tariff setting policy of the municipality to buffer the impact of these increases on individual consumers as well as additional requirements from the Section to upgrade the ageing infrastructure which is a non-cash item of depreciation.
3. The deficit on the water account remains relatively constant over the MTREF translating into a deficit of R 7,8 million and R 6,5 million for each of the respective outer financial years; and in the 2016/17 a deficit of R 8,8 million is forecast. This is mainly due to the non-cash item of depreciation.
4. Note that there is no longer surpluses on these trading accounts that can be utilised as an internal funding source for the capital programme for asset renewal, refurbishment and the development of new asset infrastructure, and are not used to cross-subsidise other municipal services.

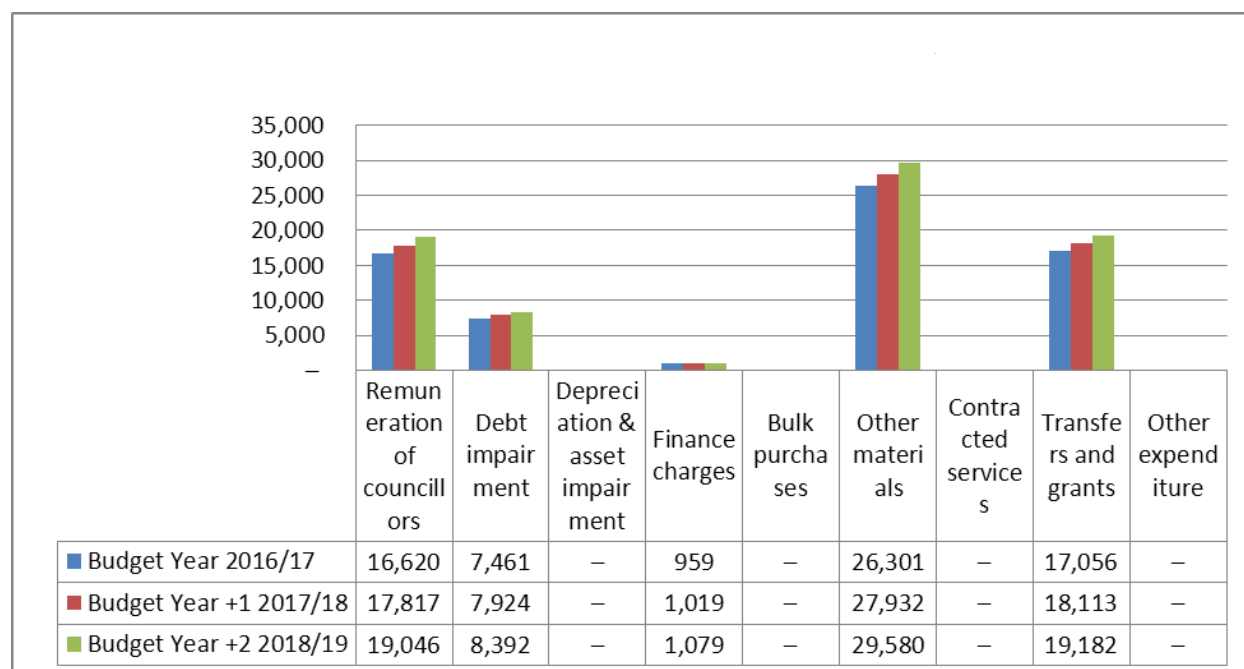
Table 21 KZN263 Table A4 - Budgeted Financial Performance (Revenue and Expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Revenue By Source											
Property rates	2	41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
Property rates - penalties & collection charges		851	1,306	1,890	1,700	2,000	1,999	1,999	2,132	2,264	2,398
Service charges - electricity revenue	2	126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
Service charges - water revenue	2	30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
Service charges - sanitation revenue	2	16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
Service charges - refuse revenue	2	12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		800	1,189	1,297	1,387	1,159	805	805	1,463	1,542	-
Interest earned - external investments		3,979	4,375	3,166	3,406	1,835	977	977	1,956	2,077	2,200
Interest earned - outstanding debtors		-	-	-	-	15	-	-	16	17	18
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		1,982	9,375	8,297	3,506	2,007	314	314	1,713	1,819	1,927
Licences and permits		5,216	4,415	4,063	4,538	4,215	3,802	3,802	4,493	4,772	5,053
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		107,975	135,051	113,621	112,027	114,616	110,232	131,529	114,588	121,245	129,171
Other revenue	2	1,599	43,348	45,828	3,507	459	15,591	15,591	2,109	2,255	4,013
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		349,855	459,439	461,077	456,312	433,083	398,972	420,269	463,878	502,500	545,145
Expenditure By Type											
Employee related costs	2	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
Remuneration of councillors		12,093	13,981	14,819	16,390	15,533	15,555	15,555	16,620	17,817	19,046
Debt impairment	3	4,599	7,128	16,848	1,698	7,000	7,000	7,000	7,461	7,924	8,392
Depreciation & asset impairment	2	96,241	108,415	92,546	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Finance charges		2,325	3,079	1,623	650	900	650	650	959	1,019	1,079
Bulk purchases	2	112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Other materials	8	-	-	-	25,691	24,673	19,371	19,371	26,301	27,932	29,580
Contracted services		26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Transfers and grants		-	-	-	14,096	16,170	15,893	15,893	17,237	18,306	19,386

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Other expenditure	4, 5	75,402	84,953	141,615	50,580	68,464	31,799	31,799	47,923	49,685	94,418
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		431,250	476,135	560,945	505,984	614,310	532,724	532,724	638,701	683,463	731,732

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

1. Total revenue is R 463, 8 million in 2016/17 and escalates to R545, 1 million by 2018/19. This represents a year-on-year increase of 6, 6% for the 2016/17 financial year and 5.9% for the 2018/19 financial year.
2. Revenue to be generated from property rates is R 64,1 million in the 2016/17 financial year and increases to R 72,1 million by 2018/19 which represents 13,8% of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at 6, 2% and 5, 9% for each of the respective financial years of the MTREF.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R271,2 million for the 2016/17 financial year and increasing to R 328,1 million by 2018/19. A notable trend is the growth in the total percentage revenue generated from services charges which remains constant at 6,6%, 6,2% and 5,9% in 2016/17, 2017/18 and 2018/19. This can be mainly attributed to the cost of bulk electricity increase in the Eskom tariffs for bulk electricity remaining at 10% in the outer two years.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF by 5,9 for the two outer years. The percentage share of this revenue source increases due to the new formula that was implemented for the Equitable Share allocation.
5. The following graph illustrates the major expenditure items per type.

Figure 3 Expenditure by Major Type

6. *Bulk purchases have significantly increased over the 2015/16 to 2018/19 period escalating from R 145 million to R 190 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from ESKOM.*
7. *Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.*

Table 22 KZN263 Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Municipal Governance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community & Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Services		-	-	40,911	35,566	35,566	35,566	35,566	35,078	37,966	40,009
Vote 6 - Trading Services		9,000	9,000	9,000	18,000	20,000	20,000	20,000	20,000	20,000	20,000
Vote 7 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	9,000	9,000	49,911	53,566	55,566	55,566	55,566	55,078	57,966	60,009
Single-year expenditure to be appropriated	2										
Vote 1 - Municipal Governance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		49	63	38	600	400	400	400	426	453	480
Vote 3 - Corporate Services		63	110	275	770	770	770	770	821	872	923
Vote 4 - Community & Public Safety		122	151	65	1,670	1,250	1,250	1,250	1,333	1,415	1,499
Vote 5 - Technical Services		33	381	39	335	360	360	360	384	408	432
Vote 6 - Trading Services		27	1,955	5,141	8,075	12,520	12,520	12,520	13,346	14,174	15,010
Vote 7 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		294	2,660	5,558	11,450	15,300	15,300	15,300	16,310	17,321	18,343
Total Capital Expenditure - Vote		9,294	11,660	55,469	65,016	70,866	70,866	70,866	71,388	75,287	78,352

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2016/17 R 55 million has been allocated of the total R 71,3 million capital budgets, which total 77,1%. This allocation increases to R 57,9 million in 2017/18 and then increases to R 60 million in 2018/19
3. Single-year capital expenditure has been appropriated at R 16, 3 million for the 2016/17 financial year and increases over the MTREF at levels of R 17,3 million and R 18,3 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations and internally generated funds from current year surpluses. For 2016/17, capital transfers totals R 55 million and increases to R 60 million by 2018/19. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

Table 23 KZN263 Table A6 - Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Current assets											
Cash		83,211	53,151	10,565	10,565	10,565	10,565	10,565	10,565	10,565	10,565
Call investment deposits	1	–	41,643	26,071	26,071	26,071	26,071	26,071	26,071	26,071	26,071
Consumer debtors	1	30,773	41,970	69,517	69,517	69,517	69,517	69,517	69,517	69,517	69,517
Other debtors		28,045	26,646	18,191	18,191	18,191	18,191	18,191	18,191	18,191	18,191
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	7,621	7,894	11,943	11,943	11,943	11,943	11,943	11,943	11,943	11,943
Total current assets		149,650	171,304	136,287	136,287	136,287	136,287	136,287	136,287	136,287	136,287
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		9,766	27,677	25,390	25,390	25,390	25,390	25,390	25,390	25,390	25,390
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	1,750,805	1,541,495	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		738	570	202	202	202	202	202	202	202	202
Other non-current assets		–	–	3,854	3,854	3,854	3,854	3,854	3,854	3,854	3,854
Total non current assets		1,761,309	1,569,742	1,536,922	1,536,922	1,536,922	1,536,922	1,536,922	1,536,922	1,536,922	1,536,922
TOTAL ASSETS		1,910,959	1,741,046	1,673,209	1,673,209	1,673,209	1,673,209	1,673,209	1,673,209	1,673,209	1,673,209
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	1,381	–	–	–	–	–	–	–	–
Consumer deposits		12,286	12,841	13,103	13,103	13,103	13,103	13,103	13,103	13,103	13,103
Trade and other payables	4	68,240	60,002	71,374	71,374	71,374	71,374	71,374	71,374	71,374	71,374
Provisions		0	–	1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381
Total current liabilities		80,526	74,224	85,858	85,858	85,858	85,858	85,858	85,858	85,858	85,858
Non current liabilities											
Borrowing		–	3,195	7	–	–	–	–	–	–	–

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Provisions		144,306	89,687	117,907	117,914	117,914	117,914	117,914	117,914	117,914	117,914
Total non current liabilities		144,306	92,882	117,914	117,914	117,914	117,914	117,914	117,914	117,914	117,914
TOTAL LIABILITIES		224,832	167,106	203,772	203,772	203,772	203,772	203,772	203,772	203,772	203,772
NET ASSETS	5	1,686,127	1,573,940	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		1,686,127	1,573,940	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437
Reserves	4	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	1,686,127	1,573,940	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 66 is supported by an extensive table of notes (SA3 which can be found on page 41) providing a detailed analysis of the major components of a number of items, including:
 - *Call investments deposits;*
 - *Consumer debtors;*
 - *Property, plant and equipment;*
 - *Trade and other payables;*
 - *Provisions non current;*
 - *Changes in net assets; and*
 - *Reserves*
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 24 KZN263 Table A7 - Budgeted Cash Flow from Operating activities Statement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		16,270	38,866	46,744	62,326	59,298	(824,883)	48,362	66,316	70,427	74,583
Service charges		185,879	210,439	223,905	265,615	245,967	214,594	162,324	271,223	298,346	328,180
Other revenue		9,596	58,327	59,485	11,097	8,484	6,440	4,286	44,866	48,539	51,187
Government - operating	1	93,950	133,084	122,592	131,869	131,869	131,869	131,869	134,588	141,061	148,988
Government - capital	1	9,000	9,000	49,911	53,566	55,566	55,566	55,566	55,078	57,966	60,009
Interest		3,979	4,375	3,166	3,406	1,850	977	1,291	1,972	2,094	2,218
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(167,332)	(418,410)	(373,528)	(445,803)	(458,903)	(458,903)	(331,609)	(620,848)	(664,498)	(711,644)
Finance charges		(2,325)	(3,079)	(1,623)	(650)	(900)	(900)	(900)	(959)	(1,019)	(1,079)
Transfers and Grants	1	(19,155)	(33,798)	(15,610)	(39,252)	(44,417)	(32,338)	(25,440)	(17,056)	(18,113)	(19,182)
NET CASH FROM/(USED) OPERATING ACTIVITIES		129,862	(1,196)	115,040	42,174	(1,186)	(907,578)	45,749	(64,821)	(65,197)	(66,740)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	(19,055)	(122)	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(9,000)	(9,000)	(49,911)	(53,566)	(55,566)	(55,566)	(55,566)	(55,078)	(57,966)	(60,009)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9,000)	(28,055)	(50,033)	(53,566)	(55,566)	(55,566)	(55,566)	(55,078)	(57,966)	(60,009)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		120,862	(29,251)	65,007	(11,392)	(56,752)	(963,144)	(9,817)	(119,899)	(123,163)	(126,749)
Cash/cash equivalents at the year begin:	2	49,917	83,211	53,151	-	-	36,636	36,636	36,636	(83,263)	(206,425)
Cash/cash equivalents at the year end:	2	170,780	53,960	118,158	(11,392)	(56,752)	(926,508)	26,819	(83,263)	(206,425)	(333,175)

Table 25 KZN263 Table A8 - Cash & Investments Backed Reserves / Accumulated Surplus Reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	170,780	53,960	118,158	(11,392)	(56,752)	(926,508)	26,819	(83,263)	(206,425)	(333,175)
Other current investments > 90 days		(87,569)	40,835	(81,522)	48,028	93,388	963,144	9,817	119,899	243,061	369,811
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		83,211	94,794	36,636	36,636	36,636	36,636	36,636	36,636	36,636	36,636
Application of cash and investments											
Unspent conditional transfers		33,505	6,310	5,245	5,245	5,245	5,245	5,245	5,245	5,245	5,245
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(16,395)	(8,868)	(17,973)	(21,105)	(20,780)	250,178	607	(30,435)	(30,400)	(30,095)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		17,110	(2,558)	(12,728)	(15,860)	(15,535)	255,423	5,852	(25,190)	(25,155)	(24,850)
Surplus(shortfall)		66,100	97,352	49,364	52,496	52,171	(218,787)	30,784	61,826	61,791	61,486

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the Municipality decreased significantly over the 2013/14 to 2014/15 period owing directly to a net decrease in cash for the 2015/16 financial year of R 53, 1 million.
4. The approved 2015/16 MTREF provided for a net decrease in cash of R 20,1 million for the 2015/16 financial year, during the Adjustment Budget the resulting changed to an overall projected cash position of R 8 million deficit at year end.
5. As part of the 2015/16 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.
6. The 2016/17 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
7. Cash and cash equivalents totals R 83 million non-cash deficit as at the end of the 2016/17 financial year and escalates to R 331 million deficits by 2018/19.

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with Section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. *From the table it can be seen that for the period 2016/17 to 2018/19 the surplus remains constant at R 61 million.*

6. *As part of the budgeting and planning guidelines that informed the compilation of the 2016/17 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to Section 18 of the MFMA.*
7. *As can be seen the draft budget has been modelled to a surplus of R61, 8 million in 2016/17 to surplus of R 61, 4 million by 2018/19. These figures will be revisited before the tabling of the final budget in May 2016.*

Table 26 KZN263 Table A9 - Asset Management

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	9,294	11,660	55,469	65,016	70,866	70,866	71,388	75,287	78,352
Infrastructure - Road transport		–	128	40,929	35,861	35,861	35,861	35,419	38,328	40,393
Infrastructure - Electricity		9,027	10,919	13,524	22,180	29,200	29,200	29,807	30,415	31,030
Infrastructure - Water		–	22	–	2,025	1,710	1,710	1,823	1,936	2,050
Infrastructure - Sanitation		–	14	591	1,550	1,550	1,550	1,652	1,755	1,858
Infrastructure - Other		–	–	26	320	60	60	64	68	72
Infrastructure		9,027	11,083	55,070	61,936	68,381	68,381	68,765	72,502	75,403
Community		122	151	65	1,670	1,250	1,250	1,333	1,415	1,499
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	145	426	334	1,410	1,235	1,235	1,290	1,370	1,451
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure	–	–	–	–	–	–	–	–	–	–
Community	–	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4	–	128	40,929	35,861	35,861	35,861	35,419	38,328	40,393
Infrastructure - Road transport		–	128	40,929	35,861	35,861	35,861	35,419	38,328	40,393
Infrastructure - Electricity		9,027	10,919	13,524	22,180	29,200	29,200	29,807	30,415	31,030

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<i>Infrastructure - Water</i>		–	22	–	2,025	1,710	1,710	1,823	1,936	2,050
<i>Infrastructure - Sanitation</i>		–	14	591	1,550	1,550	1,550	1,652	1,755	1,858
<i>Infrastructure - Other</i>		–	–	26	320	60	60	64	68	72
Infrastructure		9,027	11,083	55,070	61,936	68,381	68,381	68,765	72,502	75,403
Community		122	151	65	1,670	1,250	1,250	1,333	1,415	1,499
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		145	426	334	1,410	1,235	1,235	1,290	1,370	1,451
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	9,294	11,660	55,469	65,016	70,866	70,866	71,388	75,287	78,352
ASSET REGISTER SUMMARY - PPE (WDV)	5									
<i>Infrastructure - Road transport</i>		685,644	682,026	178,543	739,627	178,543	178,543	178,543	178,543	178,543
<i>Infrastructure - Electricity</i>		623,358	596,992	572,862	623,672	572,862	572,862	572,862	572,862	572,862
<i>Infrastructure - Water</i>		310,864	299,714	290,010	298,444	290,010	290,010	290,010	290,010	290,010
<i>Infrastructure - Sanitation</i>		137,274	131,637	126,000	124,666	126,000	126,000	126,000	126,000	126,000
<i>Infrastructure - Other</i>		2,108	2,108	2,108	2,458	2,108	2,108	2,108	2,108	2,108
Infrastructure		1,759,248	1,712,476	1,169,523	1,788,867	1,169,523	1,169,523	1,169,523	1,169,523	1,169,523
Community		90,456	85,084	79,612	86,190	79,612	79,612	79,612	79,612	79,612
Heritage assets		3,074	3,074	3,855	3,074	3,855	3,855	3,855	3,855	3,855
Investment properties		9,766	27,677	25,390	25,390	25,390	25,390	25,390	25,390	25,390
Other assets		189,516	229,582	219,760	228,173	254,377	254,377	254,377	254,377	254,377
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		738	570	202	202	202	202	202	202	202
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2,052,798	2,058,463	1,498,341	2,131,895	1,532,958	1,532,958	1,532,958	1,532,958	1,532,958
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		96,241	108,415	92,546	21,994	104,088	104,088	110,958	117,838	124,790
Repairs and Maintenance by Asset Class	3	13,804	12,227	15,064	25,741	24,654	19,371	26,301	27,933	29,580
<i>Infrastructure - Road transport</i>		5,379	4,792	5,921	9,015	9,215	4,041	9,823	10,432	11,048
<i>Infrastructure - Electricity</i>		4,322	2,177	2,435	7,340	6,250	5,205	6,663	7,076	7,493
<i>Infrastructure - Water</i>		2,390	3,019	3,311	3,404	4,356	5,404	4,643	4,931	5,222
<i>Infrastructure - Sanitation</i>		1,437	997	1,982	1,810	1,910	3,085	2,036	2,162	2,290
<i>Infrastructure - Other</i>		–	21	–	500	200	–	213	266	240

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Infrastructure		13,528	11,006	13,649	22,069	21,931	17,735	23,378	24,867	26,292
Community		423	838	769	2,050	1,401	393	1,632	1,734	1,838
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	(146)	383	645	1,622	1,322	1,244	1,292	1,331	1,450
TOTAL EXPENDITURE OTHER ITEMS		110,046	120,641	107,609	47,735	128,742	123,459	137,259	145,770	154,370

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 % of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8% of PPE. The Municipality is not able to meet both these recommendations.
3. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the Municipality's strategy to address the maintenance backlog.

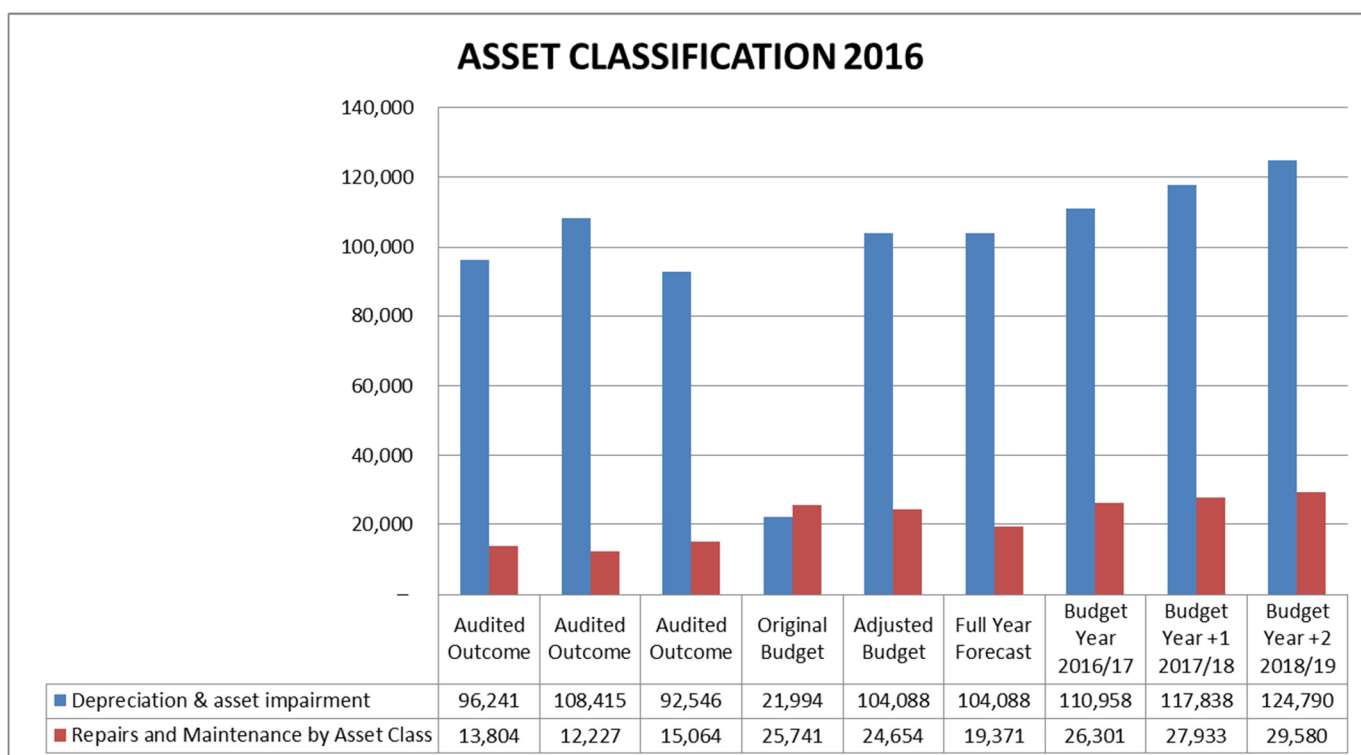


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

Table 27 KZN263 Table A10 - Basic Service Delivery Measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		17,237	17,237	17,237	67,076	67	67	67	67	67
Piped water inside yard (but not in dwelling)		14,020	14,020	14,020	64,999	65	65	65	65	65
Using public tap (at least min.service level)	2	-	-	14,024	14,024	14	14	14	14	14
Other water supply (at least min.service level)	4	12,204	12,204	7,396	7,396	7	7	7	7	7
<i>Minimum Service Level and Above sub-total</i>		43,461	43,461	52,677	153,495	153	153	153	153	153
Using public tap (< min.service level)	3	3,207	3,207	3,207	3,207	3,207	3,207	3,207	3,207	3,207
Other water supply (< min.service level)	4	1,919	1,919	1,919	1,919	1,919	1,919	1,919	1,919	1,919
No water supply		40,232	40,232	40,232	40,232	40,232	40,232	40,232	40,232	40,232
<i>Below Minimum Service Level sub-total</i>		45,358	45,358	45,358	45,358	45,358	45,358	45,358	45,358	45,358
Total number of households	5	88,819	88,819	98,035	198,853	45,511	45,511	45,511	45,511	45,511
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		17,723	17,723	68,157	68,157	68,157	68,157	68,157	68,157	68,157
Flush toilet (with septic tank)		1,226	1,226	4,506	4,506	4,506	4,506	4,506	4,506	4,506
Chemical toilet		2,241	2,241	11,208	11,208	11,208	11,208	11,208	11,208	11,208
Pit toilet (ventilated)		4,399	4,399	22,379	22,379	22,379	22,379	22,379	22,379	22,379
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		25,589	25,589	106,250	106,250	106,250	106,250	106,250	106,250	106,250
Bucket toilet		200	200	919	919	919	919	919	919	919
Other toilet provisions (< min.service level)		10,219	10,219	53,876	53,876	53,876	53,876	53,876	53,876	53,876
No toilet provisions		5,512	5,512	28,842	28,842	28,842	28,842	28,842	28,842	28,842
<i>Below Minimum Service Level sub-total</i>		15,931	15,931	83,637	83,637	83,637	83,637	83,637	83,637	83,637
Total number of households	5	41,520	41,520	189,887	189,887	189,887	189,887	189,887	189,887	189,887
Energy:										
Electricity (at least min.service level)		31,223	31,223	19,781	19,781	19,781	19,781	19,781	19,781	19,781
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		31,223	31,223	19,781	19,781	19,781	19,781	19,781	19,781	19,781
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		11,886	11,886	3,243	3,243	3,243	3,243	3,243	3,243	3,243
<i>Below Minimum Service Level sub-total</i>		11,886	11,886	3,243	3,243	3,243	3,243	3,243	3,243	3,243

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Total number of households	5	43,109	43,109	23,024	23,024	23,024	23,024	23,024	23,024	23,024
<u>Refuse:</u>										
Removed at least once a week		17,985	17,985	11,257	11,257	11,257	11,257	11,257	11,257	11,257
<i>Minimum Service Level and Above sub-total</i>		17,985	17,985	11,257	11,257	11,257	11,257	11,257	11,257	11,257
Removed less frequently than once a week		434	434	1,270	1,270	1,270	1,270	1,270	1,270	1,270
Using communal refuse dump		511	511	1,763	1,763	1,763	1,763	1,763	1,763	1,763
Using own refuse dump		20,764	20,764	105,738	105,738	105,738	105,738	105,738	105,738	105,738
Other rubbish disposal		868	868	3,816	3,816	3,816	3,816	3,816	3,816	3,816
No rubbish disposal		2,728	2,728	15,010	15,010	15,010	15,010	15,010	15,010	15,010
<i>Below Minimum Service Level sub-total</i>		25,305	25,305	127,597	127,597	127,597	127,597	127,597	127,597	127,597
Total number of households	5	43,290	43,290	138,854	138,854	138,854	138,854	138,854	138,854	138,854
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		-	-	-	-	-	-	-	-	-
Highest level of free service provided per household										
Property rates (R value threshold)		80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other	6									
Total revenue cost of subsidised services provided		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. *Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.*
2. *The Municipality continues to make good progress with the eradication of backlogs:*
 - a. *Water services – backlog will remain the same in 2016/17 as in 2015/16. These households are largely found in ‘rural areas’ and will need to be moved to formal areas so that they can receive services.*
 - b. *Sanitation services – backlog will remain the same over the MTREF*
 - c. *Electricity services – backlogs will be reduced in ESKOM supplied areas*
 - d. *Refuse services – backlog will be reduced in 2016/17, and in the outer two years of the MTREF. However it should be noted that this function is being investigated with a view to realising greater efficiencies, which is likely to translate into a more rapid process to address backlogs.*
3. *The budget provides for all households applying as indigent in 2016/17 to be registered and on approval from EXCO be entitled to receive Free Basic Services. The number is set to increase given the rapid rate of in-migration to the Municipality, especially by poor people seeking economic opportunities.*
4. *It is anticipated that these Free Basic Services will cost the municipality R 17,2 million in 2016/17, increasing to R 19,3 million in 2018/19. This is covered by the municipality’s equitable share allocation from national government.*
5. *In addition to the Free Basic Services, the Municipality also ‘gives’ households R 17,2 million in free services in 2016/17. This “tax expenditure” needs to be seen within the context of the municipality’s overall revenue management strategy – the more the municipality gives away, the less there is available to fund other services. Currently, the “free services” represent about 2,98% of total operating revenue.*

Part 2 – Supporting Documentation**Overview of the Annual Budget Process**

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

The Budget Steering Committee consists of EXCO and MANCOM of the municipality meeting under the chairpersonship of the Finance Portfolio.

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

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

The above process was followed during the preparation of the budget.

Budget Process Overview

In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2016) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 31 August 2015. Key dates applicable to the process were:

- **August 2015:**
- Table IDP Process Plan to EXCO and Council for approval
- Submit Annual Performance Report to Treasury

September 2015:

- 1st IDP Representative Forum meeting
- Planning meeting and establishment of Budget Committee including review of IDP and budget policies as per Gazette 32141
- **October 2015 - Budget Framework**
- IDP Steering Committee meeting to address 2015/2016 IDP MEC comments and consider analysis report
- CBP workshop
- **November 2015**
- **Presentation of Departmental and Capital Budgets**
- Departments to present budget requirements to Finance, including tariff proposals. Suggested amendments to Budget related Policies
- **31 March 2016 Draft Budget**
- Submit Draft budget, tariffs, SDBIP's to EXCO for recommendation to Council Submit Draft IDP to EXCO for recommendation to Council
- **13 April – 25 April 2016 – Public consultation;**
- **28 April – 4 May 2016 – Balancing of budget**
- **28 April 2016 - Closing date for written comments;**
- **28 May 2016 - Tabling of the 2016/17 MTREF before Council for consideration and approval.**

IDP and Service Delivery and Budget Implementation Plan

The Abaqulusi Municipality implemented a new five-year IDP for the period July 2012 to June 2017 to inform and guide the current elected public representatives in their term of office. This document outlines the Municipality's intent in terms of the agreed six strategic focus areas that are required to overcome Abaqulusi challenges, achieve its vision, and give effect to its other strategic considerations

It started in October 2015 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2016/17 MTREF in August.

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

Registration of community needs;

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

The IDP has been taken into a business and financial planning process leading up to the 2016/17 MTREF, based on the approved 2015/16 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2016/17 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/16 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

Full compliance was done by the municipality during the compilation of the 2016/17 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2016/17 MTREF:

- *Municipality growth*
- *Policy priorities and strategic objectives*
- *Asset maintenance*
- *Economic climate and trends (i.e. inflation, ESKOM increases, household debt, migration patterns)*
- *Performance trends*
- *The approved 2015/16 adjustments budget and performance against the SDBIP*
- *Cash Flow Management Strategy*
- *Debtor payment levels*
- *Loan and investment possibilities*
- *The need for tariff increases versus the ability of the community to pay for services;*
- *Improved and sustainable service delivery*

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 72, 74, 75, 78 and 79 has been taken into consideration in the planning and prioritisation process.

Community Consultation

The draft 2016/17 MTREF will be tabled before Council on 31 March 2016 for community consultation and will be published on the municipality's website, and hard copies made available at customer care offices, municipal notice boards and various libraries. The final will be tabled before Council on the 28th of May 2016.

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

Ward Committees will be utilised to facilitate the community consultation process and include public briefing sessions. The applicable date and venue will be published in all the local newspapers and an average attendance of 3,000 members of the community will be catered for. Other stakeholders involved in the consultation include churches, non-governmental institutions, community-based organisations and taxi associations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects will be addressed, and where relevant considered as part of the finalisation of the 2016/17 MTREF. Feedback and responses to the submissions received will be available on request. The following are some of the issues and concerns raised as well as comments received during last year's consultation process:

- Capital expenditure is not allocated to the areas in the same ratio as the income derived from those areas. This is a normal practice in a collective taxation environment. The Municipality is responsible for managing the equitable use of resources to ensure that constitutional imperative to progressively improve basic services in undeveloped areas is realized in a sustainable manner over a reasonable period of time;
- Several complaints were received regarding poor service delivery, especially waste removal backlogs and the state of road infrastructure;
- Poor performance of contractors relating to infrastructure development and maintenance especially in the areas of road construction and maintenance were raised;
- Issues were raised regarding the payment of bonuses to senior managers;
- Remuneration packages of council officials were criticized as being very high, relative their private sector counterparts within the Municipality;
- The affordability of tariff increases, especially electricity, was raised on numerous occasions. This concern was also raised by organized business as an obstacle to economic growth;
- Pensioners cannot afford the tariff increases due to low annual pension increases; and
- During the community consultation process large Sections of the community made it clear that they are not in favour of any further tariff increases to fund additional budget requests. They indicated that the municipality must do more to ensure efficiencies and value for money.

The changes affecting the final 2016/17 MTREF will be compared to the draft 2016/17 MTREF that will be tabled for community consultation will be included.

Overview of alignment of annual budget with IDP

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

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

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

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2016/17 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 28 IDP Strategic Objectives

Key Performance Area : Service Delivery & Basic Infrastructure Development		
Strategic Goal: To reduce levels of backlogs by providing Basic Services and Facilities to the people of Abaqulusi		
Strategic Focus Area/ Goal	Strategic Objectives	Development Strategy
1. Roads	<i>To provide easy access and safe roads to the people of Abaqulusi by June 2017</i>	<i>Expand accessibility in various wards</i>
		<i>Maintain existing Roads in rural & urban areas</i>
2. Storm water	<i>To have a storm water system that is safe and reliable by June 2017</i>	<i>Ensure proper control of storm water</i>
		<i>Maintenance of existing storm water network in urban and rural areas</i>
3. Water	<i>To deliver safe and reliable water networks within Abaqulusi by June 2017</i>	<i>Improve accessibility in various wards</i>
		<i>Maintenance of current Water infrastructure in rural & urban areas</i>
4. Sanitation	<i>To have a sanitation system that is reliable and efficient by 2017</i>	<i>Ensure proper disposal of sanitation</i>
		<i>Maintenance of current sewer lines network in urban and rural areas</i>
5. Electricity	<i>To deliver safe and reliable electricity networks within Abaqulusi by June 2017</i>	<i>Improve accessibility in various wards</i>
		<i>Maintenance of current electrical network in Rural and Urban Areas</i>
6. Sustainable Human Settlements	<i>To provide Sustainable Human Settlements to people of Abaqulusi by June 2017</i>	<i>Implementation of the Housing Sector Plan</i>
		<i>Strengthen relationship with the Department of Human Settlements and Implementing Agents</i>

Key Performance Area : Service Delivery & Basic Infrastructure Development		
Strategic Goal: To reduce levels of backlogs by providing Basic Services and Facilities to the people of Abaqulusi		
Strategic Focus Area/ Goal	Strategic Objectives	Development Strategy
7. Refuse Removal (solid waste) and Landfill Sites	<i>To have a refuse removal system that is reliable and efficient by 2017</i>	<i>Ensure proper removal and disposal of refuse</i>
8. Cemeteries	<i>To ensure that there is sufficient burial space available to the people of Abaqulusi by June 2017</i>	<i>Identify cemeteries that require expansion</i>
9. Libraries	<i>To provide fully functioning libraries within Abaqulusi by June 2017</i>	<i>To expand library services to the whole of Abaqulusi Municipality</i>
10. Museums	<i>To ensure promotion of Abaqulusi history within the municipal jurisdiction and Zululand district by June 2017</i>	<i>Implementation of a Municipal History Promotion Plan</i>
11. Parks	<i>To ensure proper functioning and management of municipal parks within Abaqulusi by June 2017</i>	<i>Source funding for development and upgrading of municipal parks</i>
12. Halls	<i>To ensure proper functioning and management of municipal halls within Abaqulusi by June 2017</i>	<i>Source funding for development of new structure and upgrading of existing structures</i>

Key Performance Area: Municipal Transformation and Institutional Development		
Strategic Goal: To be a municipality that has a fully qualified and competent staff compliment in order to execute all tasks as required by various legislations		
Strategic Focus Area/ Goal	Strategic Objectives	Development Strategy
1. Human Resource Management	<i>To ensure that the municipality practice sound Human Resources management by June 2017</i>	<i>Implementation of HR Policies</i>
		<i>Implementation of Employment Equity plan.</i>
		<i>Implementation of the adopted organizational structure.</i>
		<i>Ensure that employee benefits are implemented effectively and efficiently.</i>
		<i>To maintain and promote a sound Labour Relations in the municipality</i>
		<i>To maintain and update a sound records management system.</i>
2. Human Resource Development	<i>To ensure that staff as well as councillors are exposed to capacity building initiatives by June 2017</i>	<i>Implementation of 5 year Workplace Skills Plan.</i>
		<i>Implementation of Induction Plan.</i>
		<i>Implementation of annual Workplace Skills Plan.</i>
		<i>Functioning of OHS Committees and other HRD related committees.</i>
		<i>Implement terms of reference of the training committee.</i>
		<i>Implement a wellness programme.</i>
3. Council Support	<i>To ensure that Council and its committee fulfil their executive and legislative functions and effective oversight roll over administration by June 2017.</i>	<i>Implementation of Rules of Order and Order of Delegations.</i>
		<i>Monitoring of annual council programme.</i>

4. Records Management	<i>To have a fully functional and effective record system by June 2017 which is fully compliant with National Archives and Records Services Act of 1996.</i>	<i>Implementation of the records management policy.</i>
5. Public Participation	<i>Improve public participation satisfaction by June 2017.</i>	<i>To ensure that communities participate in the overall planning (IDP) legislative (By laws and oversight) PMS by June 2017.</i>
6. Fleet Management	<i>Measure controls and fleet management system</i>	<i>Implementation of the Fleet policy.</i>
7. ITC	<i>To have a website that is easily accessible and informative by June 2017</i>	<i>Monitor Website on a daily basis</i>

Key Performance Area: Financial Viability & Management		
Strategic Focus Area	Strategic Objectives (WHAT YO WANT TO ACHIEVE)	Development Strategy (HOW YOU GOING TO ACHIEVE IT)
1. Revenue	<i>To improve and protect revenue collection of the municipality by June 2017</i>	<i>Implementation of current Revenue Policies</i>
		<i>Monitor Indigent Register applications</i>
2. Expenditure	<i>To ensure full compliance of the MFMA and Municipal Policies/Procedures by June 2017</i>	<i>Ensure payment of service providers within 30 days</i>
		<i>Ensure reconciliations are performed</i>
3. SCM	<i>To ensure full compliance of the MFMA, SCM Regulations and Municipal Policies/Procedures by June 2017</i>	<i>Implementation of a Procurement Plan</i>
		<i>Implementation IUFW Register and S36/32 Register</i>
		<i>Implementation of SCM Policies</i>
		<i>Verify credibility of the SCM Database</i>
		<i>Monitor functionality of Municipal Stores</i>
4. Asset Management	<i>To have a GRAP Compliant Assets Register by June 2016</i>	<i>Constant monitoring of all municipal assets</i>
5. Budget	<i>To ensure full compliance of the MFMA and Municipal Policies/Procedures by June 2016</i>	<i>Ensure stringent control over budget implementation</i>

Key Performance Area : Good Governance and Community Participation		
Strategic Focus Area	Strategic Objectives	Development Strategy
1. Fraud and Corruption	Eradicate fraud and corruption by June 2017	Implementation of a fraud and corruption policy
2. Communication and relationship building	Improve communications between municipalities and its stakeholders by June 2017	Implementation of the Communication Strategy
3. Customer care and satisfaction	Improve current customer satisfaction by June 2017	
5. IDP	Promote integrated development planning by June 2017	Implementation of Municipal IDP Process Plan
		Implementation of Municipal IDP
6. Back to Basics	To be a municipality that primarily focuses on the Basics when rendering services	Implementation of the National Back to Basics Programme

Key Performance Area: Local Economic Development and Social Development		
Strategic Focus Area	Strategic Objectives	Development Strategy
1. Job Creation	To increase employment opportunities in the municipality by June 2017	Promoting SMME, Entrepreneurial and Youth Development
2. Natural Resources	Unleashing Agricultural Potential by June 2017	Support for and development of local farmers
	To promote sustainability & ensure protection of municipal natural resources and heritage sites by June 2017	Identification of Heritage sites and natural resources
3. Tourism	To promote tourism opportunities in the municipality by June 2017	Revitalise current tourism attractions and identify potential new ones
4. Informal economy	To ensure full functionality of Informal Traders within Abaqulusi	Support Informal Traders
5. LED Strategy	To address all economic sectors within Abaqulusi by June 2017	Implementation of the LED Strategy
6. Public Safety	To provide a fully functional public safety unit in Abaqulusi by June 2017	To ensure proper functioning of public safety unit
7. Safety and security	Enhancing safety and security by June 2017	Supporting the Community Policing Forum
8. Special Groups	Promote youth, disabled, elderly & women development	Implementation of a Special Groups Plan
9. HIV/AIDS	To reduce the impact of HIV/AIDS by June 2017	Support Department of Health and Social Development on their HIV/AIDS and STI's interventions
10. Sport development	To promote sports development by June 2017	To ensure proper functioning and management of sports facilities within Abaqulusi by June 2017
11. Arts and culture	To promote arts & culture within Abaqulusi by June 2017	To ensure proper functioning and management of arts, culture and recreation

Key Performance Area : Cross Cutting (Spatial, Environment and Disaster Management)		
Strategic Focus Area	Strategic Objectives (WHAT YO WANT TO ACHIEVE)	Development Strategy (HOW YOU GOING TO ACHIEVE IT)
1. LUMS	To promote harmonious & co-ordinated land uses to achieve a sustainable environment by June 2017	Implementation and Enforcement of the Town Planning Scheme
2. SDF	To ensure effective management of current and desirable land uses by June 2016	Implementation of existing Municipal Spatial Development Framework Implementation of existing Precinct Plans
3. Building Inspectorate	To ensure compliance with the South African National Building Regulations and SANS 400	Implementation of SANS 400
4. GIS	To ensure that all GIS data is accessible and readily available to the municipal departments and members of the public by June 2017	Facilitate data exchange between municipal departments, ZDM and service providers.
5. Fire and Disaster Management	To establish a fully functional fire and disaster management unit in Abaqulusi by June 2017	Strengthen inter-governmental relations with Provincial and District Disaster Management Units Establishment of a fire and disaster management unit

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

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

- Low economic growth and unemployment
- Poor access to basic household services
- High levels of poverty
- Low levels of literacy and skills development
- The issue of HIV / AIDS and other diseases
- Exposure to unacceptably high level of crime and risk
- Unsustainable development practices
- Ineffective, inefficient, inward looking local government

LOCAL PRIORITIES

- *To build a functionally efficient and local government structure*
 - *To maintain financial stability and sustainability*
 - *To create an integrated and efficient spatial structure*
 - *To promote equitable access to infrastructure and basic services*
 - *To improve the standard of living for the entire community of Abaqulusi municipality*
 - *To facilitate economic development and growth*
2. *Provision of quality basic services and infrastructure which includes, amongst others:*
- *Provide electricity;*
 - *Provide water;*
 - *Provide sanitation;*
 - *Provide waste removal;*
 - *Provide housing;*
 - *Provide roads and storm water;*
 - *Provide municipality planning services; and*
 - *Maintaining the infrastructure of the Municipality.*
3. *Economic growth and development that leads to sustainable job creation by:*
- *Ensuring there is a clear structural plan for the Municipality;*
 - *Ensuring planning processes function in accordance with set timeframes;*
 - *Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.*
- 3.1 *Fight poverty and build clean, healthy, safe and sustainable communities:*
- *Effective implementation of the Indigent Policy;*
 - *Working with the provincial department of health to provide primary health care services;*
 - *Extending waste removal services and ensuring effective municipality cleansing;*
 - *Ensuring all waste water treatment works are operating optimally;*
 - *Working with strategic partners such as SAPS to address crime;*
 - *Ensuring safe working environments by effective enforcement of building and health regulations;*
 - *Promote viable, sustainable communities through proper zoning; and*
 - *Promote environmental sustainability by protecting wetlands and key open spaces.*
- 3.2 *Integrated Social Services for empowered and sustainable communities*
- *Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme*
4. *Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:*
- *Optimising effective community participation in the ward committee system; and*
 - *Implementing Batho Pele in the revenue management strategy.*
- 5.1 *Promote sound governance through:*
- *Publishing the outcomes of all tender processes on the municipal website*

5.2 Ensure financial sustainability through:

- *Reviewing the use of contracted services*
- *Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan*

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- *Review of the organizational structure to optimize the use of personnel;*

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

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- *Developing dormant areas;*
- *Enforcing hard development lines – so as to direct private investment;*
- *Maintaining existing urban areas;*
- *Strengthening key economic clusters;*
- *Building social cohesion;*
- *Strong developmental initiatives in relation to the municipal institution as a whole; and*
- *Sound financial fundamentals.*

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the new IDP, including:

- *Strengthening the analysis and strategic planning processes of the Municipality;*
- *Initiating zone planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;*
- *Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and*
- *Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.*

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 29 KZN263 Table SA4 - Reconciliation between the IDP Strategic Objectives and Budgeted Revenue

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
Basic Service Delivery	Electricity			133,874	157,854	154,577	190,752	184,983	167,206	201,481	219,629	239,592
	Water			36,082	39,988	37,238	50,290	39,835	33,739	43,819	48,200	53,020
Infrastructure	Sanitation			16,411	19,208	25,914	24,685	24,025	20,751	26,428	29,070	31,977
	Waste Management			15,732	17,486	15,946	18,238	17,724	15,236	19,496	21,446	23,591
	Roads			25,811	33,073	51,278	39,530	37,797	38,980	38,845	40,492	42,684
	Cemeteries			178	187	177	209	209	209	223	236	250
	Housing			-	-	177	-	-	-	-	-	-
	Community			1,815	2,939	3,265	3,565	3,528	3,561	3,930	4,099	4,274
Good Governance	Support Services & Fleet			697	2,837	3,797	332	907	907	167	178	188
	Planning & Development			995	21,774	153	176	91	1,133	97	103	109
	Financial Management			115,747	154,317	206,917	167,262	166,622	159,781	180,288	192,578	204,779
	Executive & Council			6,161	6,909	1,049	9,018	9,013	9,013	15	16	16
Safety & Security	Public Safety			5,210	11,783	10,499	5,722	3,815	1,923	4,067	4,319	4,574
Social Development	Culture & Sport			141	85	2	100	100	100	100	100	100
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	358,855	468,438	510,988	509,879	488,649	452,538	518,956	560,466	605,154

Table 30 KZN263 Table SA5 - Reconciliation between the IDP Strategic Objectives and Budgeted Operating Expenditure

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousand													
Basic Service Delivery	Electricity			154,771	175,225	195,409	212,017	235,694	192,768	234,247	253,910	275,018	
	Water			58,870	64,672	47,514	32,653	49,342	47,930	52,661	56,095	59,586	
	Sanitation			24,312	27,653	40,454	33,423	41,259	38,890	44,159	47,212	50,351	
	Waste Management			12,251	17,867	21,083	22,628	31,632	27,199	33,740	35,888	38,065	
Infrastructure	Roads			89,640	84,878	34,015	45,333	65,452	63,171	69,876	72,882	77,353	
	Cemeteries			1,350	1,461	1,363	1,779	2,805	1,548	2,996	3,199	3,407	
	Housing			1,348	1,059	1,893	1,904	1,945	1,343	2,081	2,231	2,384	
	Community			12,247	12,591	25,572	15,324	19,930	12,712	21,294	22,666	24,059	
Good Governance	Support Services & Fleet			18,723	42,414	15,958	21,174	24,617	20,392	25,644	27,360	29,110	
	Planning & Development			3,674	4,522	(14,496)	10,263	12,291	12,022	13,286	14,155	15,038	
	Financial Management			22,642	44,235	35,887	27,035	33,478	33,852	35,842	38,219	40,822	
	Executive & Council			44,048	39,353	179,252	50,624	63,333	56,552	68,089	72,545	77,076	
Safety & Security	Public Safety			14,003	14,353	27,576	27,479	27,862	20,308	29,701	31,662	33,658	
Social Development	Culture & Sport			2,905	4,108	2,936	4,350	4,671	4,036	5,083	5,440	5,805	
Allocations to other priorities													
Total Expenditure				1	460,785	534,390	614,417	505,984	614,310	532,724	638,701	683,463	731,733

Table 31 KZN263 Table SA6 - Reconciliation between the IDP Strategic Objectives and Budgeted Capital Expenditure

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousand													
Basic Service Delivery	Electricity	A		9,027	10,919	13,524	22,180	29,200	29,200	29,807	30,415	31,030	
	Water	B		–	22	–	2,025	1,710	1,710	1,823	1,936	2,050	
	Waste Water	C		–	14	591	1,550	1,550	1,550	1,652	1,755	1,858	
	Waste	D		–	–	26	320	60	60	64	68	72	
	Community	E		122	151	65	1,670	1,250	1,250	1,333	1,415	1,499	
Infrastructure	Roads	F		33	130	40,950	35,861	35,886	35,886	35,419	38,328	40,393	
Good Governance	Planning & Development	G		–	251	–	40	40	40	43	45	48	
	Support Services & Fleet	H		63	110	275	770	770	770	821	872	923	
	Executive & Council	I		–	–	–	–	–	–	–	–	–	
	Financial Management	J		49	63	38	600	400	400	426	453	480	
Allocations to other priorities			3										
Total Capital Expenditure				1	9,294	11,660	55,469	65,016	70,866	70,866	71,388	75,287	78,352

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

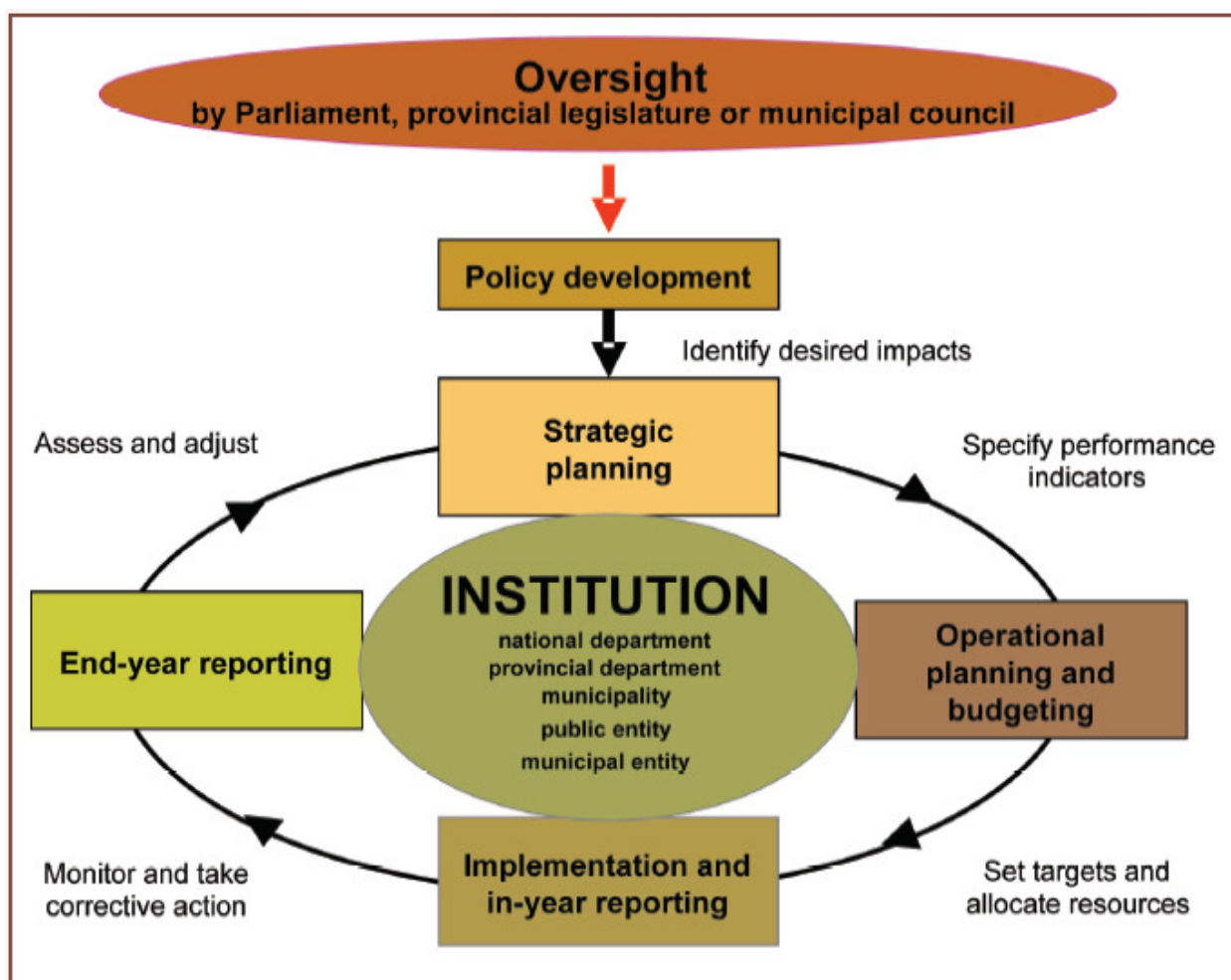


Figure 5 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

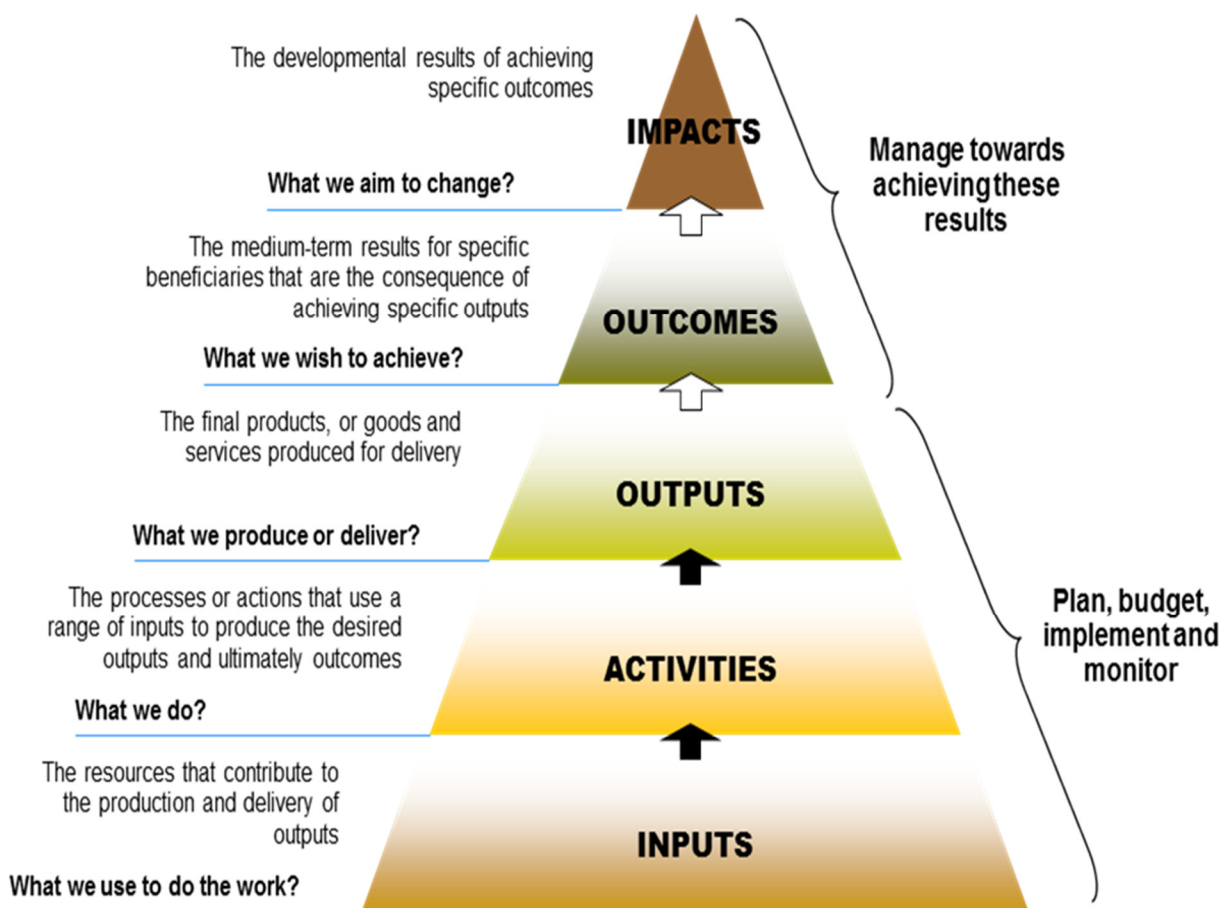


Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year

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Table 32 KZN263 Table SA7 - Measurable performance objectives

Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Vote 1 - vote name	SEE ATTACHED SCHEDULES									
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										

Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

The following table sets out the municipalities main performance objectives and benchmarks for the 2015/16 MTREF.

Table 33 KZN263 Table SA8 - Performance Indicators and Benchmarks

Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.5%	0.6%	0.3%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.0%	0.9%	0.5%	0.2%	0.3%	0.2%	0.2%	0.3%	0.3%	0.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.9	2.3	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.9	2.3	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		88.5%	95.3%	95.0%	100.0%	98.9%	-228.4%	78.8%	100.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		88.5%	95.3%	95.0%	100.0%	98.9%	-228.4%	78.8%	100.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	16.8%	14.9%	19.0%	19.2%	20.3%	22.0%	20.9%	18.9%	17.5%	16.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											

Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))										
Creditors to Cash and Investments		21.1%	105.8%	56.0%	-580.5%	-116.5%	-7.1%	246.6%	-79.4%	-32.0%	-19.8%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)		32269451	49287701							
	Total Cost of Losses (Rand '000)	35,807	24,983	38,444							
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0							
Water Distribution Losses (2)	Total Volume Losses (kℓ)		5,209	5,669							
	Total Cost of Losses (Rand '000)		5116948	5569038							
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0							
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.1%	23.5%	26.6%	27.8%	31.1%	29.5%	28.0%	32.8%	32.4%	31.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.3%	28.3%	35.4%	32.1%	35.9%	36.9%		36.3%	35.9%	35.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.9%	2.7%	3.3%	5.6%	5.7%	4.9%		5.7%	5.6%	5.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	28.2%	24.3%	20.4%	5.0%	24.2%	26.3%	24.9%	24.1%	23.7%	23.1%
IDP regulation financial viability indicators	-										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	55.3	102.5	102.0	186.1	186.1	186.1	146.4	166.8	171.9	187.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	25.7%	26.1%	30.7%	26.6%	28.3%	32.7%	32.7%	25.9%	23.7%	21.8%

Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.1	2.0	3.7	(0.3)	(1.6)	(29.1)	0.8	(2.1)	(4.9)	(7.8)

Performance indicators and benchmarks

Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Abaqulusi Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The following financial performance indicators have formed part of the compilation of the 2016/17 MTREF:

- Borrowing to asset ratio is a measure of the long-term borrowing as a percentage of the total asset base of the municipality. This ratio is 0% and must not be considered a measure on borrowing capacity in isolation of other ratios and measures.
- Capital charges to operating expenditure are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has remained steady from 0, 1% in 2012/13 to 2015/16. It is estimated that the cost of borrowing as a percentage of the operating expenditure will remain at 0, 2 % in 2016/17 and will then remain at 0, 1 % at the end of the MTREF. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the Municipality has reached its prudential borrowing limits.
- Borrowing funding of own capital expenditure measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is 0 % which substantiates the above mentioned statement that the Municipality has reached its prudential borrowing limits.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2016/17 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

Safety of Capital

- The debt-to-equity ratio is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves. As part of the planning guidelines that informed the compilation of the 2016/17 MTREF ensuring proper cash-backing of reserves and funds has been considered a prudent financial sustainability objective, hence the ration remains at 0%.
- The gearing ratio is a measure of the total long term borrowings over funds and reserves. The ratio remains at 0%.

Liquidity

- Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2015/16 MTREF the current ratio is 1, 6 in the 2016/17 financial year and remains at 1, 6 for the two outer years of the MTREF. Going forward the municipality will have to maintain the ratio above 1.

- The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2015/16 financial year the ratio was 0.4 and as part of the financial planning strategy it has been remained at 0.4 in the 2016/17 financial year. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the Municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, and credit control and debt collection.

Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100% compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

Other Indicators

- The electricity distribution losses have increased from 30.46% to 46.88%. The initiatives to ensure these targets are controlled and lowered during the 2016/17 financial year include managing illegal connections and theft of electricity by auditing all systems, including prepaid meters.
- The water distribution losses continue to increase from 46% in 2014/15 to 60.87% in 2015/16. The municipality will have to introduce a water leakage report and action centre. Also areas currently not metered will have to have meters installed to ensure residents pay for water consumed. It is planned to further try and reduce distribution losses from 50% in 2016/17 to 20% by 2018/19.
- Employee costs as a percentage of operating revenue continues to increase over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the Municipality's strategy to ensure the management of its asset base.

Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. Only registered indigents qualify for the free basic services and all indigents must apply annually and these applications will be scrutinized to ensure they are genuine.

For the 2016/17 financial year registered indigents have been provided for in the budget with this figured increasing by 2018/19. In terms of the Municipality's indigent policy registered households are entitled to 6kl free water, 50 kwh of electricity, 6 kl sanitation and free waste removal equivalent to 85ℓ once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 A10 (Basic Service Delivery Measurement) on page 75

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc) are not taken into account in the table noted above.

Providing clean water and managing waste water

The Municipality is in the process of applying to the Department of Water Affairs to become the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. The water is generated from the Municipality's own water sources, such as boreholes and small dams.

The waste water plants will require renewals/upgrading to meet the minimum Green Drop certification standards. This has been prioritised as part of the 2016/17 medium term capital budget.

The following is briefly the main challenges facing the Municipality in this regard:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that need to be undertaken to address these challenges:

- Infrastructure shortcomings will be addressed through the capital budget in terms of a 5-year upgrade plan;
- The filling of vacancies has commenced and the Waste Water Section will embark on an in-house training programme, especially for operational personnel;
- The Section is working in consultation with the Department of Water Affairs to address catchment management.

Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Review of credit control and debt collection procedures/policies

The policy adopted last year is credible, sustainable, manageable and informed by affordability and value for money. During the 2016/17 financial year there will be a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, an Integrated Indigent Exit Programme will have to be developed to link the registered indigent households to development, skills and job opportunities. The programme will further seek to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2016/17 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 92% on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Municipality's cash levels. In addition, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy.

Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. An Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy will prescribe the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

Supply Chain Management Policy

The amended Supply Chain Management Policy must be adopted by Council in May 2016. The amendments must be extensively consulted on before the adoption in May 2016.

Budget and Virements Policy

The Budget and Virements Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations. The Budget and Virements Policy was approved by Council in May 2011 in respect of both Operating and Capital Budget Fund Transfers.

Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy needs to be approved by Council in May 2016. The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and a cash equivalent required at any point in time and introduces time frames to achieve certain benchmarks. The amendment is to ensure the policy is GRAP compliant.

Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

Financial Modelling and Scenario Planning Policy

The Financial Modelling and Scenario Planning Policy will be compiled during the 2016/17 MTREF with the emphasis on affordability and long-term sustainability. The policy will dictate the approach to longer term financial modelling. The outcomes will then be filtered into the budget process. The model and scenario planning outcomes will be taken to Council every November and then translate into recommendations for the budget guidelines that inform the compilation of the next MTREF. One of the salient features of the policy will be the emphasis on financial sustainability. Amongst others, the following will be modelled as part of the financial modelling and scenario planning process:

- Approved 2015/16 Adjustments Budget;
- Cash Flow Management Interventions, Initiatives and Strategies (including the cash backing of reserves);
- Economic climate and trends (i.e. Inflation, household debt levels, indigent factors, growth, recessionary implications);
- Loan and investment possibilities;
- Performance trends;
- Tariff Increases;
- The ability of the community to pay for services (affordability);
- Policy priorities;
- Improved and sustainable service delivery; and
- Debtor payment levels.

All the above existing policies are available on the Municipality's website, and all new policies will be placed on the website once adopted by Council. These include the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

Overview of budget assumptions

External factors

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2016/17 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity; and
- The increase in the cost of remuneration. Employee related costs comprise 28,12% of total operating expenditure in the 2016/17 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget

Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions.

Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (92%) of annual billings. Cash flow is assumed to be 92% of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

Salary increases

The multi-year Salary and Wage Collective Agreement from SALGBC has advised that municipality's budget for an annual increase of 7 % for the 2016/17 financial year and for the two outer years 6.8%.

Impact of national, provincial and local policies

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

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 % is achieved on operating expenditure and 98% on the capital programme for the 2016/17 MTREF of which performance has been factored into the cash flow budget.

Overview of budget funding

Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 34 Breakdown of the Operating Revenue over the Medium-Term Revenue & Expenditure Framework

Description	2016/17 Medium Term Revenue & Expenditure Framework						
	R thousands	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
Financial Performance							
Property rates	R 556,160,610.00	41.37%	R 600,873,190.00	41.40%	R 649,362,850.00	41.50%	
Service charges	R 55,078,000.00	4.10%	R 57,966,000.00	3.99%	R 60,009,000.00	55.14%	
Investment revenue	R 0.00	0.00%	R -	0.00%	R -	0.65%	
Transfers recognised - operational	R 159,012,670.00	11.83%	R 173,959,860.00	11.99%	R 190,312,090.00	19.81%	
Other own revenue	R 574,042,610.00	42.70%	R 618,433,190.00	42.61%	R 665,164,850.00	12.64%	
Total Revenue (excluding capital transfers and contributions)	R 1,344,293,890.00	100.00%	R 1,451,232,240.00	100.00%	R 1,564,848,790.00	100.00%	

The following graph is a breakdown of the operational revenue per main category for the 2016/17 financial year.

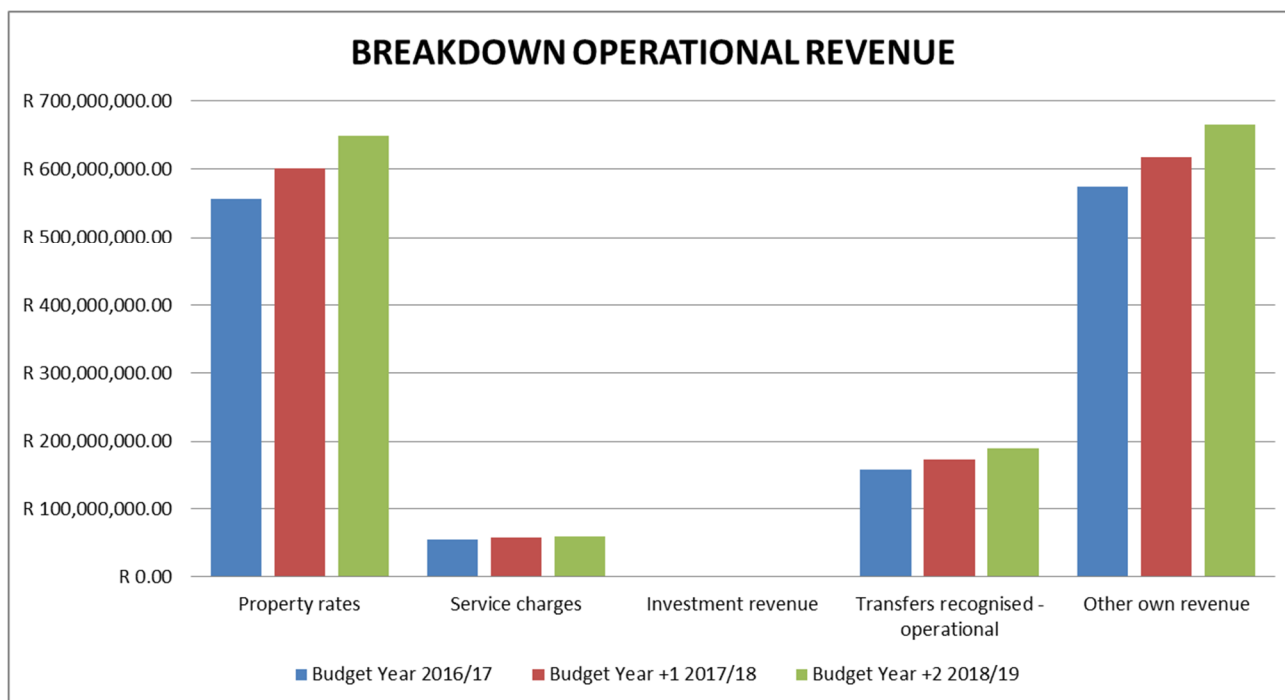


Figure 7 Breakdown of operating revenue over the 2016/17 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 92 % annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2016/17 MTREF on the different revenue categories are:

Table 35 Proposed tariff increases over the medium-term – Revenue Category

Description	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source							
Property rates	55 650 000	55 750 000	48 264 994	36 198 883	60 210 000	63 521 550	66 888 190
Electricity revenue	161 919 370	155 330 030	132 185 643	100 716 571	172 517 400	189 769 150	208 746 060
Water revenue	39 758 700	47 587 000	36 043 685	27 039 444	50 289 500	55 318 450	60 850 300
Sanitation revenue	22 170 110	22 091 060	24 863 883	18 651 591	24 684 800	27 153 280	29 868 610
Refuse revenue	16 136 010	16 136 010	14 216 226	10 661 952	18 238 240	20 062 060	22 068 270
TOTAL	295 634 190	296 894 100	255 574 431	193 268 441	325 939 940	355 824 490	388 421 430

Revenue to be generated from property rates is R 66, 3 million in the 2016/17 financial year and increases to R74, 5 million by 2018/19 which represents 14,3% of the operating revenue base of the Municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed.

The Municipality is still in a process of further data verification and validation relating to the valuation roll. As the levying of property rates is considered strategic revenue source further supplementary valuation processes will be undertaken during the 2016/17 financial year. The outcome of this initiative will be closely monitored and reported on a regular basis as part of the quarterly performance reporting.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R 271, 2 million for the 2016/17 financial year and increasing to R 328, 1 million by 2018/19. For the 2016/17 financial year services charges amount to 58, 5% of the total revenue base and remains constant over the medium-term.

Operational grants and subsidies amount to R 114,5 million, R 121,2 million and R 129,1 million for each of the respective financial years of the MTREF, or 24,7% , 24,1% and 23,7% of operating revenue. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF. The percentage of the total operational grants and transfers in relation to the total operating revenue is distorted owing to the high increases in revenue relating to services charges.

Investment revenue contributes marginally to the revenue base of the Municipality with a budget allocation of R1, 9 million, R2 million and R 2, 2 million for the respective three financial years of the 2016/17 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide detail investment information and investment particulars by maturity.

Table 36 KZN263 SA15 – Detail Investment Particulars by type

Investment type	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		78,084	41,643	26,071	26,071	12,000	12,000	12,000	15,000	15,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	78,084	41,643	26,071	26,071	12,000	12,000	12,000	15,000	15,000
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		78,084	41,643	26,071	26,071	12,000	12,000	12,000	15,000	15,000

Table 37 KZN263 SA16 – Investment Particulars by Maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
ABSA (Notice Deposit)										928				928
ABSA (Guarantee ESKOM)										1,490				1,490
ABSA (Call)										67				67
ABSA (Call)										532				532
ABSA (Call)										764				
ABSA (Call)										2,253				
SIMS										0				
FIRST NATIONAL										-				
INVESTEC BANK										-				
STANDARD BANK										1,000				
STANDARD BANK										50				
NEDBANK										5,826				5,826
														-
Municipality sub-total										12,909		-	-	8,842
TOTAL INVESTMENTS AND INTEREST	1									12,909		-	-	8,842

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The draft MTREF therefore provides for a budgeted deficit of R 119 million and then R 122 million and R126 in each of the financial years. The municipality is seriously busy with an exercise of remodelling the tariffs for electricity in the 2016/17 financial year as the ESKOM increases of the past years which have been significantly more than the percentage the municipality was allowed to increase the tariffs is having a negative impact on the cash flow

Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2016/17 medium-term capital programme:

Table 38 Sources of Capital Revenue over the MTREF – Medium Term Revenue & Expenditure Framework A5 Capital

Vote Description	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Pre-audit outcome	%	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
Funded by:										
National Government	55,566		55,566		55,078		57,966		60,009	
Provincial Government	–		–							
District Municipality	–		–							
Other transfers and grants	–		–							
Transfers recognised - capital Public contributions & donations	55,566	100%	55,566	100%	55,078	100%	57,966	100%	60,009	100%
Borrowing	–	0%	–	0%	–	0%	–	0%	–	0%
Internally generated funds	15,300	22%	15,300	22%	16,310	23%	17,321	23%	18,343	23%
Total Capital Funding	70,866	22%	70,866	22%	71,388	23%	75,287	23%	78,352	23%

The above table is graphically represented as follows for the 2015/16 financial year.

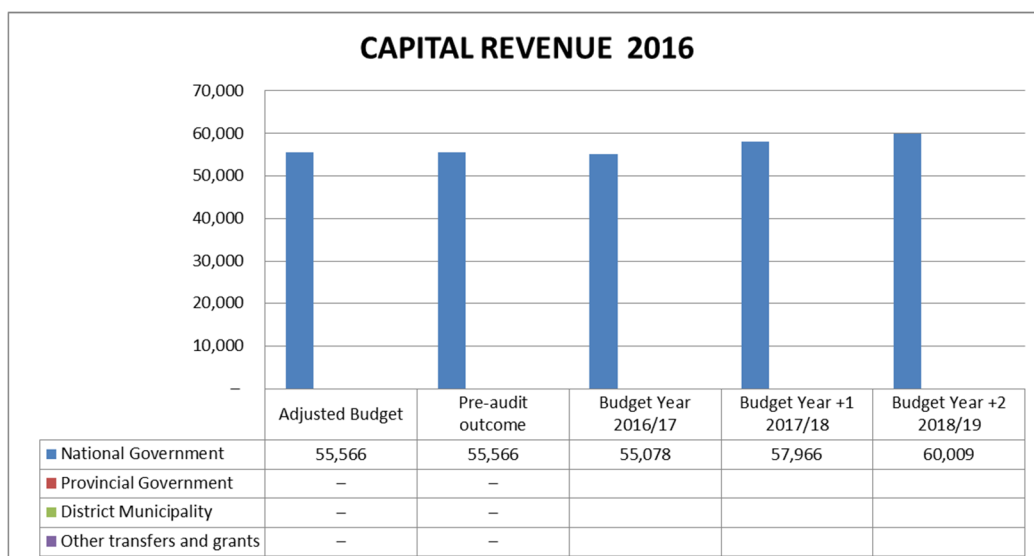


Figure 8 Sources of capital revenue for the 2016/17 financial year

Capital grants and receipts represents R 16, 3 million from own funding and R55 million from grant funding for the 2016/17 financial year.

The following table is a detailed analysis of the Municipality's borrowing liability. (SA 17)

Table 39 KZN263 Table SA 17 - Detail of Borrowings Categorised by Type

Borrowing - Categorised by type R thousand	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-

Figure 9 Growth in outstanding borrowing (long-term liabilities)

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below.

Table 40 KZN263 Table SA 18 - Capital transfers and Grant Receipts

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		96,444	101,839	109,287	128,640	130,640	132,382	130,907	137,410	145,177
Local Government Equitable Share		84,293	89,399	96,203	106,693	106,693	106,097	107,884	115,710	123,222
Finance Management		1,500	1,550	1,698	1,600	1,600	1,600	1,625	1,700	1,955
Municipal Systems Improvement		800	890	1,010	930	930	930	-	-	-
EPWP Incentive		851	1,000	1,376	1,417	1,417	1,417	1,398	-	-
Integrated National Electrification Programme		9,000	9,000	9,000	18,000	20,000	22,338	20,000	20,000	20,000
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1,565	5,497	4,353	3,295	4,045	4,045	3,681	3,835	3,994
Sport and Recreation		134	143	151	166	166	166	175	184	193
Provincial Library Grant		1,234	2,592	2,700	2,789	2,789	2,789	3,148	3,274	3,405
Cyber Cadet Grant		197	240	252	340	340	340	358	377	396
Thusong Centre			2,522	1,250	-	750	750	-	-	-
District Municipality:		100	50	-	100	100	100	100	100	100
[insert description]		-	-	-	-	-	-	-	-	-
ZDM		100	50	-	100	100	100	100	100	100
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	98,109	107,386	113,640	132,035	134,785	136,527	134,688	141,345	149,271
<u>Capital Transfers and Grants</u>										
National Government:		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
Municipal Infrastructure Grant (MIG)		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
TOTAL RECEIPTS OF TRANSFERS & GRANTS		120,909	137,293	147,798	167,601	170,351	172,093	169,766	179,311	189,280

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand ability for councillors and management. Some specific features include:

- *Clear separation of receipts and payments within each cash flow category;*
- *Clear separation of capital and operating receipts from government, which also enables cash from “Ratepayers and other” to be provide for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue., and*
- *Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).*

Table 41 KZN263 Table A7 - Budget Cash Flow from Operating Activities Statement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		16,270	38,866	46,744	62,326	59,298	(824,883)	48,362	66,316	70,427	74,583
Service charges		185,879	210,439	223,905	265,615	245,967	214,594	162,324	271,223	298,346	328,180
Other revenue		9,596	58,327	59,485	11,097	8,484	6,440	4,286	44,866	48,539	51,187
Government - operating	1	93,950	133,084	122,592	131,869	131,869	131,869	131,869	134,588	141,061	148,988
Government - capital	1	9,000	9,000	49,911	53,566	55,566	55,566	55,566	55,078	57,966	60,009
Interest		3,979	4,375	3,166	3,406	1,850	977	1,291	1,972	2,094	2,218
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(167,332)	(418,410)	(373,528)	(445,803)	(458,903)	(458,903)	(331,609)	(620,848)	(664,498)	(711,644)
Finance charges		(2,325)	(3,079)	(1,623)	(650)	(900)	(900)	(900)	(959)	(1,019)	(1,079)
Transfers and Grants	1	(19,155)	(33,798)	(15,610)	(39,252)	(44,417)	(32,338)	(25,440)	(17,056)	(18,113)	(19,182)
NET CASH FROM/(USED) OPERATING ACTIVITIES		129,862	(1,196)	115,040	42,174	(1,186)	(907,578)	45,749	(64,821)	(65,197)	(66,740)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	(19,055)	(122)	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(9,000)	(9,000)	(49,911)	(53,566)	(55,566)	(55,566)	(55,566)	(55,078)	(57,966)	(60,009)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9,000)	(28,055)	(50,033)	(53,566)	(55,566)	(55,566)	(55,566)	(55,078)	(57,966)	(60,009)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		120,862	(29,251)	65,007	(11,392)	(56,752)	(963,144)	(9,817)	(119,899)	(123,163)	(126,749)
Cash/cash equivalents at the year begin:	2	49,917	83,211	53,151	-	-	36,636	36,636	36,636	(83,263)	(206,425)
Cash/cash equivalents at the year end:	2	170,780	53,960	118,158	(11,392)	(56,752)	(926,508)	26,819	(83,263)	(206,425)	(333,175)

The above table shows that cash and cash equivalents of the Municipality were largely depleted between the 2012/13 and 2015/16 financial year moving from a positive cash balance of R 53,1million to a balance of R 41,7 million with the approved 2015/16 MTREF. With the 2015/16 adjustments budget various cost efficiencies and savings had to be realised to ensure the Municipality could meet its operational expenditure commitments. In addition the Municipality will have to undertake an extensive debt collection process to boost cash levels in the 2016/17 financial year. These initiatives and interventions still translate into a negative cash position for the Municipality and it is projected that cash and cash equivalents on hand will decrease by the financial year end. For the 2016/17 MTREF the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term with cash levels anticipated to increase in 2016/17 and steadily increase by 2018/19. This schedule will be revisited before the final draft is presented in May 2016.

Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with Sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with Section 18 of the MFMA requirement that the municipality's budget must be "funded". Non-compliance with Section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 42 KZN263 Table A8 - Cash backed reserves / accumulated surplus reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	170,780	53,960	118,158	(11,392)	(56,752)	(926,508)	26,819	(83,263)	(206,425)	(333,175)
Other current investments > 90 days		(87,569)	40,835	(81,522)	48,028	93,388	963,144	9,817	119,899	243,061	369,811
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		83,211	94,794	36,636	36,636	36,636	36,636	36,636	36,636	36,636	36,636
Application of cash and investments											
Unspent conditional transfers		33,505	6,310	5,245	5,245	5,245	5,245	5,245	5,245	5,245	5,245
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(16,395)	(8,868)	(17,973)	(21,105)	(20,780)	250,178	607	(30,435)	(30,400)	(30,095)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		17,110	(2,558)	(12,728)	(15,860)	(15,535)	255,423	5,852	(25,190)	(25,155)	(24,850)
Surplus(shortfall)		66,100	97,352	49,364	52,496	52,171	(218,787)	30,784	61,826	61,791	61,486

From the above table it can be seen that the cash and investments available total R 13 million in the 2016/17 financial year and increases to R15 million by 2018/19, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- *Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. During the 2015/16 financial year the municipality was required to supply National Treasury with a detailed analysis of the unspent grants as well as an action plan of spending the grants. For the 2016/17 financial year no provision has been made for this liability as the total unspent conditional grant liability has been factored into the 2016/17 capital programme of the Municipality. The Municipality will apply for the necessary roll-over approval from the National Treasury as the funding appropriation relating to the unspent conditional grants needs to be motivated as part of existing projects.*
- *There is no unspent borrowing from the previous financial years. In terms of the municipality's Borrowing and Investments Policy, borrowings are only drawn down once the expenditure has been incurred against the particular project.*
- *Provisions for statutory requirements include VAT owing to timing differences resulting from year- end obligations. The municipality will not have a liability as VAT is normally claimed from SARS.*
- *The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital, as was experienced by the Municipality in 2015/16 resulting in cash flow challenges. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the Municipality to meet its creditor obligations.*

The 2016/17 MTREF has been informed by ensuring the financial plan meets the minimum requirements of the MFMA. Nevertheless from a pure cash flow perspective (cash out flow versus cash inflow) the budget is not funded as expenditure is more than the anticipated revenue. The challenge for the Municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

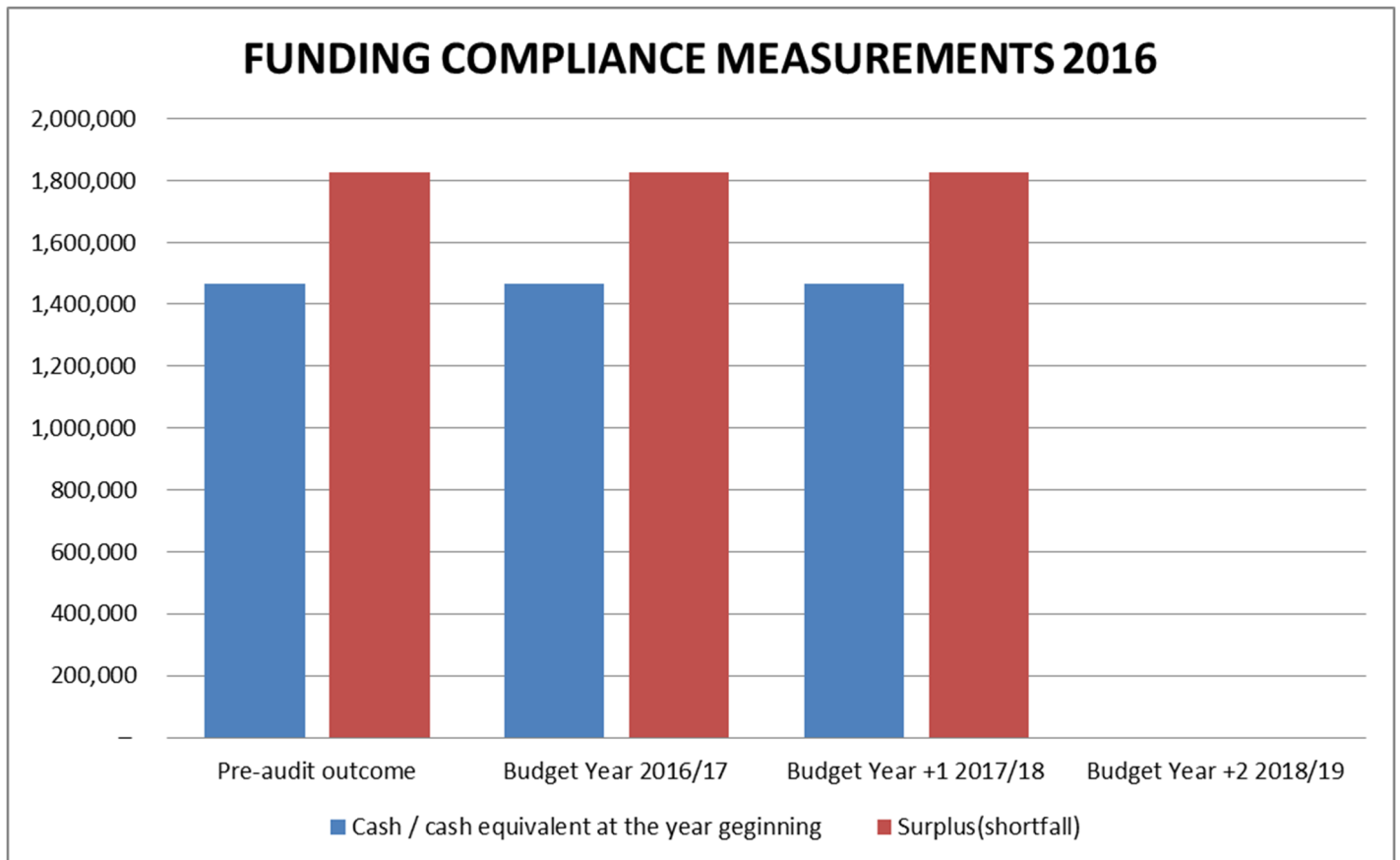


Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds

Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 43 KZN263 SA10 – Funding compliance measurement

Description	MFMA section	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Funding measures	-										
Cash/cash equivalents at the year end - R'000	18(1)b	170,780	53,960	118,158	(11,392)	(56,752)	(926,508)	26,819	(83,263)	(206,425)	(333,175)
Cash + investments at the yr end less applications - R'000	18(1)b	66,100	97,352	49,364	52,496	52,171	(218,787)	30,784	61,826	61,791	61,486
Cash year end/monthly employee/supplier payments	18(1)b	7.1	2.0	3.7	(0.3)	(1.6)	(29.1)	0.8	(2.1)	(4.9)	(7.8)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	8.6%	2.8%	9.1%	(11.8%)	(19.4%)	(6.0%)	3.3%	3.3%	3.2%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	89.0%	96.1%	95.9%	99.5%	99.1%	(209.8%)	74.7%	110.1%	110.1%	109.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	2.0%	2.7%	5.9%	0.5%	2.3%	2.6%	2.6%	2.2%	2.1%	2.1%
Capital payments % of capital expenditure	18(1)c;19	96.8%	77.2%	90.0%	82.4%	78.4%	78.4%	78.4%	77.2%	77.0%	76.6%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	16.7%	27.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Long term receivables % change - incr(decr)	18(1)a	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	0.8%	0.8%	1.0%	1.7%	1.6%	1.3%	1.7%	1.7%	1.9%	2.0%
Asset renewal % of capital budget	20(1)(vi)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Supporting indicators	-										
% incr total service charges (incl prop rates)	18(1)a		14.6%	8.8%	15.1%	(5.8%)	(13.4%)	0.0%	9.3%	9.3%	9.2%
% incr Property Tax	18(1)a		20.8%	18.8%	2.3%	(0.2%)	(15.4%)	0.0%	6.6%	6.2%	5.9%
% incr Service charges - electricity revenue	18(1)a		11.6%	3.1%	18.5%	(4.3%)	(12.2%)	0.0%	10.0%	10.0%	10.0%
% incr Service charges - water revenue	18(1)a		17.2%	1.0%	37.7%	(20.8%)	(15.3%)	0.0%	10.0%	10.0%	10.0%
% incr Service charges - sanitation revenue	18(1)a		17.0%	34.9%	(4.7%)	(2.7%)	(13.6%)	(0.0%)	10.0%	10.0%	10.0%
% incr Service charges - refuse revenue	18(1)a		14.3%	14.0%	14.4%	(2.8%)	(14.0%)	(0.0%)	10.0%	10.0%	10.0%
% incr in Service charges - other	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a	228,305	261,686	284,805	327,941	308,777	267,251	267,251	337,539	368,773	402,763
Service charges		228,305	261,686	284,805	327,941	308,777	267,251	267,251	337,539	368,773	402,763
Property rates		42,426	51,248	60,900	62,326	62,210	52,657	52,657	66,316	70,427	74,583
Service charges - electricity revenue		126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
Service charges - water revenue		30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
Service charges - sanitation revenue		16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977

Description	MFMA section	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Service charges - refuse removal		12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		800	1,189	1,297	1,387	1,159	805	805	1,463	1,542	-
Capital expenditure excluding capital grant funding		294	2,660	5,558	11,450	15,300	15,300	15,300	16,310	17,321	18,343
Cash receipts from ratepayers	18(1)a	211,745	307,632	330,133	339,038	313,749	(603,850)	214,972	382,405	417,312	453,950
Ratepayer & Other revenue	18(1)a	237,901	320,013	344,290	340,880	316,632	287,763	287,763	347,334	379,178	413,774
Change in consumer debtors (current and non-current)		14,529	9,798	19,092	(0)	-	-	-	-	0	-
Operating and Capital Grant Revenue	18(1)a	107,975	135,051	113,621	112,027	114,616	110,232	131,529	114,588	121,245	129,171
Capital expenditure - total	20(1)(vi)	9,294	11,660	55,469	65,016	70,866	70,866	70,866	71,388	75,287	78,352
Capital expenditure - renewal	20(1)(vi)	-	-	-	-	-	-	-	-	-	-
Supporting benchmarks											
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY											
DoRA capital grants total MFY											
Provincial operating grants											
Provincial capital grants											
District Municipality grants											
Total gazetted/advised national, provincial and district grants									-	-	-
Average annual collection rate (arrears inclusive)											
Total Operating Revenue		349,855	459,439	461,077	456,312	433,083	398,972	420,269	463,878	502,500	545,145
Total Operating Expenditure		431,250	476,135	560,945	505,984	614,310	532,724	532,724	638,701	683,463	731,732
Operating Performance Surplus/(Deficit)		(81,395)	(16,696)	(99,868)	(49,672)	(181,227)	(133,752)	(112,455)	(174,823)	(180,963)	(186,587)
Cash and Cash Equivalents (30 June 2012)									(83,263)		
Revenue											
% Increase in Total Operating Revenue			31.3%	0.4%	(1.0%)	(5.1%)	(7.9%)	5.3%	7.1%	8.3%	8.5%
% Increase in Property Rates Revenue			20.1%	18.2%	2.7%	(0.7%)	(15.9%)	0.0%	6.6%	6.2%	5.9%
% Increase in Electricity Revenue			11.6%	3.1%	18.5%	(4.3%)	(12.2%)	0.0%	10.0%	10.0%	10.0%
% Increase in Property Rates & Services Charges			14.6%	8.8%	15.1%	(5.8%)	(13.4%)	0.0%	9.3%	9.3%	9.2%
Expenditure											
% Increase in Total Operating Expenditure			10.4%	17.8%	(9.8%)	21.4%	(13.3%)	(0.0%)	4.0%	7.0%	7.1%

Description	MFMA section	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
% Increase in Employee Costs			6.0%	13.8%	3.6%	5.9%	(12.6%)	(0.0%)	13.0%	7.1%	6.8%
% Increase in Electricity Bulk Purchases			8.8%	4.6%	20.8%	(5.9%)	(1.2%)	0.0%	9.4%	9.4%	9.4%
Average Cost Per Budgeted Employee Position (Remuneration)				4714905.897	228851.2793				273747.4937		
Average Cost Per Councillor (Remuneration)				336787.4089	372489.5455				377725		
R&M % of PPE		0.8%	0.8%	1.0%	1.7%	1.6%	1.3%		1.7%	1.9%	2.0%
Asset Renewal and R&M as a % of PPE		1.0%	1.0%	1.0%	1.0%	2.0%	1.0%		2.0%	2.0%	2.0%
Debt Impairment % of Total Billable Revenue		2.0%	2.7%	5.9%	0.5%	2.3%	2.6%	2.6%	2.2%	2.1%	2.1%
Capital Revenue											
Internally Funded & Other (R'000)		294	2,660	5,558	11,450	15,300	15,300	15,300	16,310	17,321	18,343
Borrowing (R'000)		-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)		9,000	9,000	49,911	53,566	55,566	55,566	55,566	55,078	57,966	60,009
Internally Generated funds % of Non Grant Funding		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding		96.8%	77.2%	90.0%	82.4%	78.4%	78.4%	78.4%	77.2%	77.0%	76.6%
Capital Expenditure											
Total Capital Programme (R'000)		9,294	11,660	55,469	65,016	70,866	70,866	70,866	71,388	75,287	78,352
Asset Renewal		-	-	-	-	-	-	-	-	-	-
Asset Renewal % of Total Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash											
Cash Receipts % of Rate Payer & Other		89.0%	96.1%	95.9%	99.5%	99.1%	(209.8%)	74.7%	110.1%	110.1%	109.7%
Cash Coverage Ratio		0	0	0	(0)	(0)	(0)	0	(0)	(0)	(0)
Borrowing											
Credit Rating (2009/10)									0		
Capital Charges to Operating		0.5%	0.6%	0.3%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%
Borrowing Receipts % of Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves											
Surplus/(Deficit)		66,100	97,352	49,364	52,496	52,171	(218,787)	30,784	61,826	61,791	61,486
Free Services											
Free Basic Services as a % of Equitable Share		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)		1.2%	0.9%	0.9%	0.9%	0.9%	1.0%		0.9%	0.8%	0.7%

Description	MFMA section	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>High Level Outcome of Funding Compliance</u>											
Total Operating Revenue		349,855	459,439	461,077	456,312	433,083	398,972	420,269	463,878	502,500	545,145
Total Operating Expenditure		431,250	476,135	560,945	505,984	614,310	532,724	532,724	638,701	683,463	731,732
Surplus/(Deficit) Budgeted Operating Statement		(81,395)	(16,696)	(99,868)	(49,672)	(181,227)	(133,752)	(112,455)	(174,823)	(180,963)	(186,587)
Surplus/(Deficit) Considering Reserves and Cash Backing		66,100	97,352	49,364	52,496	52,171	(218,787)	30,784	61,826	61,791	61,486
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	0	1	1	1	1

Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A "positive" cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with Section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2016 / 17 MTREF shows a surplus of R61 million for each respective financial year.

Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25, on page 68. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. As indicated above the Municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually move towards two months coverage. This measure will have to be carefully monitored going forward.

Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2016/17 MTREF the indicative outcome is a surplus of R61 million.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 5.6% – 5.9 %). The result is intended to be an approximation of the real increase in revenue. However, the outcome is lower than it might be due to the slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are "collected". This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 100% for each of the respective financial years. Given that the assumed collection rate was based on a 92% performance target, the cash flow statement has been conservatively determined. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 0% over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can

be seen that borrowing equates to 0% of own funded capital. Further details relating to the borrowing strategy of the Municipality can be found on page 104.

Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 % could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the Municipality's policy of settling debtors' accounts within 30 days.

Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the Municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 60 KZN263 SA34C on page 155.

Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 SA34b on page 152

Expenditure on grants and reconciliations of unspent funds

Table 45 KZN263 SA19 – Expenditure on Transfers and Grant Programmes

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		96,444	101,839	109,287	128,640	130,640	132,382	130,907	137,410	145,177
Local Government Equitable Share		84,293	89,399	96,203	106,693	106,693	106,097	107,884	115,710	123,222
Finance Management		1,500	1,550	1,698	1,600	1,600	1,600	1,625	1,700	1,955
Municipal Systems Improvement		800	890	1,010	930	930	930	–	–	–
EPWP Incentive		851	1,000	1,376	1,417	1,417	1,417	1,398	–	–
Integrated National Electrification Programme		9,000	9,000	9,000	18,000	20,000	22,338	20,000	20,000	20,000
Other transfers/grants [insert description]										
Provincial Government:		1,368	2,735	2,851	2,955	2,955	2,955	3,323	3,458	3,598
Sport and Recreation		134	143	151	166	166	166	175	184	193
Provincial Library Grant		1,234	2,592	2,700	2,789	2,789	2,789	3,148	3,274	3,405
Cyber Cadet Grant		197	240	252	340	340	340	358	377	396
Thusong Centre			2,522	1,250	–	750	750	–	–	–
District Municipality:		100	50	–	100	100	100	100	100	100
[insert description]										
ZDM		100	50	–	100	100	100	100	100	100
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total operating expenditure of Transfers and Grants:		97,912	104,624	112,138	131,695	133,695	135,437	134,330	140,968	148,875
Capital expenditure of Transfers and Grants										
National Government:		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
Municipal Infrastructure Grant (MIG)		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		22,801	29,907	34,158	35,566	35,566	35,566	35,078	37,966	40,009
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		120,712	134,531	146,296	167,261	169,261	171,003	169,408	178,934	188,884

Table 44 KZN263 SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		243								
Current year receipts		86,185	98,005	109,287	128,640	130,640	132,382	130,907	137,410	145,177
Conditions met - transferred to revenue		86,185	93,594	109,287	128,640	130,640	132,382	130,907	137,410	145,177
Conditions still to be met - transferred to liabilities		243	4,411							
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		1,565	5,497	4,353	3,295	4,045	4,045	3,681	3,835	3,994
Conditions met - transferred to revenue		1,565	5,497	4,353	3,295	4,045	4,045	3,681	3,835	3,994
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		100	100		100	100	50	100	100	100
Conditions met - transferred to revenue		100	100	-	100	100	50	100	100	100
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		87,850	99,191	113,640	132,035	134,785	136,477	134,688	141,345	149,271
Total operating transfers and grants - CTBM	2	243	4,411	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		8,336	7,125							
Current year receipts		21,589	38,982	40,911	35,566	35,566	35,566	35,078	37,966	40,099
Conditions met - transferred to revenue		29,925	46,107	40,911	35,566	35,566	35,566	35,078	37,966	40,099
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year		5,868	5,786							
Current year receipts										
Conditions met - transferred to revenue		5,868	5,786	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		35,793	51,893	40,911	35,566	35,566	35,566	35,078	37,966	40,099
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		123,643	151,084	154,551	167,601	170,351	172,043	169,766	179,311	189,370
TOTAL TRANSFERS AND GRANTS - CTBM		243	4,411	-	-	-	-	-	-	-

Councillor and employee benefits

Table 45 KZN263 SA22 - Summary of Councillor and Staff Benefits

Summary of Employee and Councillor remuneration	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		12,093	13,981	14,819	16,390	15,533	11,721	16,620	17,817	19,046
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cell phone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		12,093	13,981	14,819	16,390	15,533	11,721	16,620	17,817	19,046
% increase	4		15.6%	6.0%	10.6%	(5.2%)	(24.5%)	41.8%	7.2%	6.9%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		3,949	5,715	4,660	6,284	5,977	5,942	7,647	8,198	8,763
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	905	-	-	1,114	1,190	1,272
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cell phone Allowance	3	88	95	6	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4,037	5,810	4,666	7,189	5,977	5,942	8,761	9,388	10,035
% increase	4		43.9%	(19.7%)	54.1%	(16.9%)	(0.6%)	47.4%	7.2%	6.9%
Other Municipal Staff										
Basic Salaries and Wages		57,446	61,465	71,717	68,886	68,945	67,232	73,771	79,082	84,539
Pension and UIF Contributions		12,162	12,464	13,366	15,485	15,053	14,467	16,107	17,267	18,458

Summary of Employee and Councillor remuneration R thousand	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Medical Aid Contributions		4,080	4,589	4,942	5,677	5,643	5,313	6,038	6,473	6,919
Overtime		10,403	8,996	12,348	9,633	16,812	16,736	17,989	19,284	20,615
Performance Bonus		4,315	4,590	4,810	5,771	5,575	5,454	5,965	6,394	6,836
Motor Vehicle Allowance	3	6,839	10,554	5,784	7,269	7,176	7,018	7,679	8,231	8,799
Cell phone Allowance	3	581	444	498	583	571	556	611	655	700
Housing Allowances	3	342	262	250	334	1,035	1,037	1,108	1,187	1,269
Other benefits and allowances	3	1,944	2,270	2,055	2,703	4,017	2,738	4,298	4,608	4,926
Payments in lieu of leave		3,743	2,298	2,304	2,848	3,579	3,579	3,815	4,051	4,291
Long service awards		28	29	32	36	29	29	31	34	36
Post-retirement benefit obligations	6	1,944	2,270	25,796	3,636	5,402	5,402	5,758	6,115	6,476
Sub Total - Other Municipal Staff		103,827	110,229	143,902	122,861	133,836	129,559	143,169	153,381	163,863
% increase	4		6.2%	30.5%	(14.6%)	8.9%	(3.2%)	10.5%	7.1%	6.8%
Total Parent Municipality		119,957	130,020	163,387	146,440	155,346	147,223	168,550	180,586	192,944
			8.4%	25.7%	(10.4%)	6.1%	(5.2%)	14.5%	7.1%	6.8%
TOTAL SALARY, ALLOWANCES & BENEFITS		119,957	130,020	163,387	146,440	155,346	147,223	168,550	180,586	192,944
% increase	4		8.4%	25.7%	(10.4%)	6.1%	(5.2%)	14.5%	7.1%	6.8%
TOTAL MANAGERS AND STAFF	5,7	107,864	116,039	148,568	130,050	139,814	135,501	151,930	162,769	173,898

Table 46 KZN263 SA23 – Disclosure - Salaries, allowances and benefits (Political Office Bearers / Councillors / Senior Managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Rand per annum								
Councillors	3							
Speaker	4							-
Chief Whip								-
Executive Mayor								-
Deputy Executive Mayor								-
Executive Committee								-
Total for all other councillors								-
Total Councillors	8	-	-	-	-			-
Senior Managers of the Municipality	5							
Municipal Manager (MM)								-
Chief Finance Officer								-
Director Technical Services								-
Director Corporate Services								-
Director Community Services								-
Director Development Planning								-
List of each official with packages >= senior manager								-
								-
Total Senior Managers of the Municipality	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	-	-	-	-		-

Table 47 KZN263 SA24 – Summary of personnel numbers

Summary of Personnel Numbers	Ref	2014/15			Current Year 2015/16			Budget Year 2016/17		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		44	44		44	44		44	44	
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	6		6	6		6	6		6
Other Managers	7	20	20							
Professionals		82	-	-	82	-	-	82	-	-
<i>Finance</i>		66			66			66		
<i>Spatial/town planning</i>		8			8			8		
<i>Information Technology</i>		4			4			4		
<i>Roads</i>		4			4			4		
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>										
Technicians		151	-	-	151	-	-	151	-	-
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>		29			29			29		
<i>Electricity</i>		40			40			40		
<i>Water</i>		40			40			40		
<i>Sanitation</i>		40			40			40		
<i>Refuse</i>		2			2			2		
<i>Other</i>										
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		21			21			21		
Elementary Occupations		295			295			295		
TOTAL PERSONNEL NUMBERS	9	619	64	6	599	44	6	599	44	6

Monthly targets for revenue, expenditure and cash flow

Table 48 KZN263 SA25 - Budgeted monthly Revenue and Expenditure

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Revenue By Source															
Property rates	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,326	5,602	64,184	68,163	72,185
Property rates - penalties & collection charges	178	178	178	178	178	178	178	178	178	178	178	178	2,132	2,264	2,398
Service charges - electricity revenue	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	181,481	199,629	219,592
Service charges - water revenue	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,651	43,819	48,200	53,020
Service charges - sanitation revenue	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	26,428	29,070	31,977
Service charges - refuse revenue	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	19,496	21,446	23,591
Service charges - other													-	-	-
Rental of facilities and equipment	122	122	122	122	122	122	122	122	122	122	122	122	1,463	1,542	-
Interest earned - external investments	163	163	163	163	163	163	163	163	163	163	163	163	1,956	2,077	2,200
Interest earned - outstanding debtors	1	1	1	1	1	1	1	1	1	1	1	1	16	17	18
Dividends received				-	-	-	-	-	-	-	-	-	-	-	-
Fines	143	143	143	143	143	143	143	143	143	143	143	143	1,713	1,819	1,927
Licences and permits	381	381	381	381	381	381	381	381	381	381	381	298	4,493	4,772	5,053
Agency services				-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	44,863			-	44,863	-	-	-	44,863	-	-	(20,000)	114,588	121,245	129,171
Other revenue	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	(31,987)	2,109	2,255	4,013
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	76,878	32,015	32,015	32,015	76,878	32,015	32,015	32,015	76,878	32,015	32,015	(22,880)	463,878	502,500	545,145
Expenditure By Type															
Employee related costs	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	151,930	162,770	173,898
Remuneration of councillors	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	16,620	17,817	19,046
Debt impairment	-	-	1,865	-	-	1,865	-	-	1,865	-	-	1,866	7,461	7,924	8,392

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Depreciation & asset impairment	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	110,958	117,838	124,790
Finance charges	-	-	-	-	-	-	-	-	-	-	-	959	959	1,019	1,079
Bulk purchases	20,000	20,000	11,001	11,001	11,001	11,001	11,001	11,001	11,001	11,001	11,001	20,000	159,013	173,960	190,312
Other materials	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	26,301	27,932	29,580
Contracted services	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,359	100,297	106,214	70,831
Transfers and grants	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,437	17,237	18,306	19,386
Other expenditure	4,007	4,007	4,007	4,007	4,007	4,007	4,007	4,007	4,007	4,007	4,007	3,846	47,923	49,685	94,418
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	59,286	59,286	52,152	50,287	50,287	52,152	50,287	50,287	52,152	50,287	50,287	61,950	638,701	683,463	731,732
Surplus/(Deficit)	17,592	(27,270)	(20,137)	(18,272)	26,591	(20,137)	(18,272)	(18,272)	24,726	(18,272)	(18,272)	(84,830)	(174,823)	(180,963)	(186,587)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	18,359	-	-	-	18,359	-	-	-	18,359	-	-	0	55,078	57,966	60,009
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	35,952	(27,270)	(20,137)	(18,272)	44,950	(20,137)	(18,272)	(18,272)	43,085	(18,272)	(18,272)	(84,830)	(119,745)	(122,997)	(126,578)
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	35,952	(27,270)	(20,137)	(18,272)	44,950	(20,137)	(18,272)	(18,272)	43,085	(18,272)	(18,272)	(84,830)	(119,745)	(122,997)	(126,578)

Table 49 KZN263 SA26 - Budgeted monthly Revenue and Expenditure (Municipal Vote)

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote															
Vote 1 - Municipal Governance & Administration	15	-	-	-	-	-	-	-	-	-	-	-	15	16	16
Vote 2 - Budget & Treasury	41,859	7,523	5,898	5,898	41,859	5,898	5,898	5,898	41,859	5,898	5,898	5,899	180,288	192,578	204,779
Vote 3 - Corporate Services	14	14	14	14	14	14	14	14	14	14	14	14	167	178	188
Vote 4 - Community & Public Safety	685	685	685	685	685	685	685	685	685	685	685	685	8,219	8,654	9,098
Vote 5 - Technical Services	12,010	324	324	324	12,010	324	324	324	12,010	324	324	324	38,942	40,595	42,793
Vote 6 - Trading Services	29,269	22,602	22,602	22,602	29,269	22,602	22,602	22,602	29,269	22,602	22,602	22,602	291,223	318,346	348,180
Vote 7 - Other	-	100	-	-	-	-	-	-	-	-	-	-	100	100	100
Total Revenue by Vote	83,852	31,248	29,523	29,523	83,836	29,523	29,523	29,523	83,836	29,523	29,523	29,525	518,956	560,466	605,154
Expenditure by Vote to be appropriated															
Vote 1 - Municipal Governance & Administration	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	68,089	72,545	77,076
Vote 2 - Budget & Treasury	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	35,842	38,219	40,822
Vote 3 - Corporate Services	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	25,644	27,360	29,110
Vote 4 - Community & Public Safety	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	60,525	64,525	68,597
Vote 5 - Technical Services	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	83,162	87,037	92,391
Vote 6 - Trading Services	45,401	45,401	25,401	25,401	25,401	25,401	25,401	25,401	25,401	25,401	25,401	45,400	364,808	393,105	423,020
Vote 7 - Other	53	53	53	53	53	53	53	53	53	53	53	53	630	673	717
Total Expenditure by Vote	68,225	68,225	48,225	48,225	48,225	48,225	48,225	48,225	48,225	48,225	48,225	68,226	638,701	683,463	731,733
Surplus/(Deficit) before assoc.	15,627	(36,977)	(18,702)	(18,702)	35,611	(18,702)	(18,702)	(18,702)	35,611	(18,702)	(18,702)	(38,701)	(119,746)	(122,998)	(126,578)
Taxation													-	-	-
Attributable to minorities													-	-	-
Share of surplus/ (deficit) of associate													-	-	-
Surplus/(Deficit)	15,627	(36,977)	(18,702)	(18,702)	35,611	(18,702)	(18,702)	(18,702)	35,611	(18,702)	(18,702)	(38,701)	(119,746)	(122,998)	(126,578)

Table 50 KZN263 SA27 - Budgeted monthly Revenue and Expenditure (Standard Classification)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard																
Governance and administration		41,888	7,537	5,912	5,912	41,873	5,912	5,912	5,912	41,873	5,912	5,912	5,914	180,471	192,771	204,984
Executive and council		15	-	-	-	-	-	-	-	-	-	-	0	15	16	16
Budget and treasury office		41,859	7,523	5,898	5,898	41,859	5,898	5,898	5,898	41,859	5,898	5,898	5,899	180,288	192,578	204,779
Corporate services		14	14	14	14	14	14	14	14	14	14	14	14	167	178	188
Community and public safety		378	378	378	3,884	553	378	378	378	378	378	378	378	8,219	8,654	9,098
Community and social services		39	39	39	3,545	214	39	39	39	39	39	39	40	4,152	4,335	4,524
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		339	339	339	339	339	339	339	339	339	339	339	339	4,067	4,319	4,574
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		12,365	206	206	206	12,365	206	206	206	12,365	206	206	207	38,951	40,595	42,793
Planning and development		8	8	8	8	8	8	8	8	8	8	8	8	97	103	109
Road transport		12,357	198	198	198	12,357	198	198	198	12,357	198	198	198	38,854	40,492	42,684
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		29,269	22,602	22,602	22,602	29,269	22,602	22,602	22,602	29,269	22,602	22,602	22,601	291,223	318,346	348,180
Electricity		21,790	15,123	15,123	15,123	21,790	15,123	15,123	15,123	21,790	15,123	15,123	15,123	201,481	219,629	239,592
Water		3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,651	43,819	48,200	53,020
Waste water management		2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	26,428	29,070	31,977
Waste management		1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	19,496	21,446	23,591
Other		-	-	-	-	-	-	100	-	-	-	-	-	100	100	100
Total Revenue - Standard		83,900	30,724	29,099	32,605	84,060	29,099	29,199	29,099	83,885	29,099	29,099	29,100	518,965	560,466	605,154
			45,894	44,269	51,281	106,072	44,269	44,369	44,269	105,722	44,269	44,269				
Expenditure - Standard																
Governance and administration		10,798	10,798	10,798	10,798	10,798	10,798	10,798	10,798	10,798	10,798	10,798	10,799	129,576	138,124	147,008
Executive and council		5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	5,674	68,089	72,545	77,076
Budget and treasury office		2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	35,842	38,219	40,822
Corporate services		2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	2,137	25,644	27,360	29,110
Community and public safety		5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	60,525	64,525	68,597
Community and social services		2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	28,743	30,632	32,554
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	29,701	31,662	33,658
Housing		173	173	173	173	173	173	173	173	173	173	173	174	2,081	2,231	2,384

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	6,930	83,162	87,036	92,391
Planning and development		1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,108	13,286	14,155	15,038
Road transport		5,823	5,823	5,823	5,823	5,823	5,823	5,823	5,823	5,823	5,823	5,823	5,823	69,876	72,881	77,353
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		35,401	35,401	28,734	28,734	28,734	28,734	28,734	28,734	28,734	28,734	28,734	35,401	364,808	393,105	423,020
Electricity		24,521	24,521	17,854	17,854	17,854	17,854	17,854	17,854	17,854	17,854	17,854	24,520	234,247	253,910	275,018
Water		4,388	4,388	4,388	4,388	4,388	4,388	4,388	4,388	4,388	4,388	4,388	4,389	52,661	56,095	59,586
Waste water management		3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	44,159	47,212	50,351
Waste management		2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	33,740	35,888	38,065
Other		53	53	53	53	53	53	53	53	53	53	53	53	630	673	717
Total Expenditure - Standard		58,225	58,225	51,558	51,558	51,558	51,558	51,558	51,558	51,558	51,558	51,558	58,227	638,701	683,462	731,733
Surplus/(Deficit) before assoc.		25,675	(27,501)	(22,460)	(18,954)	32,502	(22,460)	(22,360)	(22,460)	32,327	(22,460)	(22,460)	(29,127)	(119,736)	(122,997)	(126,578)
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	25,675	(27,501)	(22,460)	(18,954)	32,502	(22,460)	(22,360)	(22,460)	32,327	(22,460)	(22,460)	(29,127)	(119,736)	(122,997)	(126,578)

Table 51 KZN263 SA28 - Budgeted monthly Capital Expenditure (Municipal Vote)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Municipal Governance & Administration																
Vote 2 - Budget & Treasury																
Vote 3 - Corporate Services																
Vote 4 - Community & Public Safety																
Vote 5 - Technical Services		2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,923	35,078	37,966	40,009
Vote 6 - Trading Services				2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,000	20,000	20,000
Vote 7 - Other																
Capital multi-year expenditure sub-total	2	2,923	2,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	55,078	57,966	60,009
Single-year expenditure to be appropriated																
Vote 1 - Municipal Governance & Administration																
Vote 2 - Budget & Treasury					100		100		126		100		0	426	453	480
Vote 3 - Corporate Services						700		121					(0)	821	872	923
Vote 4 - Community & Public Safety				20		1,000			103	110	100			1,333	1,415	1,499
Vote 5 - Technical Services					30		300		20	14			20	384	408	432
Vote 6 - Trading Services			2,000	1,000	1,500	1,000	750	1,096	2,500	1,000	1,500	1,000	0	13,346	14,174	15,010
Vote 7 - Other																
Capital single-year expenditure sub-total	2	–	2,000	1,020	1,630	2,700	1,150	1,217	2,749	1,124	1,700	1,000	20	16,310	17,321	18,343
Total Capital Expenditure	2	2,923	4,923	5,943	6,553	7,623	6,073	6,140	7,672	6,047	6,623	5,923	4,943	71,388	75,287	78,352

Table 52 KZN263 SA29 - Budgeted monthly Capital Expenditure (Standard Classification)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard	1															
Governance and administration		-	-	-	100	700	100	121	126	-	100	-	1	1,247	1,325	1,403
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	100	-	100	-	126	-	100	-	0	426	453	480
Corporate services		-	-	-	-	700	-	121	-	-	-	-	0	821	872	923
Community and public safety		-	-	20	-	1,000	-	-	103	110	100	-	-	1,333	1,415	1,499
Community and social services		-	-	20	-	1,000	-	-	50	83	73	-	(0)	1,226	1,302	1,379
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	53	27	27	-	0	107	113	120
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2,923	2,923	2,923	2,953	2,923	3,223	2,923	2,943	2,937	2,923	2,923	2,945	35,462	38,374	40,441
Planning and development		-	-	-	20	-	-	-	13	-	-	-	10	43	45	48
Road transport		2,923	2,923	2,923	2,933	2,923	3,223	2,923	2,930	2,937	2,923	2,923	2,935	35,419	38,328	40,393
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	2,000	3,000	3,500	3,000	2,750	3,096	4,500	3,000	3,500	3,000	2,001	33,346	34,174	35,010
Electricity		-	2,000	2,000	3,000	2,700	2,730	2,000	3,877	3,000	3,500	3,000	2,000	29,807	30,415	31,030
Water		-	-	1,000	500	300	-	-	23	-	-	-	0	1,823	1,936	2,050
Waste water management		-	-	-	-	-	20	1,032	600	-	-	-	0	1,652	1,755	1,858
Waste management		-	-	-	-	-	-	64	-	-	-	-	0	64	68	72
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	2	2,923	4,923	5,943	6,553	7,623	6,073	6,139	7,672	6,047	6,623	5,923	4,947	71,388	75,287	78,352
Funded by:																
National Government		18,359	-	-	-	18,359	-	-	-	18,359	-	-	0	55,078	57,966	60,009
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		18,359	-	-	-	18,359	-	-	-	18,359	-	-	0	55,078	57,966	60,009
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Borrowing													-	-	-	-
Internally generated funds		1,359	1,359	1,359	1,359	1,359	1,359	1,359	1,359	1,359	1,359	1,359	1,359	16,310	17,321	18,343
Total Capital Funding		19,719	1,359	1,359	1,359	19,719	1,359	1,359	1,359	19,718	1,359	1,359	1,359	71,388	75,287	78,352

Table 53 KZN263 SA30 - Budgeted Monthly Cash Flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash Receipts By Source																
Property rates	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	64,184	68,163	72,185
Property rates - penalties & collection charges	178	178	178	178	178	178	178	178	178	178	178	178	178	2,132	2,264	2,398
Service charges - electricity revenue	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	15,123	181,481	199,629	219,592
Service charges - water revenue	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,652	3,651	3,651	43,819	48,200	53,020
Service charges - sanitation revenue	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202	26,428	29,070	31,977
Service charges - refuse revenue	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	19,496	21,446	23,591
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	122	122	122	122	122	122	122	122	122	122	122	122	122	1,463	1,542	-
Interest earned - external investments	163	163	163	163	163	163	163	163	163	163	163	163	163	1,956	2,077	2,200
Interest earned - outstanding debtors	1	1	1	1	1	1	1	1	1	1	1	1	1	16	17	18
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	143	143	143	143	143	143	143	143	143	143	143	143	143	1,713	1,819	1,927
Licences and permits	374	374	374	374	374	374	374	374	374	374	374	375	375	4,493	4,772	5,053
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	44,863	-	-	-	44,863	-	-	-	44,863	-	-	-	-	134,588	141,061	148,988
Other revenue	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	37,196	40,406	44,207
Cash Receipts by Source	76,894	32,031	32,031	32,031	76,894	32,031	32,031	32,031	76,894	32,031	32,031	32,031	32,031	518,965	560,467	605,156
Other Cash Flows by Source																
Transfer receipts - capital	18,359	-	-	-	18,359	-	-	-	18,359	-	-	0	0	55,078	57,966	60,009
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	95,253	32,031	32,031	32,031	95,253	32,031	32,031	32,031	95,253	32,031	32,031	32,031	32,031	574,043	618,433	665,165

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash Payments by Type																
Employee related costs	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	12,661	151,930	162,770	173,898
Remuneration of councillors	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	16,620	17,817	19,046
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	959	959	1,019	1,079
Bulk purchases - Electricity	20,000	20,000	11,001	11,001	11,001	11,001	11,001	11,001	11,001	11,001	11,001	11,001	20,000	159,013	173,960	190,312
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	26,301	27,932	29,580
Contracted services	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	8,358	100,297	106,214	70,831
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	17,056	18,113	19,182
Other expenditure	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	166,687	175,805	227,977
Cash Payments by Type	59,908	59,908	50,909	50,909	50,909	50,909	50,909	50,909	50,909	50,909	50,909	60,867	638,863	683,630	731,905	
Other Cash Flows/Payments by Type																
Capital assets	18,359	-	-	-	18,359	-	-	-	18,359	-	-	0	55,078	57,966	60,009	
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	78,267	59,908	50,909	50,909	69,268	50,909	50,909	50,909	69,268	50,909	50,909	60,867	693,941	741,596	791,914	
NET INCREASE/(DECREASE) IN CASH HELD	16,987	(27,876)	(18,878)	(18,878)	25,985	(18,878)	(18,878)	(18,878)	25,985	(18,878)	(18,878)	(28,836)	(119,899)	(123,163)	(126,749)	
Cash/cash equivalents at the month/year begin:	36,636	53,623	25,746	6,869	(12,009)	13,976	(4,901)	(23,779)	(42,656)	(16,671)	(35,549)	(54,426)	36,636	(83,263)	(206,425)	
Cash/cash equivalents at the month/year end:	53,623	25,746	6,869	(12,009)	13,976	(4,901)	(23,779)	(42,656)	(16,671)	(35,549)	(54,426)	(83,263)	(83,263)	(206,425)	(333,175)	

Annual Budgets and SDBIPs – Internal Departments

Water Services Department

The department is primarily responsible for the distribution of potable water within the municipal boundary, which includes the purification of raw water, maintenance of the reticulation network and implementation of the departmental capital programme.

Table 54 SA2 - Water Services Department - Operating Revenue by source, Expenditure by type and total Capital Expenditure

Description	Ref	Vote 1 - Municipal Governance & Administration	Vote 2 - Budget & Treasury	Vote 3 - Corporate Services	Vote 4 - Community & Public Safety	Vote 5 - Technical Services	Vote 6 - Trading Services	Vote 7 - Other	Total
R thousand	1								
Revenue By Source									
Property rates		-	64,184	-	-	-	-	-	64,184
Property rates - penalties & collection charges		-	2,132	-	-	-	-	-	2,132
Service charges - electricity revenue		-	-	-	-	-	175,450	-	175,450
Service charges - water revenue		-	-	-	-	-	43,681	-	43,681
Service charges - sanitation revenue		-	-	-	-	-	26,428	-	26,428
Service charges - refuse revenue		-	-	-	-	-	19,496	-	19,496
Service charges - other		-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	858	167	211	196	-	-	1,432
Interest earned - external investments		-	1,956	-	-	-	-	-	1,956
Interest earned - outstanding debtors		-	16	-	-	-	-	-	16
Dividends received		-	-	-	-	-	-	-	-
Fines		-	-	-	1,606	-	-	-	1,606
Licences and permits		-	-	-	2,468	2,132	-	-	4,600
Agency services		-	-	-	-	-	-	-	-
Other revenue		15	1,633	-	252	147	6,168	-	8,215
Transfers recognised - operational		-	109,509	-	3,681	36,476	20,000	100	169,766
Gains on disposal of PPE		-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		15	180,288	167	8,219	38,951	291,223	100	518,963
Expenditure By Type									
Employee related costs		6,767	18,082	12,676	24,763	20,442	53,503	391	136,624
Remuneration of councillors		16,620	-	-	-	-	-	-	16,620
Debt impairment		7,461	-	-	-	-	-	-	7,461
Depreciation & asset impairment		4,527	507	4,398	6,637	26,119	68,771	-	110,958
Finance charges		-	693	-	-	-	-	-	693
Bulk purchases		-	-	-	-	-	159,013	-	159,013
Other materials		-	21	1,386	1,632	9,845	13,555	2	26,439
Contracted services		5,328	5,822	3,518	20,940	12,046	21,863	-	69,516
Transfers and grants		-	1,625	-	-	1,398	15,457	100	18,580
Other expenditure		27,385	9,091	3,667	6,726	-	32,647	138	79,653
Loss on disposal of PPE		-	-	-	-	13,314	-	-	13,314
Total Expenditure		68,089	35,842	25,644	60,698	83,162	364,808	630	638,873
Surplus/(Deficit)		(68,073)	144,446	(25,477)	(52,479)	(44,212)	(73,585)	(530)	(119,910)
Transfers recognised - capital		-	-	-	-	35,078	20,000	-	55,078

Description	Ref	Vote 1 - Municipal Governance & Administration	Vote 2 - Budget & Treasury	Vote 3 - Corporate Services	Vote 4 - Community & Public Safety	Vote 5 - Technical Services	Vote 6 - Trading Services	Vote 7 - Other	Total
R thousand	1								
Contributions recognised - capital		-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(68,073)	144,446	(25,477)	(52,479)	(9,134)	(53,585)	(530)	(64,832)

Table 55 Water Services Department – Performance objectives and indicators

None

There are currently unfilled positions in the structure of the Water Services Section. The top management structure consists of the Director Technical Services and Manager Water. As part of the performance objectives for the 2016/17 financial year, the expansion of the functional water demand management unit will require an amendment to the departmental organogram and the subsequent filling of vacancies.

Significant capital projects to be undertaken over the medium term includes, amongst others:

- Replacement and upgrading of deficient reticulation infrastructure; and
- Purification plant upgrades.

The departmental strategy is ensuring the economic value and useful life of the water reticulation network and infrastructure is maintained. To this end, the medium-term expenditure framework provides for operational repairs and maintenance of R 4, 6 million, R 4, 9 million and R5, 2 million in each of the respective financial years of the MTREF.

The departmental revenue base is primarily informed by the sale of water of which budget appropriation for the 2016/17 financial year is R 43, 8 million and increases to R53 million by 2018/19 and has been informed by a collection rate of 92% and distribution losses of 50%, as well as ensuring that all areas currently not metered have water meters installed this will increase the collection rate, reduce the losses and allow for more funds to be allocated to repairing the infrastructure.

The reduction of distribution losses is considered a priority and hence the departmental objectives and targets provide for a 1% efficiency gain per annum. In relation to this target, past performance has been irregular with a total distribution loss of 46 % in 2014/15; increasing to 60.87% in the 2015/16 adjustment budget and budgeted for 2016/17 at 50% for the year.

Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 56 KZN263 SA34a - Capital Expenditure on new Assets by Asset Class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
-										
Infrastructure		9,027	11,083	55,070	61,936	68,381	68,381	68,765	72,502	75,403
Infrastructure - Road transport		-	128	40,929	35,861	35,861	35,861	35,419	38,328	40,393
Roads, Pavements & Bridges		-	128	40,929	35,861	35,861	35,861	35,419	38,328	40,393
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		9,027	10,919	13,524	22,180	29,200	29,200	29,807	30,415	31,030
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		9,027	10,919	13,524	22,180	29,200	29,200	29,807	30,415	31,030
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	22	-	2,025	1,710	1,710	1,823	1,936	2,050
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	22	-	2,025	1,710	1,710	1,823	1,936	2,050
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	14	591	1,550	1,550	1,550	1,652	1,755	1,858
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	14	591	1,550	1,550	1,550	1,652	1,755	1,858
Infrastructure - Other		-	-	26	320	60	60	64	68	72
Waste Management		-	-	26	320	60	60	64	68	72
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
Community		122	151	65	1,670	1,250	1,250	1,333	1,415	1,499
Parks & gardens		-	54	-	-	-	-	-	-	-
Sports fields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		108	67	65	50	50	50	53	57	60
Libraries		-	-	-	50	50	50	53	57	60
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		14	30	-	450	100	100	107	113	120
Security and policing		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	1,120	1,050	1,050	1,119	1,189	1,259
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
		145	426	334	1,410	1,235	1,235	1,290	1,370	1,451
Other assets		-	-	-	-	-	-	-	-	-
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		42	85	234	700	700	700	746	792	839
Furniture and other office equipment		103	341	100	710	535	535	544	577	611
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (<i>list sub-class</i>)		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	9,294	11,660	55,469	65,016	70,866	70,866	71,388	75,287	78,352

Table 57 KZN263 SA34b - Capital Expenditure on the Renewal of existing Assets by Asset Class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
-										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>		-	-	-	-	-	-	-	-	-
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
<i>Waste Management</i>		-	-	-	-	-	-	-	-	-
<i>Transportation</i>	2	-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>	3	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sports fields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousand	1										
Recreational facilities	7	-	-	-	-	-	-	-	-	-	
Fire, safety & emergency		-	-	-	-	-	-	-	-	-	
Security and policing		-	-	-	-	-	-	-	-	-	
Buses		-	-	-	-	-	-	-	-	-	
Clinics		-	-	-	-	-	-	-	-	-	
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	
Cemeteries		-	-	-	-	-	-	-	-	-	
Social rental housing	8	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Heritage assets		-	-	-	-	-	-	-	-	-	
Buildings	9	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Investment properties		-	-	-	-	-	-	-	-	-	
Housing development		-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Other assets		-	-	-	-	-	-	-	-	-	
General vehicles	10	-	-	-	-	-	-	-	-	-	
Specialised vehicles		-	-	-	-	-	-	-	-	-	
Plant & equipment		-	-	-	-	-	-	-	-	-	
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-	
Furniture and other office equipment		-	-	-	-	-	-	-	-	-	
Abattoirs		-	-	-	-	-	-	-	-	-	
Markets		-	-	-	-	-	-	-	-	-	
Civic Land and Buildings		-	-	-	-	-	-	-	-	-	
Other Buildings		-	-	-	-	-	-	-	-	-	
Other Land		-	-	-	-	-	-	-	-	-	
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Agricultural assets			-	-	-	-	-	-	-	-	-
<i>List sub-class</i>			-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (<i>list sub-class</i>)		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	-	-	-	-	-	-	-	-	-

Table 58 KZN263 SA34c - Repairs and Maintenance Expenditure by Asset Class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		13,528	11,006	13,649	22,069	21,931	17,735	23,378	24,867	26,292
Infrastructure - Road transport		5,379	4,792	5,921	9,015	9,215	4,041	9,823	10,432	11,048
<i>Roads, Pavements & Bridges</i>		5,379	4,792	5,921	9,015	9,215	4,041	9,823	10,432	11,048
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		4,322	2,177	2,435	7,340	6,250	5,205	6,663	7,076	7,493
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>		3,655	1,592	1,549	6,340	5,250	3,856	5,597	5,943	6,294
<i>Street Lighting</i>		667	585	886	1,000	1,000	1,349	1,066	1,132	1,199
Infrastructure - Water		2,390	3,019	3,311	3,404	4,356	5,404	4,643	4,931	5,222
<i>Dams & Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		2,390	3,019	3,311	3,404	4,356	5,404	4,643	4,931	5,222
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		1,437	997	1,982	1,810	1,910	3,085	2,036	2,162	2,290
<i>Reticulation</i>		1,437	997	1,982	1,810	1,910	3,085	2,036	2,162	2,290
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	21	-	500	200	-	213	266	240
<i>Waste Management</i>		-	21	-	500	200	-	213	266	240
<i>Transportation</i>	2	-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>	3	-	-	-	-	-	-	-	-	-
Community		423	838	769	2,050	1,401	393	1,632	1,734	1,838
Parks & gardens		42	63	93	250	200	12	213	226	240
Sports fields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		30	190	39	340	340	165	500	531	562
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Security and policing		234	345	313	780	476	112	507	539	571
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		4	30	29	120	120	45	128	138	147
Cemeteries		2	43	3	50	15	-	16	17	18
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		110	166	291	510	250	58	267	283	300
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		(146)	383	645	1,622	1,322	1,244	1,292	1,331	1,450
General vehicles		(494)	-	-	-	-	-	-	-	-
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		191	(31)	176	100	100	44	107	113	120
Furniture and other office equipment		16	51	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		141	362	469	1,522	1,222	1,200	1,185	1,218	1,330
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	13,804	12,227	15,064	25,741	24,654	19,371	26,301	27,933	29,580

Table 59 KZN263 SA34d - Future Financial Implications of the Capital Budget (Depreciation by Asset Class)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Depreciation by Asset Class/Sub-class										
-										
Infrastructure		69,556	14,177	62,259	18,917	88,979	88,979	94,852	100,733	106,676
Infrastructure - Road transport		35,922	4,944	6,309	6,238	24,466	24,466	26,081	27,698	29,332
<i>Roads, Pavements & Bridges</i>		35,922	4,944	6,309	6,238	24,466	24,466	26,081	27,698	29,332
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		12,585	3,278	31,413	4,520	31,661	31,661	33,750	35,843	37,957
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>		12,585	3,278	31,413	4,520	31,661	31,661	33,750	35,843	37,957
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		16,443	1,967	13,777	2,741	13,928	13,928	14,847	15,767	16,698
<i>Dams & Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		16,443	1,967	13,777	2,741	13,928	13,928	14,847	15,767	16,698
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		4,607	3,987	10,759	5,419	11,056	11,056	11,786	12,516	13,255
<i>Reticulation</i>		4,607	3,987	10,759	5,419	11,056	11,056	11,786	12,516	13,255
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	7,869	7,869	8,388	8,908	9,434
<i>Waste Management</i>		-	-	-	-	7,869	7,869	8,388	8,908	9,434
<i>Transportation</i>	2	-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>	3	-	-	-	-	-	-	-	-	-
Community		1,475	430	13,191	877	6,226	6,226	6,637	7,048	7,464
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		1,440	368	13,152	835	6,184	6,184	6,592	7,000	7,414
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		35	63	40	42	42	42	45	48	50
Security and policing		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		25,210	93,807	17,096	2,199	8,883	8,883	9,470	10,057	10,651
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		426	197	231	245	476	476	507	539	570
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		123	1,348	1,899	1,736	4,126	4,126	4,398	4,671	4,946
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		24,661	92,263	14,965	218	4,282	4,282	4,565	4,848	5,134
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Depreciation	1	96,242	108,414	92,546	21,994	104,088	104,088	110,958	117,838	124,790

Table 60 KZN263 SA35 - Future Financial Implications of the Capital Budget

Vote Description	Ref	2016/17 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Municipal Governance & Administration		-	-	-				
Vote 2 - Budget & Treasury		426	453	480				
Vote 3 - Corporate Services		821	872	923				
Vote 4 - Community & Public Safety		1,333	1,415	1,499				
Vote 5 - Technical Services		35,462	38,374	40,441				
Vote 6 - Trading Services		33,346	34,174	35,010				
Vote 7 - Other		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		71,388	75,287	78,352	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Municipal Governance & Administration								
Vote 2 - Budget & Treasury								
Vote 3 - Corporate Services								
Vote 4 - Community & Public Safety								
Vote 5 - Technical Services								
Vote 6 - Trading Services								
Vote 7 - Other								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		71,388	75,287	78,352	-	-	-	-

Table 61 KZN263 SA36 - Detailed Capital Budget per Municipal Vote

Municipal Vote/Capital project R thousand	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 5	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
									Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>															
Parent Capital expenditure										-	-	-			
Entities: <i>List all capital projects grouped by Entity</i>															
Entity A Water project A															
Entity B Electricity project B															
Entity Capital expenditure									-	-	-	-	-		
Total Capital expenditure									-	-	-	-	-		

Table 62 KZN263 SA37 - Projects delayed from previous financial year

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework			
								Original Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
							R thousand						
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>								
Entities: <i>List all capital projects grouped by Municipal Entity</i>													
Entity Name <i>Project name</i>													

Legislation compliance status

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

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Since the introduction of the Internship programme the Municipality has successfully employed and trained interns through this programme and a majority of them were appointed either in the Municipality or other municipalities.

3. Budget and Treasury Office

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

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2016/17 MTREF in June 2016 directly aligned and informed by the 2016/17 MTREF.

6. Annual Report

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

7. MFMA Training

The MFMA training module in electronic format is presented for the Municipality's internal employees and training is on-going.

Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

Other supporting documents

Table 63 KZN263 Table SA1 - Supporting detail to Budgeted Financial Performance

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>											
Net Property Rates		41,574	49,942	59,010	60,626	60,210	50,658	50,658	64,184	68,163	72,185
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue		126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>											
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - electricity revenue		126,394	141,091	145,521	172,402	164,983	144,868	144,868	181,481	199,629	219,592
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue		30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>											
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - water revenue		30,842	36,153	36,524	50,290	39,835	33,739	33,739	43,819	48,200	53,020
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue		16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>											

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - sanitation revenue		16,411	19,208	25,914	24,685	24,025	20,751	20,751	26,428	29,070	31,977
Service charges - refuse revenue	6										
Total refuse removal revenue		12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		12,232	13,986	15,946	18,238	17,724	15,236	15,236	19,496	21,446	23,591
Other Revenue by source											
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Other Revenue		-	-	-	2,577	-	15,153	15,153	1,620	1,735	3,463
Burial fees		-	-	-	180	180	180	180	192	204	216
Encroachment fees		1,599	43,348	45,828	53	53	55	55	57	60	64
Photostat Copies		-	-	-	46	21	20	20	23	24	25
Special Consent		-	-	-	-	40	39	39	43	45	48
Gate fees		-	-	-	-	1	2	2	1	1	1
Building Plan fees		-	-	-	53	15	17	17	16	17	18
SETA		-	-	-	197	-	-	-	-	-	-
Tender deposits		-	-	-	300	60	50	50	64	68	72
Rates Clearances		-	-	-	73	60	55	55	64	68	72
Monument Fees	3	-	-	-	29	29	20	20	31	32	34
Total 'Other' Revenue	1	1,599	43,348	45,828	3,507	459	15,591	15,591	2,109	2,255	4,013
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	57,446	61,465	73,915	72,132	71,355	55,229	55,229	81,418	87,280	93,303
Pension and UIF Contributions		603	612	647	15,485	15,053	14,467	14,467	16,107	17,267	18,458
Medical Aid Contributions		4,080	4,589	4,942	5,677	5,643	5,313	5,313	6,038	6,473	6,919
Overtime		10,403	8,996	12,348	9,633	16,812	16,736	16,736	17,989	19,284	20,615
Performance Bonus		4,315	4,590	4,810	6,676	5,575	5,454	5,454	7,078	7,585	8,107
Motor Vehicle Allowance		6,839	10,554	8,751	7,269	7,176	7,018	7,018	7,679	8,231	8,799

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Cell phone Allowance		11,943	12,085	12,839	583	571	556	556	611	655	700
Housing Allowances		342	262	250	334	1,035	1,037	1,037	1,108	1,187	1,269
Other benefits and allowances		1,944	2,270	2,052	2,703	2,248	2,738	2,738	4,298	4,608	4,926
Payments in lieu of leave		3,743	2,298	2,002	2,848	3,579	3,579	3,579	3,815	4,051	4,291
Long service awards		28	29	32	36	29	28	28	31	34	36
Post-retirement benefit obligations		–	–	–	3,636	5,402	5,402	5,402	5,758	6,115	6,476
sub-total	4	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
<u>Less: Employees costs capitalised to PPE</u>	5										
Total Employee related costs	1	101,686	107,749	122,588	127,012	134,478	117,557	117,557	151,930	162,770	173,898
Contributions recognised - capital											
<i>MIG</i>				40,911	35,566	35,566	35,566	35,566	35,078	37,966	40,009
<i>INEG</i>		9,000	9,000	9,000	18,000	20,000	18,000	18,000	20,000	20,000	20,000
Total Contributions recognised - capital		9,000	9,000	49,911	53,566	55,566	53,566	53,566	55,078	57,966	60,009
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		96,145	88,655	82,095	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Lease amortisation		–	19,664	9,058	–	–	–	–	–	–	–
Capital asset impairment		96	96	1,393	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE		–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	10	96,241	108,415	92,546	21,994	104,088	104,088	104,088	110,958	117,838	124,790
Bulk purchases											
Electricity Bulk Purchases		112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Total bulk purchases	1	112,200	122,108	127,786	154,400	145,350	143,609	143,609	159,013	173,960	190,312
Transfers and grants											
Cash transfers and grants		–	–	–	105	170	95	95	181	192	204
Non-cash transfers and grants		–	–	–	13,991	16,000	15,798	15,798	17,056	18,113	19,182
Total transfers and grants	1	–	–	–	14,096	16,170	15,893	15,893	17,237	18,306	19,386
Contracted services											
<i>List services provided by contract</i>		26,703	28,723	43,121	35,292	38,574	26,558	26,558	37,317	39,329	–
<i>Internal Audit</i>					2,000	2,000			2,132	2,264	2,398

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Meter Reading					2,000	2,600	2,556	2,556	2,772	2,943	3,117
Computer Services					720	550	478	478	586	623	659
VAT Consultant					-	900	893	893	959	1,019	1,079
Parks					6,665	6,150	6,097	6,097	6,556	6,962	7,373
Security					12,000	12,100	12,068	12,068	12,899	13,698	14,507
Refuse Removal					10,500	10,400	9,343	9,343	11,086	11,774	12,468
Steiner					12	22	22	22	23	25	26
Digging of Graves					50	50	26	26	53	57	60
Electricity-Engineer					1,200	500	398	398	533	566	599
WSSA					370	370	370	370	394	419	444
Munsoft					1,000	1,500	1,487	1,487	1,599	1,698	1,798
Infrastructure Plan					1,000	1,000	1,000	1,000	1,066	1,132	1,199
Shared Services					500	500			533	566	599
Nurses working with traffic											
Forensic Auditors					220	720			768	815	863
Brandfin Trade cc											
Total client services											
Commission on vendor sales					1,089	1,089	1,070	1,070	1,161	1,233	1,306
Photocopiers & faxes					750	600	508	508	640	679	719
Lease of vehicles					17,105	16,850	13,152	13,152	17,962	19,076	20,201
Telephones					1,000	1,180	1,176	1,176	1,258	1,336	1,415
sub-total	1	26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Allocations to organs of state:											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total contracted services		26,703	28,723	43,121	93,473	97,654	77,202	77,202	100,297	106,214	70,831
Other Expenditure By Type											
Collection costs		6,586	-	57,183	-	-	-	-	-	-	-
Contributions to 'other' provisions		68	(135)	-	-	-	-	-	-	-	-
Consultant fees		532	672	1,522	1,050	850	400	400	1,108	1,169	-
Audit fees		1,283	2,482	5,234	2,000	2,000	3,909	3,909	2,132	2,264	2,398
General expenses	3	66,933	81,933	77,677	20,241	34,913	-	-	11,856	11,495	55,222

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
<i>List Other Expenditure by Type</i>		-	-	-	-	-	-	-	-	-	-
Ward Committee Members		-	-	-	2,800	2,400	2,237	2,237	2,558	2,717	2,877
Newsletter & Radio Slot		-	-	-	150	150	150	150	160	170	171
Advertisements & Notices		-	-	-	500	350	339	339	373	396	420
Allowances & Pensioners Contributions		-	-	-	1,746	1,400	1,129	1,129	1,492	1,585	1,678
Banking Services		-	-	-	1,550	1,350	1,178	1,178	1,439	1,528	1,619
Brochures & Postcards		-	-	-	10	10	10	10	111	11	12
Cartage & Railage		-	-	-	75	75	48	48	80	85	90
Chemicals		-	-	-	2,575	3,525	3,390	3,390	3,758	3,991	4,226
Cleaning Materials		-	-	-	437	404	327	327	431	457	484
Conference Fees & Travelling		-	-	-	3,020	3,128	3,450	3,450	3,334	3,541	3,750
Municipal Services		-	-	-	6,655	7,132	7,007	7,007	7,603	8,074	8,550
Compensation Commissioner		-	-	-	550	550	550	550	586	623	659
Strategic Planning Sessions & Refreshments		-	-	-	187	192	133	133	205	217	230
Budget Road show		-	-	-	500	650	500	500	693	736	779
First Aid Supplies		-	-	-	16	16	-	-	17	18	19
Council Community Projects		-	-	-	1,000	1,000	1,000	1,000	1,066	1,132	1,199
LED Projects & Poverty Alleviation		-	-	-	3,300	5,400	3,076	3,076	5,756	6,113	6,474
Spluma		-	-	-	1,000	1,000	1,000	1,000	1,066	1,132	1,199
Indigent Burials		-	-	-	220	220	204	204	235	249	264
Insurances		-	-	-	1,000	1,750	1,762	1,762	1,866	1,981	2,098
Total 'Other' Expenditure	1	75,402	84,953	141,615	50,580	68,464	31,799	31,799	47,923	49,685	94,418
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure		13,804	12,227	15,064	25,741	24,653	19,371	19,371	26,301	27,932	29,580
Total Repairs and Maintenance Expenditure	9	13,804	12,227	15,064	25,741	24,653	19,371	19,371	26,301	27,932	29,580

Table 64 KZN263 Table SA2 – Matrix Financial Performance Budget (Revenue Source / Expenditure type and Department)

Description	Ref	Vote														Total	
		1 - Municipal Governance & Administration	2 - Budget & Treasury	3 - Corporate Services	4 - Community & Public Safety	5 - Technical Services	6 - Trading Services	7 - Other	8 -	9 -	10 -	11 -	12 -	13 -	14 -		15 -
Revenue By Source																	
Property rates		-	64,184	-	-	-	-	-	-	-	-	-	-	-	-	-	64,184
Property rates - penalties & collection charges		-	2,132	-	-	-	-	-	-	-	-	-	-	-	-	-	2,132
Service charges - electricity revenue		-	-	-	-	-	-	175,450	-	-	-	-	-	-	-	-	175,450
Service charges - water revenue		-	-	-	-	-	-	43,681	-	-	-	-	-	-	-	-	43,681
Service charges - sanitation revenue		-	-	-	-	-	-	26,428	-	-	-	-	-	-	-	-	26,428
Service charges - refuse revenue		-	-	-	-	-	-	19,496	-	-	-	-	-	-	-	-	19,496
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	858	167	211	196	-	-	-	-	-	-	-	-	-	-	1,432
Interest earned - external investments		-	1,956	-	-	-	-	-	-	-	-	-	-	-	-	-	1,956
Interest earned - outstanding debtors		-	16	-	-	-	-	-	-	-	-	-	-	-	-	-	16
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	1,606	-	-	-	-	-	-	-	-	-	-	-	1,606
Licences and permits		-	-	-	2,468	2,132	-	-	-	-	-	-	-	-	-	-	4,600
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue		15	1,633	-	252	147	6,168	-	-	-	-	-	-	-	-	-	8,215
Transfers recognised - operational		-	109,509	-	3,681	36,476	20,000	100	-	-	-	-	-	-	-	-	169,766
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		15	180,288	167	8,219	38,951	291,223	100	-	-	-	-	-	-	-	-	518,963
Expenditure By Type																	
Employee related costs		6,767	18,082	12,676	24,763	20,442	53,503	391	-	-	-	-	-	-	-	-	136,624
Remuneration of councillors		16,620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,620
Debt impairment		7,461	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,461
Depreciation & asset impairment		4,527	507	4,398	6,637	26,119	68,771	-	-	-	-	-	-	-	-	-	110,958
Finance charges		-	693	-	-	-	-	-	-	-	-	-	-	-	-	-	693
Bulk purchases		-	-	-	-	-	159,013	-	-	-	-	-	-	-	-	-	159,013
Other materials		-	21	1,386	1,632	9,845	13,555	2	-	-	-	-	-	-	-	-	26,439
Contracted services		5,328	5,822	3,518	20,940	12,046	21,863	-	-	-	-	-	-	-	-	-	69,516
Transfers and grants		-	1,625	-	-	1,398	15,457	100	-	-	-	-	-	-	-	-	18,580
Other expenditure		27,385	9,091	3,667	6,726	-	32,647	138	-	-	-	-	-	-	-	-	79,653

Description	Ref															Total	
		Vote 1 - Municipal Governance & Administration	Vote 2 - Budget & Treasury	Vote 3 - Corporate Services	Vote 4 - Community & Public Safety	Vote 5 - Technical Services	Vote 6 - Trading Services	Vote 7 - Other	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -		Vote 15 -
R thousand																	
Loss on disposal of PPE		-	-	-	-	13,314	-	-	-	-	-	-	-	-	-	-	13,314
Total Expenditure		68,089	35,842	25,644	60,698	83,162	364,808	630	-	-	-	-	-	-	-	-	638,873
Surplus/(Deficit)		(68,073)	144,446	(25,477)	(52,479)	(44,212)	(73,585)	(530)	-	-	-	-	-	-	-	-	(119,910)
Transfers recognised - capital		-	-	-	-	35,078	20,000	-	-	-	-	-	-	-	-	-	55,078
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(68,073)	144,446	(25,477)	(52,479)	(9,134)	(53,585)	(530)	-	-	-	-	-	-	-	-	(64,832)

Table 65 KZN263 Table SA3 – Supporting detail to Statement of Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		–	41,643	26,071	26,071	26,071	26,071	26,071	26,071	26,071	26,071
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	–	41,643	26,071	26,071	26,071	26,071	26,071	26,071	26,071	26,071
Consumer debtors											
Consumer debtors		57,066	46,962	74,485	74,485	74,485	74,485	74,485	74,485	74,485	74,485
Less: Provision for debt impairment		(26,293)	(4,992)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)	(4,968)
Total Consumer debtors	2	30,773	41,970	69,517	69,517	69,517	69,517	69,517	69,517	69,517	69,517
Debt impairment provision											
Balance at the beginning of the year											
Contributions to the provision		(26,293)	(31,237)	–	–	–	–	–	–	–	–
Bad debts written off											
Balance at end of year		(26,293)	(31,237)	–	–	–	–	–	–	–	–
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		5,050,148	3,093,183	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856	3,141,856
Leases recognised as PPE		–	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		3,299,343	1,551,688	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380	1,634,380
Total Property, plant and equipment (PPE)	2	1,750,805	1,541,495	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476	1,507,476
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–	1,381	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		–	–	–	–	–	–	–	–	–	–
Total Current liabilities - Borrowing		–	1,381	–	–	–	–	–	–	–	–
Trade and other payables											
Trade and other creditors		35,956	57,094	66,129	66,129	66,129	66,129	66,129	66,129	66,129	66,129
Unspent conditional transfers		33,505	6,310	5,245	5,245	5,245	5,245	5,245	5,245	5,245	5,245
VAT		(1,221)	(3,402)	–	–	–	–	–	–	–	–

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Total Trade and other payables	2	68,240	60,002	71,374	71,374	71,374	71,374	71,374	71,374	71,374	71,374
Non current liabilities - Borrowing											
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		-	3,195	7	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		-	3,195	7	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits		47,173	36,565	62,275	62,275	62,275	62,275	62,275	62,275	62,275	62,275
List other major provision items											
Refuse landfill site rehabilitation		97,133	53,122	55,632	55,632	55,632	55,632	55,632	55,632	55,632	55,632
Other		-	-	-	7	7	7	7	7	7	7
Total Provisions - non-current		144,306	89,687	117,907	117,914	117,914	117,914	117,914	117,914	117,914	117,914
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		1,790,670	1,547,502	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437
GRAP adjustments											
Restated balance		1,790,670	1,547,502	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437	1,469,437
Surplus/(Deficit)		(72,395)	(7,696)	(49,957)	3,894	(125,661)	(80,186)	(58,889)	(119,745)	(122,997)	(126,578)
Appropriations to Reserves		(2,771)	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	1,715,503	1,539,806	1,419,480	1,473,331	1,343,776	1,389,251	1,410,548	1,349,692	1,346,440	1,342,859
Reserves											
Housing Development Fund	-	-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1,715,503	1,539,806	1,419,480	1,473,331	1,343,776	1,389,251	1,410,548	1,349,692	1,346,440	1,342,859

Table 66 KZN263 Table SA9 – Social, Economic and Demographic Statistics and Assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population											
Females aged 5 - 14											
Males aged 5 - 14											
Females aged 15 - 34											
Males aged 15 - 34											
Unemployment											
Monthly household income (no. of households)	-										
No income											
R1 - R1 600											
R1 601 - R3 200											
R3 201 - R6 400											
R6 401 - R12 800											
R12 801 - R25 600											
R25 601 - R51 200											
R52 201 - R102 400											
R102 401 - R204 800											
R204 801 - R409 600											
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 060 per household per month											
Insert description											
Household/demographics (000)											
Number of people in municipal area											
Number of poor people in municipal area											
Number of households in municipal area											
Number of poor households in municipal area											

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Definition of poor household (R per month)											
-											
Housing statistics											
Formal											
Informal											
Total number of households		-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality											
Dwellings provided by province/s											
Dwellings provided by private sector											
Total new housing dwellings		-	-	-	-	-	-	-	-	-	-
Economic											
Inflation/inflation outlook (CPIX)											
Interest rate - borrowing											
Interest rate - investment											
Remuneration increases											
Consumption growth (electricity)											
Consumption growth (water)											
Collection rates											
Property tax/service charges											
Rental of facilities & equipment											
Interest - external investments											
Interest - debtors											
Revenue from agency services											

Total municipal services		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Household service targets (000)									
	Water:									
	Piped water inside dwelling	17,237	17,237	68,522,142	75,900,000	(9,900,000)	66,000,000	67	67	67
	Piped water inside yard (but not in dwelling)	14,020	14,020	–	–	–	–	65	65	65
	Using public tap (at least min.service level)	–	–	14,024	14,024	14	14	14	14	14
	Other water supply (at least min.service level)	12,204	12,204	200,000	264,000	16,000	280,000	7	7	7
	<i>Minimum Service Level and Above sub-total</i>	43,461	43,461	68,736,166	76,178,024	(9,883,986)	66,280,014	153	153	153
	Using public tap (< min.service level)	3,207	3,207	3,207	3,207	3,207	3,207	3,207	3,207	3,207
	Other water supply (< min.service level)	1,919	1,919	1,919	1,919	1,919	1,919	1,919	1,919	1,919
	No water supply	40,232	40,232	40,232	40,232	40,232	40,232	40,232	40,232	40,232
	<i>Below Minimum Service Level sub-total</i>	45,358	45,358	45,358	45,358	45,358	45,358	45,358	45,358	45,358
	Total number of households	88,819	88,819	68,781,524	76,223,382	(9,838,628)	66,325,372	45,511	45,511	45,511
	Sanitation/sewerage:									
	Flush toilet (connected to sewerage)	17,723	17,723	21,911,157	24,484,157	(547,843)	23,868,157	68,157	68,157	68,157
	Flush toilet (with septic tank)	1,226	1,226	4,506	4,506	4,506	4,506	4,506	4,506	4,506
	Chemical toilet	2,241	2,241	11,208	11,208	11,208	11,208	11,208	11,208	11,208
	Pit toilet (ventilated)	4,399	4,399	22,379	22,379	22,379	22,379	22,379	22,379	22,379
	Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
	<i>Minimum Service Level and Above sub-total</i>	25,589	25,589	21,949,250	24,522,250	(509,750)	23,906,250	106,250	106,250	106,250
	Bucket toilet	200	200	919	919	919	919	919	919	919
	Other toilet provisions (< min.service level)	10,219	10,219	53,876	53,876	53,876	53,876	53,876	53,876	53,876
	No toilet provisions	5,512	5,512	28,842	28,842	28,842	28,842	28,842	28,842	28,842
	<i>Below Minimum Service Level sub-total</i>	15,931	15,931	83,637	83,637	83,637	83,637	83,637	83,637	83,637
	Total number of households	41,520	41,520	22,032,887	24,605,887	(426,113)	23,989,887	189,887	189,887	189,887
	Energy:									
	Electricity (at least min.service level)	31,223	31,223	19,781	19,781	19,781	19,781	19,781	19,781	19,781
	Electricity - prepaid (min.service level)	–	–	79,780,000	90,000,000	(6,000,000)	84,000,000	–	–	–
	<i>Minimum Service Level and Above sub-total</i>	31,223	31,223	79,799,781	90,019,781	(5,980,219)	84,019,781	19,781	19,781	19,781
	Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
	Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–

Total municipal services		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Other energy sources	11,886	11,886	–	–	–	–	3,243	3,243	3,243
	<i>Below Minimum Service Level sub-total</i>	11,886	11,886	–	–	–	–	3,243	3,243	3,243
	Total number of households	43,109	43,109	79,799,781	90,019,781	(5,980,219)	84,019,781	23,024	23,024	23,024
	<u>Refuse:</u>									
	Removed at least once a week	17,985	17,985	11,257	11,257	11,257	11,257	11,257	11,257	11,257
	<i>Minimum Service Level and Above sub-total</i>	17,985	17,985	11,257	11,257	11,257	11,257	11,257	11,257	11,257
	Removed less frequently than once a week	434	434	31,811,140	36,028,480	(1,028,480)	35,000,000	1,270	1,270	1,270
	Using communal refuse dump	511	511	1,763	1,763	1,763	1,763	1,763	1,763	1,763
	Using own refuse dump	20,764	20,764	105,738	105,738	105,738	105,738	105,738	105,738	105,738
	Other rubbish disposal	868	868	3,816	3,816	3,816	3,816	3,816	3,816	3,816
	No rubbish disposal	2,728	2,728	15,010	15,010	15,010	15,010	15,010	15,010	15,010
	<i>Below Minimum Service Level sub-total</i>	25,305	25,305	31,937,467	36,154,807	(902,153)	35,126,327	127,597	127,597	127,597
	Total number of households	43,290	43,290	31,948,724	36,166,064	(890,896)	35,137,584	138,854	138,854	138,854

Municipal in-house services	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets (000)									
Water:									
Piped water inside dwelling	17,237	17,237	34,261,071	37,950,000	(4,950,000)	33,000,000	67	67	67
Piped water inside yard (but not in dwelling)	14,020	14,020	–	–	–	–	65	65	65
Using public tap (at least min.service level)			14,024	14,024	14	14	14	14	14
Other water supply (at least min.service level)	12,204	12,204	100,000	132,000	8,000	140,000	7	7	7
<i>Minimum Service Level and Above sub-total</i>	43,461	43,461	34,375,095	38,096,024	(4,941,986)	33,140,014	153	153	153
Using public tap (< min.service level)	3,207	3,207	3,207	3,207	3,207	3,207	3,207	3,207	3,207
Other water supply (< min.service level)	1,919	1,919	1,919	1,919	1,919	1,919	1,919	1,919	1,919
No water supply	40,232	40,232	40,232	40,232	40,232	40,232	40,232	40,232	40,232
<i>Below Minimum Service Level sub-total</i>	45,358	45,358	–	–	–	–	45,358	45,358	45,358
Total number of households	88,819	88,819	34,375,095	38,096,024	(4,941,986)	33,140,014	45,511	45,511	45,511
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	17,723	17,723	68,157	68,157	68,157	68,157	68,157	68,157	68,157
Flush toilet (with septic tank)	1,226	1,226	4,506	4,506	4,506	4,506	4,506	4,506	4,506
Chemical toilet	2,241	2,241	11,208	11,208	11,208	11,208	11,208	11,208	11,208
Pit toilet (ventilated)	4,399	4,399	22,379	22,379	22,379	22,379	22,379	22,379	22,379
Other toilet provisions (> min.service level)									
<i>Minimum Service Level and Above sub-total</i>	25,589	25,589	106,250	106,250	106,250	106,250	106,250	106,250	106,250
Bucket toilet	200	200	919	919	919	919	919	919	919
Other toilet provisions (< min.service level)	10,219	10,219	53,876	53,876	53,876	53,876	53,876	53,876	53,876
No toilet provisions	5,512	5,512	28,842	28,842	28,842	28,842	28,842	28,842	28,842
<i>Below Minimum Service Level sub-total</i>	15,931	15,931	83,637	83,637	83,637	83,637	83,637	83,637	83,637
Total number of households	41,520	41,520	189,887	189,887	189,887	189,887	189,887	189,887	189,887
Energy:									
Electricity (at least min.service level)	31,223	31,223	19,781	19,781	19,781	19,781	19,781	19,781	19,781
Electricity - prepaid (min.service level)			39,890,000	45,000,000	(3,000,000)	42,000,000			
<i>Minimum Service Level and Above sub-total</i>	31,223	31,223	39,909,781	45,019,781	(2,980,219)	42,019,781	19,781	19,781	19,781
Electricity (< min.service level)									
Electricity - prepaid (< min. service level)									

Municipal in-house services		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Other energy sources	11,886	11,886	–	–	–	–	3,243	3,243	3,243
	<i>Below Minimum Service Level sub-total</i>	11,886	11,886	–	–	–	–	3,243	3,243	3,243
	Total number of households	43,109	43,109	39,909,781	45,019,781	(2,980,219)	42,019,781	23,024	23,024	23,024
	<u>Refuse:</u>									
	Removed at least once a week	17,985	17,985	11,257	11,257	11,257	11,257	11,257	11,257	11,257
	<i>Minimum Service Level and Above sub-total</i>	17,985	17,985	11,257	11,257	11,257	11,257	11,257	11,257	11,257
	Removed less frequently than once a week	434	434	15,905,570	18,014,240	(514,240)	17,500,000	1,270	1,270	1,270
	Using communal refuse dump	511	511	1,763	1,763	1,763	1,763	1,763	1,763	1,763
	Using own refuse dump	20,764	20,764	105,738	105,738	105,738	105,738	105,738	105,738	105,738
	Other rubbish disposal	868	868	3,816	3,816	3,816	3,816	3,816	3,816	3,816
	No rubbish disposal	2,728	2,728	15,010	15,010	15,010	15,010	15,010	15,010	15,010
	<i>Below Minimum Service Level sub-total</i>	25,305	25,305	15,905,570	18,014,240	(514,240)	17,500,000	127,597	127,597	127,597
	Total number of households	43,290	43,290	15,916,827	18,025,497	(502,983)	17,511,257	138,854	138,854	138,854

Municipal entity services		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Household service targets (000)									
	Water:									
	Piped water inside dwelling			34,261,071	37,950,000	(4,950,000)	33,000,000			
	Piped water inside yard (but not in dwelling)									
	Using public tap (at least min.service level)									
	Other water supply (at least min.service level)			100,000	132,000	8,000	140,000			
	<i>Minimum Service Level and Above sub-total</i>	-	-	34,361,071	38,082,000	(4,942,000)	33,140,000	-	-	-
	Using public tap (< min.service level)									
	Other water supply (< min.service level)									
	No water supply									
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	34,361,071	38,082,000	(4,942,000)	33,140,000	-	-	-
	Sanitation/sewerage:									
	Flush toilet (connected to sewerage)			21,843,000	24,416,000	(616,000)	23,800,000			
	Flush toilet (with septic tank)									
	Chemical toilet									
	Pit toilet (ventilated)									
	Other toilet provisions (> min.service level)									
	<i>Minimum Service Level and Above sub-total</i>	-	-	21,843,000	24,416,000	(616,000)	23,800,000	-	-	-
	Bucket toilet									
	Other toilet provisions (< min.service level)									
	No toilet provisions									
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	21,843,000	24,416,000	(616,000)	23,800,000	-	-	-
	Energy:									
	Electricity (at least min.service level)									
	Electricity - prepaid (min.service level)			39,890,000	45,000,000	(3,000,000)	42,000,000			
	<i>Minimum Service Level and Above sub-total</i>	-	-	39,890,000	45,000,000	(3,000,000)	42,000,000	-	-	-
	Electricity (< min.service level)									
	Electricity - prepaid (< min. service level)									
	Other energy sources									
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	39,890,000	45,000,000	(3,000,000)	42,000,000	-	-	-

Municipal entity services		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Refuse:									
	Removed at least once a week <i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	Removed less frequently than once a week Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal <i>Below Minimum Service Level sub-total</i>			15,905,570	18,014,240	(514,240)	17,500,000			
	Total number of households	-	-	15,905,570	18,014,240	(514,240)	17,500,000	-	-	-
		-	-	15,905,570	18,014,240	(514,240)	17,500,000	-	-	-

	Services provided by 'external mechanisms'	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Household service targets (000)									
	Water:									
	Piped water inside dwelling									
	Piped water inside yard (but not in dwelling)									
	Using public tap (at least min.service level)									
	Other water supply (at least min.service level) <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>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-	-
	Sanitation/sewerage:									
	Flush toilet (connected to sewerage)									
	Flush toilet (with septic tank)									
	Chemical toilet									
	Pit toilet (ventilated)									

	Services provided by 'external mechanisms'	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Other toilet provisions (> 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>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-	-
	Energy:									
	Electricity (at least min.service level)									
	Electricity - prepaid (min.service level)									
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	Electricity (< min.service level)									
	Electricity - prepaid (< min. service level)									
	Other energy sources									
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-	-
	Refuse:									
	Removed at least once a week									
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	Removed less frequently than once a week									
	Using communal refuse dump									
	Using own refuse dump									
	Other rubbish disposal									
	No rubbish disposal									
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-	-

Detail of Free Basic Services (FBS) provided		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Electricity	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (50 kwh per indigent household per month R'000) <i>Number of HH receiving this type of FBS</i> Informal settlements (R'000) <i>Number of HH receiving this type of FBS</i> Informal settlements targeted for upgrading (R'000) <i>Number of HH receiving this type of FBS</i> Living in informal backyard rental agreement (R'000) <i>Number of HH receiving this type of FBS</i> Other (R'000) <i>Number of HH receiving this type of FBS</i>		2,698,000	2,000,000	2,000,000	(500,000)	1,500,000			
	Total cost of FBS - Electricity for informal settlements	-	-	-	-	-	-	-	-	-
Water	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (6 kilolitre per indigent household per month R'000) <i>Number of HH receiving this type of FBS</i> Informal settlements (R'000) <i>Number of HH receiving this type of FBS</i> Informal settlements targeted for upgrading (R'000) <i>Number of HH receiving this type of FBS</i> Living in informal backyard rental agreement (R'000) <i>Number of HH receiving this type of FBS</i> Other (R'000) <i>Number of HH receiving this type of FBS</i>		2,091,364	2,580,000	2,800,000	200,000	3,000,000			
	Total cost of FBS - Water for informal settlements	-	-	-	-	-	-	-	-	-
Sanitation	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (free sanitation service to indigent households) <i>Number of HH receiving this type of FBS</i> Informal settlements (R'000)		3,631,980	4,700,000	4,500,000	1,100,000	5,600,000			

Detail of Free Basic Services (FBS) provided		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	Number of HH receiving this type of FBS Informal settlements targeted for upgrading (R'000) Number of HH receiving this type of FBS Living in informal backyard rental agreement (R'000) Number of HH receiving this type of FBS Other (R'000) Number of HH receiving this type of FBS									
	Total cost of FBS - Sanitation for informal settlements	-	-	-	-	-	-	-	-	-
Refuse Removal	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (removed once a week to indigent households) Number of HH receiving this type of FBS Informal settlements (R'000) Number of HH receiving this type of FBS Informal settlements targeted for upgrading (R'000) Number of HH receiving this type of FBS Living in informal backyard rental agreement (R'000) Number of HH receiving this type of FBS Other (R'000) Number of HH receiving this type of FBS		2,702,300	3,500,000	3,500,000	900,000	4,400,000			
	Total cost of FBS - Refuse Removal for informal settlements	-	-	-	-	-	-	-	-	-

Table 67 KZN263 SA32 – List of External Mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Dolphin Coast			Refuse Removal		7,072
Zamakhumalo			Refuse Removal		2,454
BJM Plant Hire			Refuse Dump		3,600
ADM Security			Security		6,787
Sharks			Security		3,110
RIS Motors			Car Rental		4,600
DDP Valuars			Valuation Roll		360
Quantum Leap Investments			Grass cutting & cleaning		6,238
Shalom Security			Caretakers at dam		89
Smart Office Connection			Office Machine Rental		238
Centrafin			Office Machine Rental		63
Konica Minolta			Office Machine Rental		258
G4S Cash Solutions			Cash Collection		308
Munsoft			IT Rental		1,007
Payday			Payroll Support		84
Total Client Services			Traffic Summons System		81
Nashua			Office Machine Rental		63
Otis			Office Machine Rental		15
Link Up Security			After Hours Monitoring		547
KD Electrical			Meter Reading		290
Municipal Incorp			Meter Reading		1,000
KEV			Meter Reading		1,006
Aqua Transport			Leasing of Graders		7,815
Wesbank Vehicle Hire			Car Rental		6,050
Steiner Hygiene			Hygiene suppliers		90
Brandfin			Speed Fine Machine Rental		145

Our Ref.:
Your Ref.

Enquiries:
Dept.: Finance



✉ 57, VRYHEID 3100

c/o, Mark & High Street

☎ (034) 982-2133

📠 Fax: (034) 982-1939

E-mail: finance@Abaqulusi.gov.za

QUALITY CERTIFICATE

I, **A B MNIKATHI**, Acting Municipal Manager of **ABAQULUSI MUNICIPALITY**, hereby certify that: (mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state of affairs to the municipality
- Mid-year budget and performance assessment
- Draft Medium Term Budget

For the Draft Medium Term Budget for 2016/17 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

A B MNIKATHI
ACTING MUNICIPAL MANAGER
ABAQULUSI MUNICIPALITY
KZN263

SIGNATURE: _____

DATE: _____

Annexure A - Tariffs



DRAFT
TARIFF OF CHARGES

2016/2019

Adopted xx March 2016 by Council

Abaqulusi Municipality

The Council of the AbaQulusi Municipality, acting under the authority of Systems Act (No 32 of 2000) hereby published the subjoined tariffs of charges as made by the municipality of the said Township at its meeting held on , which tariffs shall come into operation on 1 July 2015

ACTING MUNICIPAL MANAGER

TARIFFS OF CHARGES - 2016				
RATES ARE CHARGED ON MARKET VALUE OF LAND AND BUILDINGS	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	7.0%	6.6%	6.2%	5.9%
1 All registered properties on which a single dwelling has been erected and used as such, excluding properties registered in the name of the State or State Departments	0.0070753	0.0075422	0.0075139	0.0079573
2 All erven registered in the name of the Municipality excluding properties used for residential purposes	0.0000000	0.0000000	0.0000000	0.0000000
2a State Owned Properties - 0%	0.0176882	0.0188556	0.0187848	0.0198931

3 Business & Commercial	0.0176882	0.0188556	0.0187848	0.0198931
4 Industrial Property	0.0176882	0.0188556	0.0187848	0.0198931
5 Vacant land	0.0176882	0.0188556	0.0187848	0.0198931
6 Agricultural	0.0017689	0.0018857	0.0018786	0.0019894
7 Specified public benefit activity	0.0017689	0.0018857	0.0018786	0.0019894
8 Specialised Non-Market properties	0.0017688	0.0018856	0.0018785	0.0019893
9 Reductions:				
Residential - on property value	R 15,000	R 15,990	R 16,981	R 17,983
10 Rebates				
The following rebate in respect of assessment rates be allowed :				
a Residential rebate	R 0.00	0.0000000	R 0.00	R 0.00
b Indigent, pensioners, persons with disability grants, child headed households - equivalent to R65,000	R 459.80	R 490.15	R 520.54	R 551.25
c All erven zoned as town lands - 100%	0.000000	0.0000000	0.000000	0.000000
d All erven zoned as agricultural - 0%	0.000000	0.0000000	0.000000	0.000000
e Public Service Infrastructure - 30%	0.000000	0.0000000	0.000000	0.000000
f State Owned Properties - 0%	0.0000000	0.0000000	0.000000	0.000000
11 Bhekuzulu - All registered properties on which a single dwelling has been erected and used as such, excluding properties registered in the name of the State or State departments.	SAME AS 1,3,5 AND 6 ABOVE	SAME AS 1,3,5 AND 6 ABOVE	SAME AS 1,3,5 AND 6 ABOVE	SAME AS 1,3,5 AND 6 ABOVE

<p>12 Louwsburg - All registered properties, excluding properties registered in the name of the State or State departments.</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>
<p>13 Mzamo - All registered properties, excluding properties registered in the name of the State or State departments.</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p>
<p>14 Hlobane Area -</p> <p>a All registered properties on which a single dwelling has been erected as used as such excluding State properties :</p> <ul style="list-style-type: none"> - Hlobane - Vaalbank - Thutukani <p>b Businesses : refer to all other properties</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 1,3,5 AND 6 ABOVE</p>
<p>15 eMondlo :</p> <p>a All registered properties on which a single dwelling has been erected and used as such, excluding state properties.</p> <p>b Businesses vacant land</p> <p>State Properties : Refer to all other properties</p> <p>Vat Zero rated on rates</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 3 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 3 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 3 ABOVE</p>	<p>SAME AS 1,3,5 AND 6 ABOVE</p> <p>SAME AS 3 ABOVE</p>

Issue of bidding documents	R 365.80	R 389.94	R 414.11	R 438.55
The fee for a copy of a bidding document based on price	Cost +10%	Cost +10%	Cost +10%	Cost +10%
Certificate, per application per property, in accordance with section 118 (1) of the Systems Act, No 32 of 2000	R 34.26	R 36.52	R 38.78	R 41.07
PENALTY INTEREST ON OUTSTANDING RATES - Section Local Govt Municipal Property Rates Act, No 6 of 2004	PRIME BANK RATE PLUS 1%	PRIME BANK RATE PLUS 1%	PRIME BANK RATE PLUS 1%	PRIME BANK RATE PLUS 1%
INTEREST ON OUTSTANDING ACCOUNTS - OTHER THAN RATES	PRIME BANK RATE PLUS 1%	PRIME BANK RATE PLUS 1%	PRIME BANK RATE PLUS 1%	PRIME BANK RATE PLUS 1%
EXTENSION ON PAYMENT OF CONSUMER ACCOUNT	R 170.24	R 181.48	R 192.73	R 204.10
BANK COSTS (R/D cheques)	R 137.00	R 146.04	R 155.10	R 164.25
ELECTRONIC BANK TRANSFER REFUSAL	R 279.23	R 297.66	R 316.11	R 334.76
SEARCH FEES	R 28.29	R 30.16	R 32.03	R 33.92
VALUATION CERTIFICATE	R 16.21	R 17.28	R 18.35	R 19.43
REQUEST FOR REASONS FROM VALUER - OBJECTIONS (Section 53(2) of Municipal Property Rates Act, No 6 of 2004)	R 342.53	R 365.14	R 387.77	R 410.65
RATES CLEARANCE CERTIFICATE – Electronic Application	R 125.34	R 133.61	R 141.90	R 150.27
RATES CLEARANCE CERTIFICATE – Manual Application	R 304.83	R 324.95	R 345.10	R 365.46
VALUATION ROLL	R 950.71	R 1,013.45	R 1,076.29	R 1,139.79
PREPAYMENT PER TRANSACTION	R 1.10	R 1.17	R 1.25	R 1.32

PRE-PAYMENT CARDS (PER CARD)	R 55.12	R 58.75	R 62.40	R 66.08
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VAT INCLUSIVE WHERE NOT SPECIFIED

CORPORATE SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	6.0%	6.6%	6.2%	5.9%
Voters Roll (Per ward)	R 221.50	R 236.10	R 250.70	R 266.20
Accessing the Records from the Council				
Hardcopies per A4	R 1.40	R 1.50	R 1.60	R 1.70
Hardcopies per A3	R 2.00	R 2.10	R 2.20	R 2.30
Electronic Copies per				
Stiffy/CD	R 29.50	R 31.40	R 33.30	R 35.40
Fees for Access to Information - Public Bodies				
The fee for a copy of the manual for every photocopy of an A4 size page or part thereof	R 1.50	R 1.60	R 1.70	R 1.80
The fees for reproduction of an A4 size page or part therefor	R 1.50	R 1.60	R 1.70	R 1.80
For every printed copy of an A4 size page or part thereof held on a computer or in electronic or machine readable form	R 0.50	R 0.50	R 0.50	R 0.50
For a copy in a computer readable from a compact disc	R 53.30	R 56.80	R 60.30	R 64.00

CORPORATE SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	6.0%	6.6%	6.2%	5.9%
For a transcription of an audio record for an A4 size page or part thereof	R 20.00	R 21.30	R 22.60	R 24.00
For a copy of an audio recording	R 26.80	R 28.60	R 30.40	R 32.30
To search for and prepare the record for disclosure for each hour of part of an hour, excluding the first hour, reasonable required for such search and preparation	R 20.10	R 21.40	R 22.70	R 24.10
Miscellaneous Services				
The following fees are payable for the production of documents, provision of certificates, supply of plans and extracts from records				
Search fee, per account, plan, document or file produced for inspection of duplicate account issued	R 6.70	R 7.10	R 7.50	R 8.00
Certified copy of extract from Council's minutes and/or hearings, per 100 words or part thereof	R 6.70	R 7.10	R 7.50	R 8.00
Extracts of bylaws, per page or part thereof	R 1.50	R 1.60	R 1.70	R 1.80
Any other certificate, for each certificate	R 6.70	R 7.10	R 7.50	R 8.00
Inspection of Council's minutes, for each inspection	R 4.00	R 4.30	R 4.60	R 4.90
ALL PRICES EXCLUDING VAT UNLESS OTHERWISE STATED				

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
	WATER AND SANITATION			
1 WATER SUPPLY BYLAWS :				
a For the laying of a connection pipe with a the diameter of not more than 20 mm from the mains to boundary of the applicant's property.	R 4,156.83	R 4,572.52	R 5,029.77	R 5,532.75
b For the laying of a connection pipe with a diameter of more than 20 mm.	By agreement	By agreement	By agreement	By agreement
c Test of water meters (per meter) up to 20 mm	R 362.89	R 399.18	R 439.10	R 483.01
d Test of water meters greater than 20 mm	By agreement	By agreement	By agreement	By agreement
WATER				
Basic Water : (Vryheid, Bhhekuzulu, Hlobane, Emondlo, Vaalbank area)				
Business and undeveloped stands which are not connected to the Council's network:				
a A basic charge	R 46.06	R 50.67	R 55.74	R 61.31
b Water consumption per kilolitre	R -	R -	R -	R -
0 - 6kl	R 8.63	R 9.49	R 10.44	R 11.48

DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS	
	2015/2016		2016/2017		2017/2018		2018/2019	
		10.0%		10.0%		10.0%		10.0%
6.01 - 30kl	R	8.63	R	9.49	R	10.44	R	11.48
30.01 - 99kl	R	9.33	R	10.26	R	11.29	R	12.42
99.01 and above	R	10.72	R	11.79	R	12.97	R	14.27
<u>Water Consumption :</u>								
2 <u>Vryheid, Bhekuzulu Hlobane, Vaalbank Tutukani :</u>								
Domestic Consumer:								
a A Basic Charge	R	36.60	R	40.26	R	44.29	R	48.72
b Water consumption per kilolitre:								
i Where working water meters are installed for consumption of measured purified water per month.								
0 - 6kl	R	8.63	R	9.49	R	10.44	R	11.48
6.01 - 30kl	R	8.63	R	9.49	R	10.44	R	11.48
30.01 - 99kl	R	9.33	R	10.26	R	11.29	R	12.42
99.01 and above	R	10.72	R	11.79	R	12.97	R	14.27

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
<u>Indigent consumers All areas</u>				
For the first 6 kilolitre	First 6 kilolitres free	First 6 kilolitres free	First 6 kilolitres free	First 6 kilolitres free
0 - 6kl	Free	Free	Free	Free
6.01 - 30kl	R 8.63	R 9.49	R 10.44	R 11.48
30.01 - 99kl	R 9.33	R 10.26	R 11.29	R 12.42
99.01 and above	R 10.72	R 11.79	R 12.97	R 14.27
<u>Other Consumers</u>				
ii Where no working water meters are installed and which are developed and occupied. - per kilolitre	R 8.63	R 9.49	R 10.44	R 11.48
<i>A monthly fixed levy of (based on a minimum of 6 kilolitres)</i>	R 51.63	R 56.79	R 62.47	R 68.72
3				
<u>Hlobane, Vaalbank, Thutukani :</u>				
Domestic Consumer :				

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
a Hlobane & Vaalbank	The same as in (1)above	The same as in (1)above	The same as in (1)above	The same as in (1)above
b Thutukani (Where no meters exist , nor read or broken) (As soon as meters are read) (Once meters are read, the basic falls away and the consumer will be billed for consumption alone)	The same as in (1)above	The same as in (1)above	The same as in (1)above	The same as in (1)above
4 Louwsburg : Basic Availability Water : Without water connection, but connectable	R 19.20	R 21.12	R 23.24	R 25.56
a Basic Charge :	R 36.60	R 40.26	R 44.29	R 48.72
b Consumption : Indigent Consumers	First 6kl free, thereafter	First 6kl free, thereafter	First 6kl free, thereafter	First 6kl free, thereafter
0 - 6kl	Free	Free	Free	Free
6.01 - 30kl	R 8.63	R 9.49	R 10.44	R 11.48
30.01 - 99kl	R 9.33	R 10.26	R 11.29	R 12.42
99.01 and above	R 10.72	R 11.79	R 12.97	R 14.27

DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS	
	2015/2016		2016/2017		2017/2018		2018/2019	
	10.0%		10.0%		10.0%		10.0%	
c Consumption : Other Consumers								
0 - 6kl	R	8.63	R	9.49	R	10.44	R	11.48
6.01 - 30kl	R	8.63	R	9.49	R	10.44	R	11.48
30.01 - 99kl	R	9.33	R	10.26	R	11.29	R	12.42
99.01 and above	R	10.72	R	11.79	R	12.97	R	14.27
5 eMondlo, Coronation & Nkogolwane								
Basic Water per month	R	26.58	R	29.24	R	32.17	R	35.38
** The R 21.97 p.m. will only be applicable until water consumption is metered. (Once meters are installed and read, the R21.97 falls away and the consumers will be billed for actual consumption at the above tariffs"								
<u>Other Consumers</u>								
Business & State	R	8.07	R	8.88	R	9.77	R	10.74
a Basic Charge :	R	36.60	R	40.26	R	44.29	R	48.72
b Water consumption per kilolitre								

DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS	
	2015/2016		2016/2017		2017/2018		2018/2019	
		10.0%		10.0%		10.0%		10.0%
0 - 30kl	R	8.63	R	9.49	R	10.44	R	11.48
30.01 - 99kl	R	9.33	R	10.26	R	11.29	R	12.42
99.01 and above	R	10.16	R	11.18	R	12.30	R	13.53
Fire Hydrant Consumption - for the first kilolitre, thereafter price per kilolitre	R	49.96	R	54.96	R	60.45	R	66.50
<u>Water Deposit :</u> Where an electrical pre-payment meter is installed or where the stand is not connected to the electrical network and water is consumed. No Vat applicable.	R	660.00	R	726.00	R	798.60	R	878.46
<u>Meter Tampering</u> First Offence - no Vat applicable	R	2,200.00	R	2,420.00	R	2,662.00	R	2,928.20

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
Second Offence - no Vat applicable	New service connection as per connection as per tariffs including off all previous penalties and arrears	New service connection as per connection as per tariffs including off all previous penalties and arrears	New service connection as per connection as per tariffs including off all previous penalties and arrears	New service connection as per connection as per tariffs including off all previous penalties and arrears
<u>Water Disconnection & Reconnection</u>				
Cut off water supply & restore of water supply	R 238.22	R 262.05	R 288.25	R 317.08
ALL PRICES EXCLUDING VAT UNLESS OTHERWISE STATED				
6	<u>SEWERAGE CHARGES</u>			
<u>Basic sewerage</u> : (Vryheid, Bhekuzulu, Hlobane, Emondlo area.)				
Businesses, Flats Town Houses, combination buildings and non-developed stands with no water consumption which is not connected to the Council's main sewerage				
i A basic charge per 2000 sq.m or part thereof per month	R 66.92	R 73.61	R 80.97	R 89.07
ii An additional sewerage charge:				

DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS	
	2015/2016		2016/2017		2017/2018		2018/2019	
	10.0%		10.0%		10.0%		10.0%	
Basic	R	66.92	R	73.61	R	80.97	R	89.07
a Businesses - 75% water consumption								
Water consumption per kilolitre								
0 - 30kl	R	6.69	R	7.36	R	8.10	R	8.91
30.01 - 99kl	R	7.72	R	8.49	R	9.34	R	10.27
99.01 and above	R	8.30	R	9.13	R	10.04	R	11.05
b Flats and Town Houses per unit per month.	R	53.10	R	58.42	R	64.26	R	70.68
Domestic :								
i Vryheid & Bhekuzulu :								
a Stand 0 - 800 sq.m.	R	110.71	R	121.78	R	133.96	R	147.36
b Stand 801 - 2000 sq.m.	R	110.71	R	121.78	R	133.96	R	147.36
c Stand above 2000 sq.m. for the first 2000 sq.m	R	110.71	R	121.78	R	133.96	R	147.36
plus R42.10 per 2000 sq.m, thereafter or part thereof.	R	61.25	R	67.38	R	74.11	R	81.53

DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS		DRAFT TARIFFS	
	2015/2016		2016/2017		2017/2018		2018/2019	
		10.0%		10.0%		10.0%		10.0%
ii Hlobane, Vaalbank: Basic charge per 2000sq.m	R	110.71	R	121.78	R	133.96	R	147.36
iii Thutukani: Basic charge per 2000 sq.m	R	110.71	R	121.78	R	133.96	R	147.36
iv eMondlo	R	92.81	R	102.09	R	112.30	R	123.53
v Coronation & Nkogolwane	R	92.81	R	102.09	R	112.30	R	123.53
Churches & Halls	R	14.55	R	16.00	R	17.60	R	19.36
Cost of discharge of sewer effluent at Municipal Sewer Works	R	110.71	R	121.78	R	133.96	R	147.36
ALL PRICES EXCLUDING VAT UNLESS OTHERWISE STATED								
After normal office hours, per blockage	R	988.94	R	1,087.83	R	1,196.62	R	1,316.28
Fee for providing sewer connection								
100mm connection	R	6,293.11	R	6,922.42	R	7,614.66	R	8,376.13
Connections in excess of 100mm		Cost + 10%		Cost + 10%		Cost + 10%		Cost + 10%
ALL PRICES EXCLUDING VAT UNLESS OTHERWISE STATED								

ENGINEERING SERVICES

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	APPROVED TARIFFS	APPROVED TARIFFS
	2015/2016	2016/2017	2016/2017	2016/2017
	10.0%	6.6%	6.2%	5.9%
<u>VEHICLE ENTRANCES</u>				
Building of vehicle entrance per sq.m. incl. VAT	R 645.10	R 687.68	R 733.06	R 781.44
Additional vehicle entrance	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Reinstatement of existing footpaths, hardening of footpaths	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Special drainage, connecting stormwater drains and channels from private property to open channels adjoining curbs	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Reinstatement of road surfaces	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Hire of machinery	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Alerting stormwater culverts, channels, sewers, kerbs or footpaths to permit the erection of veranda columns or other structures	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
When constructed after the street drain has been completed	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%

ENGINEERING SERVICES

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	APPROVED TARIFFS	APPROVED TARIFFS
	2015/2016	2016/2017	2016/2017	2016/2017
	10.0%	6.6%	6.2%	5.9%
<u>DRAINAGE BY-LAWS</u>				
Other charges				
i For inspection of each complete test.	R 245.62	R 261.83	R 279.11	R 297.53
ii For every connection required in terms of the by-laws	R 5,784.76	R 6,166.55	R 6,573.54	R 7,007.40
iii For any extended connection the cost of the additional length required shall be paid by the owner at cost of labour and material, plus 10%				
iv Other local authorities	By agreement	By agreement	By agreement	By agreement
<u>MISCELLANEOUS SERVICE</u> :				
a Documents :				

ENGINEERING SERVICES

DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	APPROVED TARIFFS	APPROVED TARIFFS
	2015/2016	2016/2017	2016/2017	2016/2017
	10.0%	6.6%	6.2%	5.9%
Photostat copies per A4 copy	R 1.80	R 1.92	R 2.05	R 2.18
Photostat copies per A3 copy	R 2.71	R 2.89	R 3.08	R 3.28
b Prints of plans - (Paper) :				
A0	R 52.07	R 55.50	R 59.17	R 63.07
A1	R 27.07	R 28.85	R 30.76	R 32.79
A2	R 17.79	R 18.96	R 20.21	R 21.55
c Sepia/Plastic				
A0	R 287.24	R 306.20	R 326.41	R 347.95
A1	R 137.37	R 146.44	R 156.10	R 166.41
A2	R 68.56	R 73.08	R 77.91	R 83.05
ALL PRICES EXCLUDING VAT UNLESS OTHERWISE STATED				

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
<u>Domestic (Conventional)</u>				
Basic charge	R 64.49	R 70.94	R 78.04	R 85.84
Demand side management levy				
Network charge				
Cost per unit kWh - 0-50kwh - step tariff 8%	R 0.81	R 0.89	R 0.98	R 1.08
Cost per unit kWh - 051-350kwh -step tariff 15%	R 1.12	R 1.23	R 1.35	R 1.48
Cost per unit kWh - 351-600kwh - step tariff 18%	R 1.48	R 1.63	R 1.79	R 1.97
Cost per unit kWh - >600kwh - step tariff 25%	R 1.72	R 1.90	R 2.09	R 2.30
Domestic Prepayment				
Cost per unit kWh - Excl. VAT				
Cost per unit kWh - 0-50kwh	R 0.81	R 0.89	R 0.98	R 1.08
Cost per unit kWh - 051-350kwh	R 1.12	R 1.23	R 1.36	R 1.49
Cost per unit kWh - 351-600kwh	R 1.48	R 1.63	R 1.79	R 1.97
Cost per unit kWh - >600kwh	R 1.72	R 1.90	R 2.09	R 2.30

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Demand side management levy Network charge				
<u>Domestic Prepayment - Indigent</u>				
Cost per unit kWh - Excl. VAT Step tariff	As per domestic			
Time of Use/Step Up Tariffs				
<u>Commercial (Business)</u>				
Basic charge	R 604.77	R 665.25	R 731.78	R 804.95
Demand side management levy Network charge				
Cost per unit kWh	R 1.37	R 1.51	R 1.66	R 1.82
kVa Charge	Nil	Nil	Nil	Nil
<u>Commercial Prepayment</u>				
Demand side management levy				

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Network charge Cost per unit kWh - Excl. VAT	R 1.78	R 1.96	R 2.15	R 2.37
<u>Industrial (KVa)</u>				
Basic charge	R 757.05	R 832.75	R 916.02	R 1,007.63
Demand side management levy				
Network charge				
Cost per unit kWh	R 0.805	R 0.89	R 0.97	R 1.07
kVa Charge	R 171.80	R 188.98	R 207.88	R 228.66
<u>Outside peak-hours</u>				
Basic charge	R 911.44	R 1,002.59	R 1,102.85	R 1,213.13
Demand side management levy				
Network charge				
Cost per unit kWh	R 0.49	R 0.54	R 0.60	R 0.66
kVa Charge	Nil	Nil	Nil	Nil

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
<u>Streetlights</u>				
Basic charge	Nil	Nil	Nil	Nil
Cost per unit kWh	R 1.56	R 1.72	R 1.89	R 2.08
kVa Charge	Nil	Nil	Nil	Nil
<u>Municipal Departments</u>				
Basic charge	Nil	Nil	Nil	Nil
Cost per unit kWh	R 1.3700	R 1.5070	R 1.6577	R 1.8235
kVa Charge	Nil	Nil	Nil	Nil
<u>Special approved tariffs for consumers above 800 kva</u>				
Basic charge	R 911.44	R 1,002.59	R 1,102.85	R 1,213.13
Cost per unit kWh	R 0.59	R 0.65	R 0.71	R 0.78
kVa Charge	R 99.07	R 108.98	R 119.88	R 131.87
PENALTY CHARGE FOR LATE PAYMENT				

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
All areas	R 463.63	R 510.00	R 561.00	R 617.10
<u>CONNECTION FEES</u> : (New connections)				
a Vryheid	R 136.44	R 150.08	R 165.09	R 181.60
b Bhekuzulu	R 136.44	R 150.08	R 165.09	R 181.60
c eMondlo	R 136.44	R 150.08	R 165.09	R 181.60
d Hlobane, Vaalbank & Thutukani	R 136.44	R 150.08	R 165.09	R 181.60
<u>METER TAMPERING</u> :				
First Offence **	R 5,000.00	R 5,500.00	R 6,050.00	R 6,655.00
Second Offence **	New service connection as per tariffs, including payments of all previous penalties and arrears	New service connection as per tariffs, including payments of all previous penalties and arrears	New service connection as per tariffs, including payments of all previous penalties and arrears	New service connection as per tariffs, including payments of all previous penalties and arrears

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
** Plus cost on new meter if meter damaged				
Exclusive of Vat				
<u>TEST ELECTRICITY METERS</u> :				
Urban large power user	R 489.81	R 538.79	R 592.67	R 651.93
Urban small power user	R 244.90	R 269.39	R 296.33	R 325.97
Rural large power user	R 521.03	R 573.13	R 630.45	R 693.49
Rural small power user	R 291.80	R 320.98	R 353.08	R 388.39
<u>HIRING OF EQUIPMENT</u> :				
(OPERATOR INCLUDED)				
Crane truck labour + equipment	R 1,771.79	R 1,948.97	R 2,143.87	R 2,358.26
Bucket truck labour = equipment	R 1,771.79	R 1,948.97	R 2,143.87	R 2,358.26
Cable fault locating equipment + Labour	R 2,254.05	R 2,479.45	R 2,727.40	R 3,000.14
<u>CONVENTIONAL METERS</u>				

<u>ELECTRICITY TARIFFS</u>					
DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		
	2015/2016		2016/2017		
	15%		10.0%		
<u>DEPOSITS : ELECTRICITY - NEW APPLICATIONS</u>					
Domestic	R	4,025.00	R 4,427.50	R 4,870.25	R 5,357.28
Flat	R	2,875.00	R 3,162.50	R 3,478.75	R 3,826.63
Business : Small Users	R	8,395.00	R 9,234.50	R 10,157.95	R 11,173.75
Large Users	R	20,700.00	R 22,770.00	R 25,047.00	R 27,551.70
Pre-Paid Meters	R	1,150.00	R 1,265.00	R 1,391.50	R 1,530.65
Current consumers to be reviewed after three months and deposit will be based on average of three months consumption					
No Vat applicable to deposits					
Plans and Maps generated from the GIS System					
Black and white					
A4	R	66.29	R 72.91	R 80.21	R 88.23
A3	R	118.46	R 130.31	R 143.34	R 157.67

<u>ELECTRICITY TARIFFS</u>					
DESCRIPTION	APPROVED TARIFFS		DRAFT TARIFFS		
	2015/2016		2016/2017		
	2017/2018		2018/2019		
	15%		10.0%		
A2	R	236.92	R 260.62	R 286.68	R 315.34
A1	R	461.87	R 508.06	R 558.87	R 614.75
A0	R	912.05	R 1,003.26	R 1,103.58	R 1,213.94
Plans and Maps generated from the GIS System Colour					
A4	R	71.14	R 78.25	R 86.08	R 94.69
A3	R	123.17	R 135.48	R 149.03	R 163.93
A2	R	248.61	R 273.47	R 300.81	R 330.90
A1	R	485.53	R 534.08	R 587.49	R 646.24
A0	R	971.21	R 1,068.33	R 1,175.16	R 1,292.68
Re-Print of Computer Account	R	7.13	R 7.84	R 8.63	R 9.49
					R 0.00
THE ABOVE TARIFFS DO NOT INCLUDE VAT					
1.1 Single-phase low-voltage supply not exceeding 16 kVA :					
b Conventional - per meter	R	1,845.21	R 2,029.73	R 2,232.70	R 2,455.97
c Prepayment - per meter	R	2,484.98	R 2,733.48	R 3,006.82	R 3,307.51

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
2.2 Three-phase low-voltage supply not exceeding 70 kVA - per meter	R 4,455.78	R 4,901.36	R 5,391.49	R 5,930.64
2.3 Three-phase low-voltage supply exceeding 70 kVA - per meter	R 17,654.74	R 19,420.22	R 21,362.24	R 23,498.46
2.4 Three-phase high-voltage supply (11000 volt) - per meter	R 17,654.74	R 19,420.22	R 21,362.24	R 23,498.46
3 The demand charge is :				
3.1 Single-phase low-voltage supply not exceeding 16 KVA - per metre	R 4,455.78	R 4,901.36	R 5,391.49	R 5,930.64
3.2 Three-phase low-voltage supply not exceeding 70KVA - per Kva	R 338.71	R 372.58	R 409.84	R 450.82
3.3 Three-phase low-voltage supply exceeding 70 kVA but not 150 KVA	R 443.05	R 487.35	R 536.09	R 589.70
- per Kva	R 443.05	R 487.35	R 536.09	R 589.70
3.4 Three-phase low-voltage supply exceeding 150 KVA - per Kva or actual cost whichever is the highest	R 443.05	R 487.35	R 536.09	R 589.70
3.5 Three-phase high voltage supply (11000 volt) - or the actual cost whichever is the highest	R 443.05	R 487.35	R 536.09	R 589.70
<u>BHEKUZULU CONNECTIONS</u> :				

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
4 Single phase low voltage supply not exceeding 16 kVA - Domestic consumers only.	see Service connections above	see Service connections above	see Service connections above	see Service connections above
4.1 Meter component (pre-payment) see Service Connections	see Service connections above	see Service connections above	see Service connections above	see Service connections above
4.2 Demand charge (consumer to supply own labour plus material, according to council's specification council only connect consumers cable to the network)	see Service connections above	see Service connections above	see Service connections above	see Service connections above
4.3 Other consumers	see Service connections above	see Service connections above	see Service connections above	see Service connections above
ALL PRICES EXCLUDING VAT UNLESS OTHERWISE STATED				
Reconnection fee for temporary supply (on request)	15%	10.0%	10.0%	10.0%
Revisit to site if new connection is not ready for connection (First Inspection free)	R 340.56	R 374.62	R 412.08	R 453.29

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Reconnection fee After hours inline with penalty charge	R 300.00	R 330.00	R 363.00	R 399.30
Call-out fee due to fault on customer's side (per call)	R 340.56	R 374.62	R 412.08	R 453.29
Special meter reading (on request)	R 114.18	R 125.60	R 138.16	R 151.98
Pre-payment and check meter testing fee	R 389.17	R 428.09	R 470.90	R 517.99
Single phase conventional meter testing fee	R 389.17	R 428.09	R 470.90	R 517.99
Three phase conventional meter testing fee	R 389.17	R 428.09	R 470.90	R 517.99
Low voltage three phase conventional meter testing fee	R 484.82	R 533.30	R 586.63	R 645.29
11kV and 132 kV meter testing fee	Cost +10%	Cost +10%	Cost +10%	Cost +10%
Programmed meter card/ Lost card	R 32.50	R 35.75	R 39.32	R 43.26
Moving/relocation metering equipment	R 924.45	R 1,016.90	R 1,118.59	R 1,230.44
Replacement of damaged prepayment meter single phase	R 2,343.71	R 2,578.08	R 2,835.89	R 3,119.48
Replacement of damaged prepayment meter three phase	R 2,352.12	R 2,587.33	R 2,846.06	R 3,130.67

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Replacement of damaged Conventional Meter - single phase	R 1,507.21	R 1,657.93	R 1,823.73	R 2,006.10
Replacement of Damaged Conventional Meter - three phase	R 4,846.94	R 5,331.63	R 5,864.80	R 6,451.28
Certificate of Compliance - revisit fee	R 667.71	R 734.48	R 807.93	R 888.73
Domestic cancellation fee (excludes light line)	R 894.23	R 983.65	R 1,082.02	R 1,190.22
Business cancellation fee (excluding cost +10)	R 1,187.89	R 1,306.68	R 1,437.35	R 1,581.08
Request for additional - cost plus 10% quotation	R 1,801.87	R 1,982.05	R 2,180.26	R 2,398.28
Programmable electronic meter test	Cost +10%	Cost +10%	Cost +10%	Cost +10%
Visitation fee - to deliver a notice of impending disconnection of supply for non-payment of account	R 177.91	R 195.70	R 215.27	R 236.79
Metering				
Tariff investigation - based on existing consumption data	Free	Free	Free	Free

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Tariff investigation requiring a site visit	R 735.86	R 809.45	R 890.39	R 979.43
Tariff, quality of supply or load profile investigation - requiring equipment and personnel (may be refunded if quality of supply is outside NRS 048 limits)	R 3,532.03	R 3,885.23	R 4,273.76	R 4,701.13
Upgrade of Commercial and Industrial metering (Meter only) maximum demand	R 16,655.45	R 18,321.00	R 20,153.09	R 22,168.40
Upgrade of Commercial and Industrial KVA metering (Meter only)				
Provision of monthly load profile reports - requiring a site visit	R 735.86	R 809.45	R 890.39	R 979.43
Provision of remote meter reading (Read only function)	R 735.86	R 809.45	R 890.39	R 979.43
Testing of PPM on site (in situ)	R 735.86	R 809.45	R 890.39	R 979.43
Testing of Conventional on site (in situ)	R 735.86	R 809.45	R 890.39	R 979.43
Testing of PPM or credit meter (Lab test with calibration report)	R 1,030.09	R 1,133.10	R 1,246.41	R 1,371.05
Testing & calibration of low voltage circuit breakers	R 588.74	R 647.62	R 712.38	R 783.62
Verification of metering accuracy and re-certification of CT's or VT's making use of a portable test set	R 3,532.03	R 3,885.23	R 4,273.76	R 4,701.13

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Verification of metering accuracy and re-certification of Commercial and Industrial metering making use of a portable test set. Excludes testing of CT's and VT's	R 3,532.03	R 3,885.23	R 4,273.76	R 4,701.13
Replacement of broken/removed meter seals	R 735.86	R 809.45	R 890.39	R 979.43
Replacement of lost/damaged prepayment meter key pad	R 754.96	R 830.46	R 913.51	R 1,004.86
LOAD CONTROL EQUIPMENT				
Refusal to accept connection per month	R 145.83	R 160.41	R 176.46	R 194.10
Penalty for illegal disconnection of load control equipment	R 2,013.27	R 2,214.60	R 2,436.06	R 2,679.66
MISCELLANEOUS				
Unusable steel poles	R 33.50	R 36.85	R 40.53	R 44.59

<u>ELECTRICITY TARIFFS</u>				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	15%	10.0%	10.0%	10.0%
Redundant wooden cable drums	R 33.50	R 36.85	R 40.53	R 44.59
Document search fee	R 83.82	R 92.21	R 101.43	R 111.57
Township reticulation design standards	R 350.26	R 385.28	R 423.81	R 466.19
Unusable wooden poles	R 33.50	R 36.85	R 40.53	R 44.59
Unusable fibre glass poles	R 33.50	R 36.85	R 40.53	R 44.59

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
REMOVAL OF RUBBISH AND REFUSE				
Dwellings, flats, suits of rooms and non-rate able properties, by bin liner or container Per normal removal per month (Vryheid & Bhhekuzulu)				
Stands 0 - 800 sq.m.	R 79.58	R 87.54	R 96.29	R 105.92
Stands above 800 sq.m.VRYHEID	R 79.58	R 87.54	R 96.29	R 105.92
Hlobane, Vaalbank & Thutukani	R 79.58	R 87.54	R 96.29	R 105.92
Louwsburg.	R 34.48	R 37.93	R 41.73	R 45.90
Trades, businesses and industries, per container per month				
<u>Daily</u> removals (Vryheid, Bhhekuzulu & Hlobane area)	R 246.00	R 270.61	R 297.67	R 327.43
(Bi-weekly removals (Vryheid, Bhhekuzulu & Hlobane area)	R 159.88	R 175.87	R 193.46	R 212.80
Louwsburg – business	R 54.27	R 59.70	R 65.66	R 72.23
Trades, businesses and industries, per bulk container within the Municipal Local Council area, per month (Vryheid, Bhhekuzulu & Hlobane area).				
Daily Removals	R 2,466.53	R 2,713.19	R 2,984.51	R 3,282.96
Bi-weekly removals	R 1,187.37	R 1,306.10	R 1,436.71	R 1,580.39
Rent for bulk container per month	R 411.56	R 452.71	R 497.98	R 547.78
Removal of rubbish and refuse not specified anywhere	R 759.24	R 835.16	R 918.68	R 1,010.55
Illegal dumping	R 2,200.00	R 2,420.00	R 2,662.00	R 2,928.20
Putting out refuse on wrong days	R 1,100.00	R 1,210.00	R 1,331.00	R 1,464.10

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
Incorrect dumping on dump site	R 2,200.00	R 2,420.00	R 2,662.00	R 2,928.20
Other local authorities	By agreement	By agreement	By agreement	By agreement
Rent and removal during special occasions (excluding religious gatherings) of refuse containers not exceeding three days.				
Fees to be paid in advance :				
Standard refuse containers				
Hire per container	R 408.65	R 449.51	R 494.46	R 543.91
Removal per container	R 79.87	R 87.86	R 96.65	R 106.31
Bulk mass containers				
Hire per container	R 490.40	R 539.44	R 593.39	R 652.73
Removal per container	R 1,389.44	R 1,528.38	R 1,681.22	R 1,849.34
Deposit	Cost per Container	Cost per Container	Cost per Container	Cost per Container
EMONDLO, CORONATION & NKOLGOLANE				
Refuse Removal per month Business	R 66.49	R 73.14	R 80.45	R 88.50
REMOVAL AND BURIAL OF CARCASSES :				
Donkeys, mules, horses and cattle, each	R 115.66	R 127.22	R 139.95	R 153.94

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
Small type animals, each	R 0.00	R 0.00	R 0.00	R 0.00
REMOVAL OF BULKY GARDEN REFUSE, PER LOAD :	R 330.52	R 363.57	R 399.93	R 439.92
THE COST OF A STANDARD TYPE OF CONTAINER	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
CLEARING OF PLOTS				
The following fees shall be payable for the clearing of plots :				
Erven not exceeding 1000 sq.m.	R 1,587.71	R 1,746.49	R 1,921.13	R 2,113.25
Erven in excess of 1000 sq.m. but not exceeding 2000 sq.m.	R 2,206.86	R 2,427.54	R 2,670.30	R 2,937.33
Erven in excess of 2000 sq.m. but not exceeding 4000 sq.m.	R 2,868.19	R 3,155.00	R 3,470.50	R 3,817.55
Erven in excess of 4000 sq.m. but not exceeding 10000 sq.m.	R 4,903.67	R 5,394.04	R 5,933.44	R 6,526.79
Plus R 6.10 for each 1000 sq.m. or part thereof in excess of 4000 sq.m.	R 115.08	R 126.58	R 139.24	R 153.17
Erven in excess of 10000 sq.m	R 6,538.23	R 7,192.05	R 7,911.26	R 8,702.38
Plus R 66.10 for each 1000 sq.m. or part thereof in excess of 10000 sq.m.	R 115.08	R 126.58	R 139.24	R 153.17
ALL PRICES EXCLUDING VAT				
<u>SWIMMING POOL</u>				
Household consumers of municipal services within the municipal area of Abaqulusi Municipality				
Adult	R 22.99	R 24.51	R 26.03	R 27.56
Child	R 13.31	R 14.19	R 15.07	R 15.96

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
Per season ticket	R 79.72	R 84.98	R 90.25	R 95.58
<u>GROOTGEWACHT DAM</u>				
Entrance fee per person	R 24.81	R 26.44	R 28.08	R 29.74
Entrance fee per person U/10	Free	Free	Free	Free
Bonamanzi Camp				
Per person per day				
Minimum charge per day				
Hiking Trail :				
Per person per hike				
Minimum charge per hike				
Schools : Entrance fee per person over 10 years	R 14.52	R 15.48	R 16.44	R 17.41
PARKS				
Parks rules	R 1,100.00	R 1,172.60	R 1,245.30	R 1,318.77
<u>KLIPFONTEIN DAM</u>				
Entrance fee per person	R 23.49	R 25.05	R 26.60	R 28.17
Entrance fee per person U/10	Free	Free	Free	Free
Caravan Park :				
Per stand, per day with a maximum of 6 persons per stand	R 87.45	R 93.22	R 99.00	R 104.84

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
Boat Registration	R 90.95	R 96.95	R 102.96	R 109.04
Schools : Entrance fee per person over 10 years	R 13.99	R 14.92	R 15.84	R 16.77
<u>VRYHEID CARAVAN PARK</u>				
Caravan site with a maximum of 6 persons per caravan site, per day or portion of a day	R 130.59	R 139.21	R 147.84	R 156.56
Caravan site with a maximum of 6 persons per caravan site, per month	R 1,837.62	R 1,958.90	R 2,080.35	R 2,203.09
<u>HIRE OF EEUFEEES SPORT CENTRE</u>				
<u>CECIL EMMETT HALL</u>				
Hire of the Eeufees Sport Centre (Cecil Emmett Hall)	R 3,014.11	R 3,213.04	R 3,412.25	R 3,613.57
Intongonono Enviromental Centre	R 1,500.00			
All day or part thereof for functions or political meetings.	R 3,014.11	R 3,213.04	R 3,412.25	R 3,613.57
Intongonono Enviromental Centre	R 1,500.00			
Deposit - No Vat	R 3,766.18	R 4,014.75	R 4,263.66	R 4,515.22
Intongonono Enviromental Centre : deposit	R 1,500.00			
Registered sports clubs, per event or practice session. Registered welfare organization with a "WO" number per event.	R 130.59	R 139.21	R 147.84	R 156.56
Council Functions and ward committee meetings ** (If adhered to Council Resolution)	Free of charge	Free of charge	Free of charge	Free of charge

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
On Sundays and Public Holidays from 10a.m. additional fee for cleaning of the hall. ALL INCLUSIVE OF VAT	R 1,958.88	R 2,088.17	R 2,217.63	R 2,348.47
Council Functions and ward committee meetings ** (If adhered to Council Resolution) On Sundays and Public Holidays from 10a.m. additional fee for cleaning of the hall. ALL INCLUSIVE OF VAT	Free of charge	Free of charge	Free of charge	Free of charge
	R 1,958.88	R 2,088.17	R 2,217.63	R 2,348.47
KING ZWELITHINI AND LIBRARY HALLS BHEKUZULU				
1 Hire of King Zwelithini and Library Halls – Bhekuzulu:				
a Hire of hall for functions or political meetings	R 479.23	R 510.85	R 542.53	R 574.54
Deposit	R 718.26	R 765.66	R 813.13	R 861.11
b Hire of hall by sports clubs, churches, welfare organizations, schools and non-political youth organizations, per event or practice session.	R 43.14	R 45.99	R 48.84	R 51.72
c Any meetings in hall	R 216.88	R 231.19	R 245.52	R 260.01
d Hire of hall for Council functions and ward committee meetings ** (If adhere to Council Resolution)	Free of charge	Free of charge	Free of charge	Free of charge

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
2 Hire of conference room : King Zwelthini Hall				
No deposit				
a Meetings	R 44.77	R 47.72	R 50.68	R 53.67
b Welfare organizations	Free of charge	Free of charge	Free of charge	Free of charge
<u>HIRE OF LAKESIDE COMMUNITY HALL</u>				
a Hire of Hall only :				
1 Hire of hall for functions or political meetings.	R 1,086.71	R 1,158.43	R 1,230.26	R 1,302.84
Deposit	R 1,518.13	R 1,618.33	R 1,718.67	R 1,820.07
2 Hire of hall by registered sports clubs and welfare organizations, schools, churches or non-political youth organizations, per event or practice session - per event	R 87.45	R 93.22	R 99.00	R 104.84
3 Any other meeting	R 216.88	R 231.19	R 245.52	R 260.01
4 Hire of hall for Council functions and ward committee meetings * (If adhere to Council Resolution)	Free of charge	Free of charge	Free of charge	Free of charge
<u>HIRE OF HLOBANE AND EMONDLO COMMUNITY HALLS AND MZAMO</u>				
Hire of Hall only				

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
1 Hire of halls for functions or political meetings Deposit (Refundable)	R 349.80 R 652.96	R 372.89 R 696.06	R 396.01 R 739.21	R 419.37 R 782.82
2 Hire of hall by registered sports clubs and welfare organizations, schools, churches or non-political youth organizations, per event or practice session.	R 43.14	R 45.99	R 48.84	R 51.72
3 Any meetings in hall Hire of hall for Council functions and ward committee meetings (If adhered to by Council resolution) ALL INCLUSIVE OF VAT	R 216.88 Free of charge	R 231.19 Free of charge	R 245.52 Free of charge	R 260.01 Free of charge
VRYHEID CEMETERY				
Residents				
a Exhumation	R 584.17	R 622.72	R 661.33	R 700.35
b Cemetery Fees				
Digging of grave :				
Adults	R 229.70	R 244.86	R 260.04	R 275.39
Children	R 151.58	R 161.58	R 171.60	R 181.73
c Weekdays :	R 489.72	R 522.04	R 554.41	R 587.12
Adults 1.8m	R 489.72	R 522.04	R 554.41	R 587.12

COMMUNITY SERVICES					
DESCRIPTION		APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
		2015/2016	2016/2017	2017/2018	2018/2019
		10.0%	10.0%	10.0%	10.0%
	Adults 2.4m	R 489.72	R 522.04	R 554.41	R 587.12
	Children under 12	R 489.72	R 522.04	R 554.41	R 587.12
d	Weekends and public holidays :				
	Adults 1.8m	R 489.72	R 522.04	R 554.41	R 587.12
	Adults 2.4m	R 489.72	R 522.04	R 554.41	R 587.12
	Children under 12	R 489.72	R 522.04	R 554.41	R 587.12
e	Erection of monument or tombstone, per stone	R 368.46	R 392.77	R 417.13	R 441.74
f	Hall of remembrance: Niche in columbarium, per niche	R 292.67	R 311.98	R 331.32	R 350.87
		R 0.00	R 0.00	R 0.00	R 0.00
Non-Residents					
a	Exhumation	R 624.98	R 666.22	R 707.53	R 749.27
b	Cemetery Fees				
	Digging of grave :				
	Adults	R 466.40	R 497.18	R 528.01	R 559.16
	Children	R 378.95	R 403.96	R 429.01	R 454.32

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS 2015/2016	DRAFT TARIFFS 2016/2017	DRAFT TARIFFS 2017/2018	DRAFT TARIFFS 2018/2019
	10.0%	10.0%	10.0%	10.0%
c Weekdays :	R 1,297.76	R 1,383.41	R 1,469.18	R 1,555.86
Adults 1.8m	R 1,366.55	R 1,456.74	R 1,547.06	R 1,638.34
Adults 2.4m	R 588.83	R 627.69	R 666.61	R 705.94
Children under 12	R 932.80	R 994.36	R 1,056.02	R 1,118.32
d Weekends and public holidays :				
Adults 1.8m	R 1,609.08	R 1,715.28	R 1,821.63	R 1,929.10
Adults 2.4m	R 1,756.00	R 1,871.89	R 1,987.95	R 2,105.24
Children under 12	R 932.80	R 994.36	R 1,056.02	R 1,118.32
e Erection of monument or tombstone, per stone	R 466.40	R 497.18	R 528.01	R 559.16
f Hall of remembrance:				
Niche in columbarium, per niche	R 466.40	R 497.18	R 528.01	R 559.16
ALL ABOVE TARIFFS ARE INCLUSIVE OF VAT				
eMONDLO CEMETERY				
Residents				

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
a Exhumation	R 0.00	R 0.00	R 0.00	R 0.00
b Cemetery Fees				
Digging of grave :				
Adults	R 151.58	R 161.58	R 171.60	R 181.73
Children	R 100.28	R 106.89	R 113.52	R 120.22
Non-Residents				
a Exhumation	R 0.00	R 0.00	R 0.00	R 0.00
b Cemetery Fees				
Digging of grave :				
Adults	R 378.95	R 403.96	R 429.01	R 454.32
Children	R 378.95	R 403.96	R 429.01	R 454.32
HLOBANE/NKONGOLWANE/CORONATION CEMETERIES				
Residents				
a Cemetery Fees				
Digging of grave :	R 229.70	R 244.86	R 260.04	R 275.39
Non- Residents				
a Cemetery Fees				
Digging of grave :	R 466.40	R 497.18	R 528.01	R 559.16
LOUWSBURG CEMETERY				
Residents				

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
a Cemetery Fees				
Digging of grave :	R 475.73	R 507.13	R 538.57	R 570.34
Non- Residents				
a Cemetery Fees				
Digging of grave :	R 951.46	R 1,014.25	R 1,077.14	R 1,140.69
MZAMO CEMETERY				
Residents				
a Cemetery Fees				
Digging of grave :	R 227.37	R 242.38	R 257.40	R 272.59
Non- Residents				
a Cemetery Fees				
Digging of grave :	R 454.74	R 484.75	R 514.81	R 545.18
ALL ABOVE TARIFFS ARE INCLUSIVE OF VAT				
<u>LIBRARY</u>				
1 Fines for late books and material per week or part thereof per book or item.				
1.1 Adults Books	R 2.29	R 2.44	R 2.59	R 2.74
Maximum charge	R 22.67	R 24.16	R 25.66	R 27.18

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
1.2 Children Books	R 1.61	R 1.72	R 1.82	R 1.93
Maximum charge	R 15.02	R 16.01	R 17.00	R 18.00
1.3 Talking Books	R 2.29	R 2.44	R 2.59	R 2.74
Maximum charge	R 15.02	R 16.01	R 17.00	R 18.00
1.4 Audio cassettes, records and compact discs	R 2.29	R 2.44	R 2.59	R 2.74
Maximum charge	R 22.67	R 24.16	R 25.66	R 27.18
1.5 Art prints	N/A	N/A	N/A	N/A
2 Fines for late material per day or part thereof per item :				
2.1 Videos	R 3.89	R 4.15	R 4.41	R 4.67
Maximum charge	R 22.67	R 24.16	R 25.66	R 27.18
2.2 Other library material, eg. jigsaw puzzles	R 2.95	R 3.14	R 3.34	R 3.54
Maximum charge	R 15.02	R 16.01	R 17.00	R 18.00
3 Lost or damaged barcodes and membership cards	R 30.18	R 32.17	R 34.16	R 36.18

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
4 Processing fee for new members and renewals. Per user	R 15.02	R 16.01	R 17.00	R 18.00
5 Photocopies A4	R 1.61	R 1.72	R 1.82	R 1.93
A5	R 2.42	R 2.58	R 2.74	R 2.90
Library cards - persons living outside Abaqulusi	R 180.75	R 192.68	R 204.63	R 216.70
Replacement of lost cards				
Refundable deposit payable by persons not resident in the Abaqulusi area	R 278.78	R 297.18	R 315.60	R 334.22
Damage to books	Estimated value of book as determined by Librarian	Estimated value of book as determined by Librarian	Estimated value of book as determined by Librarian	Estimated value of book as determined by Librarian
Lost books	Full cost of item	Full cost of item	Full cost of item	Full cost of item
Damage/loss to videos, flims or other material	Full cost of item	Full cost of item	Full cost of item	Full cost of item
6 LIBRARY HALL				
6.1 Hire of halls for functions or political meetings	R 419.76	R 447.46	R 475.21	R 503.24
Deposit (Refundable)	R 396.44	R 422.61	R 448.81	R 475.29
6.2 Hire of hall by registered sports clubs and welfare organizations, schools, churches or non-political youth organizations, per event or practice session.	R 104.94	R 111.87	R 118.80	R 125.81

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
6.3 Any meetings in hall. Per day or part thereof Per evening or part thereof	R 83.95 R 125.93	R 89.49 R 134.24	R 95.04 R 142.56	R 100.65 R 150.97
6.4 Hire of hall for Council functions and ward committee meetings (If adhered to by Council resolution).	Free of charge	Free of charge	Free of charge	Free of charge
7 <u>GRAZING FEES : LOUWSBURG:</u> Cattle per head (Including VAT)	R 29.69	R 31.65	R 33.61	R 35.60
7.1 <u>BYLAWS RELATING TO THE KEEPING OF DOGS, ANIMALS, BIRDS AND BEES</u> The following license fees are payable annually in respect of dogs kept within the municipal area for which rabies certificates have to be produced:- For a first dog For a second dog For any additional dog and subject to submission of Council authorization for the keeping of additional dogs, per dog Unspayed female Dog licenses The following fees are payable in respect of each animal impounded: Pound fees per animal Sterilization fee	R 19.67 R 39.34 R 65.57 R 39.34 R 118.02 Cost +10%	R 20.96 R 41.94 R 69.90 R 41.94 R 125.81 Cost +10%	R 22.26 R 44.54 R 74.23 R 44.54 R 133.61 Cost +10%	R 23.58 R 47.17 R 78.61 R 47.17 R 141.49 Cost +10%

COMMUNITY SERVICES				
DESCRIPTION	APPROVED TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS	DRAFT TARIFFS
	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	10.0%	10.0%	10.0%
Immunisation fee	Cost +10%	Cost +10%	Cost +10%	Cost +10%
7.2 Street, Traffic & Entertainment Bylaws				
Parking meter fees - tariff for 60 minutes	R 6.19	R 6.60	R 7.01	R 7.42
Parking fines	R 123.71	R 131.88	R 140.05	R 148.31
Incorrect Bylaws				
OTHER TARRIF OF CHARGES				
Pitching of tents on municipal property - tariff per day	R 3,300.00	R 3,517.80	R 3,735.90	R 3,956.32
Tents in parks	R 1,650.00	R 1,758.90	R 1,867.95	R 1,978.16
Putting up tents without permission	R 5,500.00	R 5,863.00	R 6,226.51	R 6,593.87
Washing cars in the street	R 1,100.00	R 1,172.60	R 1,245.30	R 1,318.77
Building rubble on pavement	R 2,200.00	R 2,345.20	R 2,490.60	R 2,637.55
ALL ABOVE TARIFFS ARE EXCLUDING VAT UNLESS OTHERWISE STATED				

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
SUBDIVISION OF LAND					
Basic application fee					
(Where the property is worth :					
Less than R 100,000	R 769.21	R 769.21	R 819.98	R 870.81	R 922.19
R 100,000 - R 200,000	R 1,538.30	R 1,538.30	R 1,639.82	R 1,741.49	R 1,844.24
Greater than R 200,000	R 4,615.01	R 4,615.01	R 4,919.60	R 5,224.61	R 5,532.86
Additional fee for each individual subdivision					
Less than R 100,000	R 153.81	R 153.81	R 163.96	R 174.13	R 184.40
R 100,000 - R 200,000	R 307.64	R 307.64	R 327.94	R 348.27	R 368.82
Greater than R 200,000	R 769.21	R 769.21	R 819.98	R 870.81	R 922.19
Inspection fee					
First Inspection	R 769.21	R 769.21	R 819.98	R 870.81	R 922.19
Subsequent Inspections	R 384.60	R 384.60	R 409.99	R 435.41	R 461.10

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Consolidation of Land	R 292.88	R 292.88	R 312.20	R 331.56	R 351.12
Alteration, suspension and deletion of condition of Title relating to land	R 2,343.00	R 2,343.00	R 2,497.64	R 2,652.49	R 2,808.99
Development situated outside the area of a scheme '+ for multiple application cost, subdivision & consolidation	R 3,514.50	R 3,514.50	R 3,746.46	R 3,978.74	R 4,213.48
Preparation for Service Agreements	R 1,171.50	R 1,171.50	R 1,248.82	R 1,326.25	R 1,404.49
Alteration, suspension and deletion of condition of approval relating to land	R 3,514.50	R 3,514.50	R 3,746.46	R 3,978.74	R 4,213.48
Closure of Municipal Road - Municipal Ordinance	R 3,514.50	R 3,514.50	R 3,746.46	R 3,978.74	R 4,213.48

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Closure of Public Place	R 3,514.50	R 3,514.50	R 3,746.46	R 3,978.74	R 4,213.48
<i>Registration of Right of Way Servitudes no longer apply due to the change in bylaws, however erstwhile Central will retain the current fee of R120 until the legislation is amended.</i>					
<u>CONSENT</u>					
Consent in terms of Town Planning Scheme for use/rentals acquisition of land. Clause 2.2. If notices are required upon decision of Council an additional required to cover cost R1,500.00 is	R 2,343.00	R 2,343.00	R 2,497.64	R 2,652.49	R 2,808.99
<u>SPECIAL CONSENT</u>					
Special Consent (excluding NON TPO areas)					
Special Consent & Change of use of land and/or buildings	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS 2014/2015	APPROVED TARIFFS 2015/2016	BUDGET TARIFFS 2016/2017	BUDGET TARIFFS 2017/2018	BUDGET TARIFFS 2018/2019
		10.0%	0.0%	6.6%	6.2%
Relaxations of space about buildings and height (Residential sites without letters of consent)	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater
Relaxations of space about buildings and height (Non-residential sites without letters of consent)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Home Business (<i>Max of 20% of dwelling house, regardless of number of home businesses</i>)	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater
Tuckshop	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater	10% of building plan fee, or R588.50, whichever the greater

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Excess Floor area (for residential sites 300m ² or smaller)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Excess Floor area (for residential sites larger than 300m ²)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Excess coverage (for residential sites 300m ² or smaller)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Excess coverage (for residential sites larger than 300m ²)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Excess Floor area/Coverage (for non-residential sites)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Excess Floor area/ coverage (for non residential sites)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Bed & Breakfast (max 4 bedrooms)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
Guesthouse (5-10 bedrooms)	R 6,922.28	R 6,922.28	R 7,379.15	R 7,836.66	R 8,299.02
	basic fee, plus R 400 per bedroom up to 10 bedrooms	basic fee, plus R 400 per bedroom up to 10 bedrooms	basic fee, plus R 400 per bedroom up to 10 bedrooms	basic fee, plus R 400 per bedroom up to 10 bedrooms	basic fee, plus R 400 per bedroom up to 10 bedrooms
Guesthouse (more than 10 bedrooms)	R 6,922.27	R 6,922.27	R 7,379.14	R 7,836.64	R 8,299.01
	basic fee, plus R 800 for every bedroom in excess of 10 bedrooms	basic fee, plus R 800 for every bedroom in excess of 10 bedrooms	basic fee, plus R 800 for every bedroom in excess of 10 bedrooms	basic fee, plus R 800 for every bedroom in excess of 10 bedrooms	basic fee, plus R 800 for every bedroom in excess of 10 bedrooms
Appeal	R 217.67	R 217.67	R 232.03	R 246.42	R 260.96

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
<i>Advertisement cost for account of the applicant</i>					
RELAXATION OF SPACE ABOUT BUILDINGS					
Relaxation of Space about buildings (Excluding non-TPO areas)					
Front building line and/or rear space and or side space (with letters of consent)					
for sites 300m ² or smaller	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee
for sites larger than 300m ²	R 420.22	R 420.22	R 447.96	R 475.73	R 503.80
Height (with letters of consent)					
for sites 300m ² or smaller	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee
for sites larger than 300m ²	R 420.22	R 420.22	R 447.96	R 475.73	R 503.80
Relaxation of Space about buildings (non-TPO areas)					

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Front building line and/or rear space and or side space (with letters of consent)					
for sites 300m ² or smaller	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee
for sites larger than 300m ²	R 69.94	R 69.94	R 74.55	R 79.18	R 83.85
Height (with letters of consent)					
for sites 300m ² or smaller	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee	Included in building plan fee
for sites larger than 300m ²	R 77.09	R 77.09	R 82.18	R 87.27	R 92.42
MULTIPLE UNIT DEVELOPMENT					
Multiple Unit Development (Excluding non-TPO areas)					
Cluster housing, curtilage applications, development without subdivision					
up to 3 units	R 9,522.07	R 9,522.07	R 10,150.53	R 10,779.86	R 11,415.87
4 - 10 units	R 9,012.33 plus R 200 per unit	R 9,500 plus R 200 per unit	R 10,013 plus R 200 per unit	R 10,013 plus R 200 per unit	R 10,013 plus R 200 per unit

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
more than 10 units A separate land use application to be made for land use authority	R 8,200 plus R 500 per unit in excess of 10 units	R 8,200 plus R 500 per unit in excess of 10 units	R 8,200 plus R 500 per unit in excess of 10 units	R 8,200 plus R 500 per unit in excess of 10 units	R 8,200 plus R 500 per unit in excess of 10 units
Multiple Unit Development (Non-TPO areas)					
Cluster housing, curtilage applications, development without subdivision					
up to 3 units	R 725.80	R 725.80	R 773.70	R 821.67	R 870.15
4 - 10 units	R 580,80 plus R 50 per unit	R 612.16 plus R 50 per unit	R 645.22 plus R 50 per unit	R 645.22 plus R 50 per unit	R 645.22 plus R 50 per unit
more than 10 units A separate land use application to be made for land use authority	R 850 plus R 100 per unit in excess of 10 units	R 850 plus R 100 per unit in excess of 10 units	R 850 plus R 100 per unit in excess of 10 units	R 850 plus R 100 per unit in excess of 10 units	R 850 plus R 100 per unit in excess of 10 units

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
OTHER LAND USE APPLICATIONS					
Site Development Plan (Excluding NON TPO areas)					
Where no rezoning/subdivision/special consent application is required	R 9,522.00	R 9,522.00	R 10,150.45	R 10,779.78	R 11,415.79
Where rezoning/subdivision/special consent application will be required	R 680 or 10% of building plan fee, whichever is the greater	R 680 or 10% of building plan fee, whichever is the greater	R 680 or 10% of building plan fee, whichever is the greater	R 680 or 10% of building plan fee, whichever is the greater	R 680 or 10% of building plan fee, whichever is the greater
Approval in-principle ("D" application)	R 6,800 or 10% of building plan fee, whichever is the greater	R 6,800 or 10% of building plan fee, whichever is the greater	R 6,800 or 10% of building plan fee, whichever is the greater	R 6,800 or 10% of building plan fee, whichever is the greater	R 6,800 or 10% of building plan fee, whichever is the greater
Site Development Plan (NON TPO areas)					
Where no rezoning/subdivision/special consent application is required	R 725.80	R 725.80	R 773.70	R 821.67	R 870.15

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Where rezoning/subdivision/special consent application will be required	R 145.20	R 145.20	R 154.78	R 164.38	R 174.08
Approval in-principle ("D" application)	R 725.80	R 725.80	R 773.70	R 821.67	R 870.15
ZONING CERTIFICATES (all areas)					
Printed certificate off intranet per print	Cost of print	Cost of print	Cost of print	Cost of print	Cost of print
Department generated per print	R 46.20	R 46.20	R 49.25	R 52.30	R 55.39
SECURED ROADS					
No current fee structure					
BUILDING APPLICATIONS					
Building application (excluding area identified by council.)					
Minor Building Works	R 415.30	R 415.30	R 442.71	R 470.16	R 497.90
Dwelling and residential Uses only					

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS 2014/2015	APPROVED TARIFFS 2015/2016	BUDGET TARIFFS 2016/2017	BUDGET TARIFFS 2017/2018	BUDGET TARIFFS 2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Floor area 0m ² to ≤ 1000m ²	Basic of R 330 plus R 150 per 10m ² , over 10m ²	Basic of R 330 plus R 150 per 10m ² , over 10m ²	Basic of R 330 plus R 150 per 10m ² , over 10m ²	Basic of R 330 plus R 150 per 10m ² , over 10m ²	Basic of R 330 plus R 150 per 10m ² , over 10m ²
Floor area in excess of 1000m ²	Full fee for area up to 1000m ² , plus R 200 per 10m ²	Full fee for area up to 1000m ² , plus R 200 per 10m ²	Full fee for area up to 1000m ² , plus R 200 per 10m ²	Full fee for area up to 1000m ² , plus R 200 per 10m ²	Full fee for area up to 1000m ² , plus R 200 per 10m ²
Other Non-residential use					
Floor area 0m ² to ≤ 1000m ²	Basic of R 650 plus R 200 per 10m ² , over 10m ²	Basic of R 650 plus R 200 per 10m ² , over 10m ²	Basic of R 650 plus R 200 per 10m ² , over 10m ²	Basic of R 650 plus R 200 per 10m ² , over 10m ²	Basic of R 650 plus R 200 per 10m ² , over 10m ²
Floor area in excess of 1000m ²	Full fee for area up to 1000m ² , plus R 250 per 10m ²	Full fee for area up to 1000m ² , plus R 250 per 10m ²	Full fee for area up to 1000m ² , plus R 250 per 10m ²	Full fee for area up to 1000m ² , plus R 250 per 10m ²	Full fee for area up to 1000m ² , plus R 250 per 10m ²
Building of light construction	R 846.10	R 846.10	R 901.94	R 957.86	R 1,014.38
Temp building	As above	As above	As above	As above	As above

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS 2014/2015	APPROVED TARIFFS 2015/2016	BUDGET TARIFFS 2016/2017	BUDGET TARIFFS 2017/2018	BUDGET TARIFFS 2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Building application (area identified by council.)					
Minor Building Works	R 169.20	R 169.20	R 180.37	R 191.55	R 202.85
Dwelling and residential Uses only					
Floor area 0m ² to ≤ 1000m ²	Basic of R 170 plus R 75 per 10m ² , over 10m ²	Basic of R 170 plus R 75 per 10m ² , over 10m ²	Basic of R 170 plus R 75 per 10m ² , over 10m ²	Basic of R 170 plus R 75 per 10m ² , over 10m ²	Basic of R 170 plus R 75 per 10m ² , over 10m ²
Floor area in excess of 1000m ²	Full fee for area up to 1000m ² , plus R 100 per 10m ²	Full fee for area up to 1000m ² , plus R 100 per 10m ²	Full fee for area up to 1000m ² , plus R 100 per 10m ²	Full fee for area up to 1000m ² , plus R 100 per 10m ²	Full fee for area up to 1000m ² , plus R 100 per 10m ²
Other Non-residential use					
Floor area 0m ² to ≤ 1000m ²	Basic of R 320 plus R 100 per 10m ² , over 10m ²	Basic of R 320 plus R 100 per 10m ² , over 10m ²	Basic of R 320 plus R 100 per 10m ² , over 10m ²	Basic of R 320 plus R 100 per 10m ² , over 10m ²	Basic of R 320 plus R 100 per 10m ² , over 10m ²

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Floor area in excess of 1000m ²	Full fee for area up to 1000m ² , plus R 125 per 10m ²	Full fee for area up to 1000m ² , plus R 125 per 10m ²	Full fee for area up to 1000m ² , plus R 125 per 10m ²	Full fee for area up to 1000m ² , plus R 125 per 10m ²	Full fee for area up to 1000m ² , plus R 125 per 10m ²
Building of light construction	R 699.40	R 699.40	R 745.56	R 791.79	R 838.50
Temp building	As above	As above	As above	As above	
Building application (All areas)					
Preliminary sketch plan or opinion on material, method of form of construction	R 846.10	R 846.10	R 901.90	R 961.40	R 1,018.12
Council partnered projects	25% of the applicable fee	25% of the applicable fee	25% of the applicable fee	25% of the applicable fee	25% of the applicable fee
Courtesy Applications	No fee - policy applies	No fee - policy applies	No fee - policy applies	No fee - policy applies	No fee - policy applies
Social Housing	No fee - policy applies	No fee - policy applies	No fee - policy applies	No fee - policy applies	No fee - policy applies
Permission to commence work before approval	Full building fee (non-refundable) An additional fee equal to that of the initial building	Full building fee (non-refundable) An additional fee equal to that of the initial building	Full building fee (non-refundable) An additional fee equal to that of the initial building	Full building fee (non-refundable) An additional fee equal to that of the initial building	Full building fee (non-refundable) An additional fee equal to that of the initial building

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS 2014/2015	APPROVED TARIFFS 2015/2016	BUDGET TARIFFS 2016/2017	BUDGET TARIFFS 2017/2018	BUDGET TARIFFS 2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
	fee		fee	fee	fee
Applications which include encroachments into/over council land or servitude areas. (excluding Omnibus servitude)	R 1,000 plus building fee	R 1,000 plus building fee	R 1,000 plus building fee	R 1,000 plus building fee	R 1,000 plus building fee
Appeal	R 680, or 10% of building plan fee, whichever is the greater	R 680, or 10% of building plan fee, whichever is the greater	R 680, or 10% of building plan fee, whichever is the greater	R 680, or 10% of building plan fee, whichever is the greater	R 680, or 10% of building plan fee, whichever is the greater
PERMITS AND ENCROACHMENTS					
HOARDING PERMITS (excluding NON-TPO areas)					
Enclosing portion of street rework or demolition	R 50 per m ² per week	R 50 per m ² per week	R 50 per m ² per week	R 50 per m ² per week	R 50 per m ² per week
In area with metered parking					
Parking meter removal/disconnection Application fee	R 362.70	R 362.70	R 386.64	R 410.61	R 434.84
Per metered bay	R 250 per week	R 250 per week	R 250 per week	R 250 per week	R 250 per week

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS 2014/2015	APPROVED TARIFFS 2015/2016	BUDGET TARIFFS 2016/2017	BUDGET TARIFFS 2017/2018	BUDGET TARIFFS 2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
HOARDING PERMITS (NON-TPO areas)					
Enclosing portion of street rework or demolition In area with metered parking	R 50 per m ² per week	R 50 per m ² per week	R 50 per m ² per week	R 50 per m ² per week	R 50 per m ² per week
Parking meter removal/disconnection Application fee	R 181.60	R 181.60	R 193.59	R 205.59	R 217.72
Per metered bay per week, or part thereof	R 125 per week	R 125 per week	R 125 per week	R 125 per week	R 125 per week
ENCROACHMENT PERMITS (excluding NON-TPO areas)					
Change of ownership	R 711.20	R 782.30	R 860.50	R 946.60	R 1,002.45
Once off Rental fee per annum:	R 45 per m ² per week	R 45 per m ² per week	R 45 per m ² per week	R 45 per m ² per week	R 45 per m ² per week
ENCHROACHMENT PERMITS (NON-TPO areas)					
Change of ownership	R 355.60	R 355.60	R 379.07	R 402.57	R 426.32
Once off Rental fee per annum:	R 25 per m ² per week	R 25 per m ² per week	R 25 per m ² per week	R 25 per m ² per week	R 25 per m ² per week
BALCONIES (excluding NON-TPO areas)					

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Neither enclosed nor partly enclosed:					
Connected to a building use which:					
Excludes business	R 75 per 10m ² per year	R 75 per 10m ² per year	R 75 per 10m ² per year	R 75 per 10m ² per year	R 75 per 10m ² per year
Includes business	R 135 per m ² per year	R 135 per m ² per year	R 135 per m ² per year	R 135 per m ² per year	R 135 per m ² per year
Includes theatre, cinema, licenced hotel, licensed private club, or other place of public entertainment	R 330 per 10m ² per year	R 330 per 10m ² per year	R 330 per 10m ² per year	R 330 per 10m ² per year	R 330 per 10m ² per year
Includes a hotel balcony not open to public	R 45 per m ² per year	R 45 per m ² per year	R 45 per m ² per year	R 45 per m ² per year	R 45 per m ² per year
Enclosed or partly enclosed:					
All uses	R 1,035 per 10m ² per year	R 1,035 per 10m ² per year	R 1,035 per 10m ² per year	R 1,035 per 10m ² per year	R 1,035 per 10m ² per year
Hotel balcony open to public	R 75 per m ² per year	R 75 per m ² per year	R 75 per m ² per year	R 75 per m ² per year	R 75 per m ² per year
BALCONIES (NON-TPO areas)					
Neither enclosed nor partly enclosed:					
Connected to a building use which:					

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Excludes business	R 40 per 10m ² per year	R 40 per 10m ² per year	R 40 per 10m ² per year	R 40 per 10m ² per year	R 40 per 10m ² per year
Includes business	R 75 per m ² per year	R 75 per m ² per year	R 75 per m ² per year	R 75 per m ² per year	R 75 per m ² per year
Includes theatre, cinema, licenced hotel, licensed private club, or other place of public entertainment	R 170 per 10m ² per year	R 170 per 10m ² per year	R 170 per 10m ² per year	R 170 per 10m ² per year	R 170 per 10m ² per year
Includes a hotel balcony not open to public	R 25 per m ² per year	R 25 per m ² per year	R 25 per m ² per year	R 25 per m ² per year	R 25 per m ² per year
Enclosed or partly enclosed:					
All uses	R 515 per 10m ² per year	R 515 per 10m ² per year	R 515 per 10m ² per year	R 515 per 10m ² per year	R 515 per 10m ² per year
Hotel balcony open to public	R 40 per m ² per year	R 40 per m ² per year	R 40 per m ² per year	R 40 per m ² per year	R 40 per m ² per year
PLAN VIEWING AND PLAN COPIES					
PLAN VIEWING AND COPIES (excluding NON-TPO areas)					
Viewing (dependant on resources)					
Hard copy plans (per address per day)	R 43.60	R 43.60	R 46.48	R 49.36	R 52.27

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Microfilmed plans (per address per day)	R 43.60	R 43.60	R 46.48	R 49.36	R 52.27
Copies (dependant on resources)					
Hard copy plans (per print)	Please refer to Copies of documentation	Please refer to Copies of documentation	Please refer to Copies of documentation	Please refer to Copies of documentation	Please refer to Copies of documentation
Microfilmed plans (per print)	R 36.40	R 36.40	R 38.80	R 41.21	R 43.64
Microfilmed plan resized to metric scale (per print)	R 319.30	R 319.30	R 340.37	R 361.48	R 382.80
Cancellation of approved layout plan	R 1,171.50	R 1,171.50	R 1,248.82	R 1,326.25	R 1,404.49
PLAN VIEWING AND COPIES (NON-TPO areas)					
Viewing	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00
Copies (dependant on resources)					
Hard copy plans (per print)	Please refer to Copies of documentation	Please refer to Copies of documentation	Please refer to Copies of documentation	Please refer to Copies of documentation	Please refer to Copies of documentation
Microfilmed plans (per print)	R 21.90	R 21.90	R 23.35	R 24.79	R 26.26
Microfilmed plan resized to metric scale (per print)	R 159.70	R 159.70	R 170.24	R 180.80	R 191.46

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
COPIES OF DOCUMENTATION					
A4	R 2.10	R 2.10	R 2.24	R 2.38	R 2.52
A3	R 3.00	R 3.00	R 3.20	R 3.40	R 3.60
NOTES					
<i>Approved building plans and relative documents are microfilmed, where the resources are available for storage, access by public and staff alike as well as record purposes. Where no equipment is available, the hard copies of plans are viewed.</i>					
SIGNAGE AND ADVERTISING					
ADVERTISING SIGNS					
(a) Application to erect an advertising sign (per application)	R 211.50	R 211.50	R 225.46	R 239.44	R 253.56

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(b) Tariff for advertising sign on municipal property, per "sign face" per month or part thereof :					
(i) 0 - 2,0 sq.m.	R 93.10	R 93.10	R 99.24	R 105.40	R 111.62
(ii) 2,1 - 4,0 sq.m.	R 152.10	R 152.10	R 162.14	R 172.19	R 182.35
(iii) 4,1 sq.m. and bigger	R 225.20	R 225.20	R 240.06	R 254.95	R 269.99
(c) Temporary signs within the set period as determined in the Bylaws per sign (If not removed, the deposit will be forfeited)	R 590.40	R 590.40	R 629.37	R 668.39	R 707.82
SIGNAGE/ADVERTISING LOCALITY BOUND (EXCLUDING POSTERS) (all areas)					
Non-Illuminated					
Less than 2m ²	R 68.30	R 68.30	R 72.81	R 77.32	R 81.88
Greater than 2m ²	R 55 per m ² , with a minimum fee of R 200	R 57.80 per m ² , with a minimum fee of R 200	R 57.80 per m ² , with a minimum fee of R 200	R 57.80 per m ² , with a minimum fee of R 200	R 57.80 per m ² , with a minimum fee of R 201

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Illuminated					
Any size	R 65 per m ² with a minimum fee of R 220	R 65 per m ² with a minimum fee of R 220	R 65 per m ² with a minimum fee of R 220	R 65 per m ² with a minimum fee of R 220	R 65 per m ² with a minimum fee of R 221
Annual levy					
Not encroaching	R 15 per m ² , or R 120, whichever is the greater	R 15 per m ² , or R 120, whichever is the greater	R 15 per m ² , or R 120, whichever is the greater	R 15 per m ² , or R 120, whichever is the greater	R 15 per m ² , or R 120, whichever is the greater
Encroaching	R 130 per m ²	R 130 per m ²	R 130 per m ²	R 130 per m ²	R 130 per m ² 131
SIGNAGE/ADVERTISING NON-LOCALITY BOUND (EXCLUDING POSTERS) (all areas)					
Less than 36m ² , on private property	R 1,925 application/mi nimum fee	R 1,925 application/minimu m fee	R 1,925 application/mi nimum fee	R 1,925 application/mi nimum fee	R 1,925 application/mi nimum fee
Greater than 36m ²	R 1,925 plus R 130 per m ²	R 1,925 plus R 130 per m ²	R 1,925 plus R 130 per m ²	R 1,925 plus R 130 per m ²	R 1,925 plus R 130 per m ²

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Change of face	R 1,263.70	R 1,390.10	R 1,529.10	R 1,682.00	R 1,781.24
Annual Levy					
Minimum control area	R 127.20 per m ²	R 127.20 per m ²	R 127.20 per m ²	R 127.20 per m ²	R 127.20 per m ²
Partial control area	R 137.80 per m ²	R 137.80 per m ²	R 137.80 per m ²	R 137.80 per m ²	R 137.80 per m ²
Maximum control area	R 169.60 per m ²	R 169.60 per m ²	R 169.60 per m ²	R 169.60 per m ²	R 169.60 per m ²
Flags/Banners for special events	R 730 application fee plus R 13 per m ² , no refund	R 730 application fee plus R 13 per m ² , no refund	R 730 application fee plus R 13 per m ² , no refund	R 730 application fee plus R 13 per m ² , no refund	R 730 application fee plus R 13 per m ² , no refund
Advertising trailers	R 4,210 per 12 month period	R 4,210 per 12 month period	R 4,210 per 12 month period	R 4,210 per 12 month period	R 4,210 per 12 month period
Estate agents pointer boards/sandwich boards	-				
Removal of Posters	R 60 per poster (that has been approved but not removed on expiry of event)	R 60 per poster (that has been approved but not removed on expiry of event)	R 60 per poster (that has been approved but not removed on expiry of event)	R 60 per poster (that has been approved but not removed on expiry of event)	R 60 per poster (that has been approved but not removed on expiry of event)

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS 2014/2015	APPROVED TARIFFS 2015/2016	BUDGET TARIFFS 2016/2017	BUDGET TARIFFS 2017/2018	BUDGET TARIFFS 2018/2019
		10.0%	0.0%	6.6%	6.2%
Removal of unauthorised advertisements/signs	Cost plus 150%, with a minimum recovery fee of R 595 per advertisement/sign	Cost plus 150%, with a minimum recovery fee of R 595 per advertisement/sign	Cost plus 150%, with a minimum recovery fee of R 595 per advertisement/sign	Cost plus 150%, with a minimum recovery fee of R 595 per advertisement/sign	Cost plus 150%, with a minimum recovery fee of R 595 per advertisement/sign
POSTERS (all areas)					
Non-profit bodies with no commercial content/logos (subject to submission of a N.P.O certificate from the relevant government dept)					
Up to 200 posters	R 3 per poster (R 60 minimum fee)	R 3 per poster (R 60 minimum fee)	R 3 per poster (R 60 minimum fee)	R 3 per poster (R 60 minimum fee)	R 3 per poster (R 60 minimum fee)
Greater than 200 posters	R 4 per poster	R 4 per poster	R 4 per poster	R 4 per poster	R 4 per poster
Greater than 300 posters	R 5 per poster	R 5 per poster	R 5 per poster	R 5 per poster	R 5 per poster

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Greater than 500 posters	R 8 per poster (R 350 minimum fee)	R 8 per poster (R 350 minimum fee)	R 8 per poster (R 350 minimum fee)	R 8 per poster (R 350 minimum fee)	R 8 per poster (R 350 minimum fee)
Greater than 550 posters	R 15 per poster	R 15 per poster	R 15 per poster	R 15 per poster	R 15 per poster
Awareness campaigns with no commercial contents/logos					
Up to 50 posters	R 9 per poster (R 450 minimum fee)	R 9 per poster (R 450 minimum fee)	R 9 per poster (R 450 minimum fee)	R 9 per poster (R 450 minimum fee)	R 9 per poster (R 450 minimum fee)
Greater than 50 posters	R 20 per poster (R450 minimum fee)	R 20 per poster (R450 minimum fee)	R 20 per poster (R450 minimum fee)	R 20 per poster (R450 minimum fee)	R 20 per poster (R450 minimum fee)
Posters with commercial content/logos					
Up to 50 posters	R 15 per poster (R 600 minimum fee)	R 15 per poster (R 600 minimum fee)	R 15 per poster (R 600 minimum fee)	R 15 per poster (R 600 minimum fee)	R 15 per poster (R 600 minimum fee)
Greater than 50 posters	R 25 per poster (R600 minimum fee)	R 25 per poster (R600 minimum fee)	R 25 per poster (R600 minimum fee)	R 25 per poster (R600 minimum fee)	R 25 per poster (R600 minimum fee)
Posters of a commercial nature/events held at commercial venues					

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Up to 50 posters	R 28 per poster (R 600 minimum fee)	R 28 per poster (R 600 minimum fee)	R 28 per poster (R 600 minimum fee)	R 28 per poster (R 600 minimum fee)	R 28 per poster (R 600 minimum fee)
Greater than 50 posters	R 35 per poster (R600 minimum fee)	R 35 per poster (R600 minimum fee)	R 35 per poster (R600 minimum fee)	R 35 per poster (R600 minimum fee)	R 35 per poster (R600 minimum fee)
Election posters	Refundable deposit of R 250 per party/candidat e per ward	Refundable deposit of R 250 per party/candidate per ward	Refundable deposit of R 250 per party/candidat e per ward	Refundable deposit of R 250 per party/candidat e per ward	Refundable deposit of R 250 per party/candidat e per ward
Council/Government campaigns/events <i>(provided that the statutory body is the applicant)</i>	25% of applicable fee	25% of applicable fee	25% of applicable fee	25% of applicable fee	25% of applicable fee
Illegal stickers	R 1,000.00	R 1,000.00	R 1,066.00	R 1,132.09	R 1,202.28
Route markers/for information purposes	R 80 minimum fee plus R 5 per poster	R 80 minimum fee plus R 5 per poster	R 80 minimum fee plus R 5 per poster	R 80 minimum fee plus R 5 per poster	R 80 minimum fee plus R 5 per poster

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
ZONING/REZONING OF LAND					
The Zoning/Rezoning of land (all other areas except NON TPO)					
< 0 ha - < 1 ha	R 10,006.60	R 10,006.60	R 10,667.04	R 11,328.39	R 11,996.77
> 1 ha - 2 ha	R 13,398.40	R 13,398.40	R 14,282.69	R 15,168.22	R 16,063.15
> 2 ha - 3 ha	R 13,398.40	R 13,398.40	R 14,282.69	R 15,168.22	R 16,063.15
> 3 ha - 4 ha	R 13,398.40	R 13,398.40	R 14,282.69	R 15,168.22	R 16,063.15
> 4 ha - 5 ha	R 13,398.40	R 13,398.40	R 14,282.69	R 15,168.22	R 16,063.15
> 5 ha - 6 ha	R 15,944.40	R 15,944.40	R 16,996.73	R 18,050.53	R 19,115.51
> 6 ha - 7 ha	R 15,944.40	R 15,944.40	R 16,996.73	R 18,050.53	R 19,115.51
> 7 ha - 8 ha	R 15,944.40	R 15,944.40	R 16,996.73	R 18,050.53	R 19,115.51
> 8 ha - 9 ha	R 15,944.40	R 15,944.40	R 16,996.73	R 18,050.53	R 19,115.51
> 9 ha - 10 ha	R 15,944.40	R 15,944.40	R 16,996.73	R 18,050.53	R 19,115.51

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
> 10 ha	Basic R 12,199.70 plus R 450 for every hectare/part thereof in excess of 10ha	Basic R 12,199.70 plus R 450 for every hectare/part thereof in excess of 10ha	Basic R 12,199.70 plus R 450 for every hectare/part thereof in excess of 10ha	Basic R 12,199.70 plus R 450 for every hectare/part thereof in excess of 10ha	Basic R 12,199.70 plus R 450 for every hectare/part thereof in excess of 10ha
Minor & Inconsequential	R 1,022.90	R 1,022.90	R 1,090.41	R 1,158.02	R 1,226.34
Advertisement in terms of section 47 bis(B(2) of Ordinance 27 Of 1949	R 2,461.30	R 2,461.30	R 2,623.75	R 2,786.42	R 2,950.82
< 0 ha - < 1 ha	R 2,115.20	R 2,115.20	R 2,254.80	R 2,394.60	R 2,535.88
> 1 ha - 2 ha	R 2,968.80	R 2,968.80	R 3,164.74	R 3,360.95	R 3,559.25
> 2 ha - 3 ha	R 2,968.80	R 2,968.80	R 3,164.74	R 3,360.95	R 3,559.25
> 3 ha - 4 ha	R 2,968.80	R 2,968.80	R 3,164.74	R 3,360.95	R 3,559.25
> 4 ha - 5 ha	R 2,968.80	R 2,968.80	R 3,164.74	R 3,360.95	R 3,559.25
> 5 ha - 6 ha	R 3,814.90	R 3,814.90	R 4,066.68	R 4,318.82	R 4,573.63

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
> 6 ha - 7 ha	R 3,814.90	R 3,814.90	R 4,066.68	R 4,318.82	R 4,573.63
> 7 ha - 8 ha	R 3,814.90	R 3,814.90	R 4,066.68	R 4,318.82	R 4,573.63
> 8 ha - 9 ha	R 3,814.90	R 3,814.90	R 4,066.68	R 4,318.82	R 4,573.63
> 9 ha - 10 ha	R 3,814.90	R 3,814.90	R 4,066.68	R 4,318.82	R 4,573.63
> 10 ha	Basic R 2,653 plus R 220 for every hectare/part thereof in excess of 10ha	Basic R 2,653 plus R 220 for every hectare/part thereof in excess of 10ha	Basic R 2,653 plus R 220 for every hectare/part thereof in excess of 10ha	Basic R 2,653 plus R 220 for every hectare/part thereof in excess of 10ha	Basic R 2,653 plus R 220 for every hectare/part thereof in excess of 10ha
Minor & Inconsequential	R 507.70	R 507.70	R 541.21	R 574.76	R 608.67
Advertisement in terms of section 47 bis(B(2) of Ordinance 27 of 1949	R 2,461.30	R 2,461.30	R 2,623.75	R 2,786.42	R 2,950.82
No tariff is applicable for applications made by the state					
Relaxation Fees	R 285.60	R 285.60	R 304.45	R 323.33	R 342.40
Swimming Pools	R 130.40	R 130.40	R 139.01	R 147.62	R 156.33
Plan search fees	R 24.90	R 24.90	R 26.54	R 28.19	R 29.85

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Building plan stats	R 155.20	R 155.20	R 165.44	R 175.70	R 186.07
Minor alteration	R 130.40	R 130.40	R 139.01	R 147.62	R 156.33
Cellular masts	R 260.80	R 260.80	R 278.01	R 295.25	R 312.67

<u>ENFORCEMENT</u>					
Spot fine - illegal development and buildings	R 5,857.50	R 5,857.50	R 6,244.10	R 6,631.23	R 7,022.47
Daily rate for transgression until submission of application for regularization (per day)	R 530.00	R 561.80	R 592.70	R 624.11	R 686.52
ALL ABOVE CHARGES ARE SUBJECT TO 14% VAT					

TOWN PLANNING APPLICATION FEES AND TARIFFS

All approvals of applications for services listed below shall be subject to the applicant obtaining a clearance certificate to the effect that Abaqulusi Municipal accounts in the name of the applicant/owner are not in arrears.

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
Town Planning (A)					
(a) Vryheid Town Planning Scheme Documents		R 200.00	R 213.20	R 226.42	R 239.78
(c) Zoning Certificates		R 50.00	R 53.30	R 56.60	R 59.94
(d) GIS Copies					
(1) Search Fee, per document		R 55.00	R 58.63	R 62.27	R 65.94
(2) Issuing of SG Diagram		R 65.00	R 69.29	R 73.59	R 77.93
(3) Aerial Maps					
(i) A4 copy		R 75.00	R 79.95	R 84.91	R 89.92
(ii) A3 copy		R 150.00	R 159.90	R 169.81	R 179.83
(iii) A2 copy		R 300.00	R 319.80	R 339.63	R 359.67
(iv) A1 copy		R 500.00	R 533.00	R 566.05	R 599.44
(v) A0 copy		R 700.00	R 746.20	R 792.46	R 839.22
(4) Zoning and Land Use Maps					
(i) A4 copy		R 75.00	R 79.95	R 84.91	R 89.92

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(ii) A3 copy		R 150.00	R 159.90	R 169.81	R 179.83
(iii) A2 copy		R 300.00	R 319.80	R 339.63	R 359.67
(iv) A1 copy		R 500.00	R 533.00	R 566.05	R 599.44
(v) A0 copy		R 700.00	R 746.20	R 792.46	R 839.22
(5) Cadastral and General Layout Maps (Black and White)					
(i) A4 copy		R 50.00	R 53.30	R 56.60	R 59.94
(ii) A3 copy		R 100.00	R 106.60	R 113.21	R 119.89
(iii) A2 copy		R 200.00	R 213.20	R 226.42	R 239.78
(iv) A1 copy		R 350.00	R 373.10	R 396.23	R 419.61
(v) A0 copy		R 450.00	R 479.70	R 509.44	R 539.50
Town Planning (B)					
(a) Development Applications					

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(i) Development application pre-assessment fee to be charged to the applicant or agent acting on behalf of the applicants		R 300.00	R 319.80	R 339.63	R 359.67
(ii) Re-submission of development application after lodging pre-submission: fee to be charged to the applicant or agent acting on behalf of the applicant		R 150.00	R 159.90	R 169.81	R 179.83
(b) TOWNSHIP ESTABLISHMENT					
(1) Subdivision, Consolidation and township approval					
(i) Subdivision of land: 2-5 portions		R 2,500.00	R 2,665.00	R 2,830.23	R 2,997.21
(ii) Subdivision of land: 6-10 portions		R 4,000.00	R 4,264.00	R 4,528.37	R 4,795.54
(iii) Subdivision of land: 11- 15 portions		R 5,500.00	R 5,863.00	R 6,226.51	R 6,593.87
(iv) Subdivision of land: greater than 15 portions		R 7,000.00	R 7,462.00	R 7,924.64	R 8,392.20
(v) Plus charge per extra subdivision created in addition to basic fee		R 500.00	R 533.00	R 566.05	R 599.44
(vi) Consolidation of land		R 1,000.00	R 1,066.00	R 1,132.09	R 1,198.89
(vii) Plus charge per extra consolidation in addition to basic fee		R 350.00	R 373.10	R 396.23	R 419.61
(viii) Amendment to an existing subdivision before approval of layout plan by SG		R 1,200.00	R 1,279.20	R 1,358.51	R 1,438.66

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(2) Amendment, phasing, cancellation of approved layout plan					
(i) Amendment to an existing subdivision		R 1,200.00	R 1,279.20	R 1,358.51	R 1,438.66
(ii) Plus charge per extra subdivision created		R 500.00	R 533.00	R 566.05	R 599.44
(iii) Cancellation or phasing of approved layout plans		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(3) Advertising fee – local newspaper		As per quotation	As per quotation	As per quotation	As per quotation
(4) Development Charge (Urban Areas)		As per technical services	As per technical services	As per technical services	As per technical services
(c) SCHEMES					
(1) Addition of a new scheme area, amendment of scheme area or replacement of scheme (per application)					
(i) Under half a ha		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(ii) Half a Ha but under 1 ha		R 6,500.00	R 6,929.00	R 7,358.60	R 7,792.76
(iii) 1 ha but less than 5 ha		R 8,000.00	R 8,528.00	R 9,056.74	R 9,591.08
(iv) 5 ha but less than 10 ha		R 10,000.00	R 10,660.00	R 11,320.92	R 11,988.85
(v) 10 ha and greater		R 15,000.00	R 15,990.00	R 16,981.38	R 17,983.28
(2) Rezoning					
(i) Under half a ha		R 7,000.00	R 7,462.00	R 7,924.64	R 8,392.20

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(ii) Half a ha but under 1 ha		R 8,500.00	R 9,061.00	R 9,622.78	R 10,190.53
(iii) 1 ha but under 5 ha		R 10,000.00	R 10,660.00	R 11,320.92	R 11,988.85
(iv) 5 ha but less than 10 ha		R 12,000.00	R 12,792.00	R 13,585.10	R 14,386.63
(v) 10 ha and greater		R 15,000.00	R 15,990.00	R 16,981.38	R 17,983.28
(3) Consent Applications					
(i) Special Consent		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(ii) Relaxation consent (building line and height)		R 600.00	R 639.60	R 679.26	R 719.33
(iii) Home Business (Maximum of 20% of dwelling)		R 700.00	R 746.20	R 792.46	R 839.22
(iv) Granny Flat (Ancillary Unit)		R 600.00	R 639.60	R 679.26	R 719.33
(4) Advertising fee – local newspaper		As per quotation	As per quotation	As per quotation	As per quotation
(5) Development Charge		As per technical services	As per technical services	As per technical services	As per technical services
(d) DEVELOPMENT OF LAND SITUATED OUTSIDE THE SCHEME					
(1) Development for Commercial					
(i) Under half a ha		R 2,000.00	R 2,132.00	R 2,264.18	R 2,397.77
(ii) Half a ha but under 1 ha		R 3,500.00	R 3,731.00	R 3,962.32	R 4,196.10
(iii) 1 ha but less than 5 ha		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(iv) 5 ha but less than 10 ha		R 7,000.00	R 7,462.00	R 7,924.64	R 8,392.20
(v) 10 ha and greater		R 10,000.00	R 10,660.00	R 11,320.92	R 11,988.85
(2) Development for Residential					
(i) 1 – 5 units		R 1,500.00	R 1,599.00	R 1,698.14	R 1,798.33
(ii) 6 – 20 units		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(iii) 21 – 30 units		R 8,000.00	R 8,528.00	R 9,056.74	R 9,591.08
(iv) Greater than 30 units		R 10,000.00	R 10,660.00	R 11,320.92	R 11,988.85
(3) Development for Non-Residential					
(i) Tuck-shop		R 500.00	R 533.00	R 566.05	R 599.44
(ii) Crèche		R 500.00	R 533.00	R 566.05	R 599.44
(iii) Workshop		R 500.00	R 533.00	R 566.05	R 599.44
(4) Advertising fee – local newspaper		As per quotation	As per quotation	As per quotation	As per quotation
(5) Development Charge		As per technical services or ZDM	As per technical services or ZDM	As per technical services or ZDM	As per technical services or ZDM
(e) ALTERATION, SUSPENSION AND DELETION OF RESTRICTIONS RELATING TO LAND					
(i) Alterations, suspensions and removal of restrictive title conditions		R 2,500.00	R 2,665.00	R 2,830.23	R 2,997.21

PLANNING AND DEVELOPMENT

DESCRIPTION	APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	10.0%	0.0%	6.6%	6.2%	5.9%
(f) (ii) Alterations, suspension and deletion of condition of approval		R 2,500.00	R 2,665.00	R 2,830.23	R 2,997.21
PERMANENT CLOSURE OF PUBLIC PLACES			R 0.00	R 0.00	R 0.00
(i) Permanent Closure of Roads		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(ii) Permanent Closure of Open Spaces		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(g) AUTHORISATION OF AN UNLAWFUL ACTIVITY WHERE THE ACTIVITY RESULTS IN A LAND USE OR LAND DEVELOPMENT APPLICATION					
(i) Penalty Fee		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(ii) Under half ha		R 6,000.00	R 6,396.00	R 6,792.55	R 7,193.31
(iii) Half a ha but less than 1 ha		R 7,000.00	R 7,462.00	R 7,924.64	R 8,392.20
(iv) 1 ha but less than 5 ha		R 8,000.00	R 8,528.00	R 9,056.74	R 9,591.08
(v) 5 ha but less than 10 ha		R 9,000.00	R 9,594.00	R 10,188.83	R 10,789.97
(vi) 10 ha and greater		R 10,000.00	R 10,660.00	R 11,320.92	R 11,988.85
(h) PENALTIES FOR NON-COMPLIANCE OF LEGISLATION AND BY-LAWS OF ABAQULUSI MUNICIPALITY					
(i) Spot Fine - unlawful land use development and building activities		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43
(ii) Daily rate for transgression of unlawful land use development and building activities per day		R 550.00	R 586.30	R 622.65	R 659.39

PLANNING AND DEVELOPMENT

DESCRIPTION		APPROVED TARIFFS	APPROVED TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS	BUDGET TARIFFS
		2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
		10.0%	0.0%	6.6%	6.2%	5.9%
(i)	ACCESS TO INFORMATION					
	(i) Printing/Copying, per page		R 3.00	R 3.20	R 3.40	R 3.60
(j)	Lodging of Appeal		R 5,000.00	R 5,330.00	R 5,660.46	R 5,994.43

ADVERTISING SIGN TARIFF OF CHARGES**APPLICATION FEES FOR A LICENSE / PERMIT FOR OUTDOOR ADVERTISING**

Every person who applies to Council for its approval or permission shall on making application pay to the Council the charge determined therefore and no application shall be considered until such charge has been paid; the charges are set out below;

- * a non-refundable application fee of R 150.00 must be tendered with each application for sign types B (Group signs), C (Wall Signs), D (Roof Signs) and E (Veranda, Balcony, Canopy and under awning signs).
- * A non-refundable application fee of R 450.00 must be tendered with each application for sign types A (Billboards), and non-locality bound signs in excess of 12m²
- * Any minor amendment to an application, considered by the duly authorised official of Council to be a minor amendment, may be submitted at a reduced application fee of R 50.00 each.
- * A non-refundable application fee of R 50.00 must be tendered with each application for advertisements for sign types F (Posters, Banners and Flags).
- * On approval of Posters, the applicant must purchase non-refundable stickers from the Council which are to be clearly visible on all posters displayed as follows;
 - ** R 50.00 per 100 sticker / s to be paid for each poster to be displayed for non-profit bodies. These posters must display the fundraising numbers of the bodies or a formal constitution has to be submitted to Council. No commercial advertising and logos of sponsors will be permitted to appear on such posters;
 - ** R15.00 per 100 stickers /s to be paid for each poster to be displayed for religious, sporting. Social, cultural, political and other events. A subordinate percentage of commercial advertising and logos of sponsors is permitted to appear on such posters.
 - ** R50.00 per 100 sticker /s to be paid for each poster to be displayed for events considered by the Council or its duly authorised officials to be primarily of a commercial nature.
- * A non-refundable application fee of R 750.00 per annum or part thereof must be tendered with the annual application for sign type G (Estate Agents Boards); the maximum number of boards required at any given time to be specified in such application.
- * A non-refundable application fee of R 150.00 per annum must be tendered with the annual application for sign type G (Portable Boards or any other collapsible structure.);
- * A non-refundable application fee of R 250.00 must be tendered with each application for sign type H (Aerial Advertisements); adequate public liability insurance for the duration of display will also need to be furnished to Council's satisfaction.

G. ESTATE AGENTS BOARDS & PORTABLE BOARDS

* Every agent or person intending to display, cause or permit to be displayed any portable board, shall annually submit the prescribed written application to the Council and pay the prescribed fee for approval of the number of portable boards specified in such application.

* Any person who displays or causes any such portable board to be displayed on any Council Property other than a road reserve, unless specific approval has been granted for the display on other property of Council, shall comply with the following requirements to the Council's satisfaction.

** Portable boards are only to be used for purpose of indicating the route to the property or premises to be sold or advertised.

** Portable boards are to be of appropriate structure and size, not exceeding 0.6m², and collectively the number of boards displayed may not, in the opinion of the Council, detract from the amenities of the streetscape or environment.

** Subject to the provisions of the Road Traffic Act or other applicable legislation portable boards are not to be positioned nearer than 1.8m from the edge of the roadway, and placed at such height that the lower edge of the board does not exceed 600mm above the ground.

** Portable boards are not to be positioned nearer than 10m from any road intersection, entrance or exit from a dual carriageway or a freeway as defined in the Road Traffic Act or other applicable legislation.

** Portable boards are not to be positioned so as to obstruct the view of any road traffic sign or street name sign from any portion of a roadway as defined in the Road Traffic Act or other applicable legislation.

** Portable boards are not to be positioned so as to hinder or obstruct pedestrians right of way on a sidewalk or to unfairly prejudice other traders.

** The display of portable boards for show houses will only be permitted on Saturdays, Sundays and Public Holidays. Other approved portable boards advertising services may only be displayed during normal trading hours where after they shall be removed.

** Only one portable board per street frontage per enterprise shall be allowed to advertise services and such signs shall be placed directly in front of the advertisers premises.

** Applicants will be required to indemnify the Council against any claims that may arise from the placement of such signs within the road reserve or on Council Property and shall be required to procure third party insurance for this purpose.

H. AERIAL ADVERTISEMENTS

* Every person who wishes to display or cause to display an aerial advertisement, except by means of an aircraft, shall submit to the Council a written application on the prescribed form and pay the prescribed fee and such application shall be accompanied by.

Annexure B - Government Provincial Allocation

SCHEDULE 3

DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY

Number	Municipality	National Financial Year		
		Column A	Column B	
		2016/17	Forward Estimates	
		2017/18	2018/19	
		R'000	R'000	R'000
B	KZN261 eDumbe	57 900	61 387	64 417
B	KZN262 uPhongolo	97 800	104 530	110 401
B	KZN263 Abaqulusi	107 884	115 710	123 222
B	KZN265 Nongoma	121 046	128 549	134 781
B	KZN266 Ulundi	124 460	131 159	136 958
C	DC26 Zululand District Municipality	347 834	380 691	413 855
Total: Zululand Municipalities		856 924	922 026	983 634
B	KZN271 Umhlabyalingana	122 458	133 785	142 392
B	KZN272 Jozini	134 845	144 859	152 832
B	KZN275 Mtubatuba	120 328	132 738	141 977
B	KZN276 KZN276	79 379	83 025	87 821
C	DC27 Umkhanyakude District Municipality	292 146	327 467	359 612
Total: Umkhanyakude Municipalities		749 156	821 874	884 634
B	KZN281 Mfolozi	98 724	107 868	114 489
B	KZN282 KZN282	263 487	291 465	319 112
B	KZN284 uMlalazi	148 417	159 664	168 611
B	KZN285 KZN285	63 687	67 763	70 547
B	KZN286 Nkandla	79 169	82 877	86 010
C	DC28 uThungulu District Municipality	433 405	464 457	506 461
Total: Uthungulu Municipalities		1 086 889	1 174 094	1 265 230
B	KZN291 Mandeni	122 874	134 039	143 306
B	KZN292 KwaDukuza	116 642	132 042	146 463
B	KZN293 Ndwedwe	108 709	116 578	122 741
B	KZN294 Maphumulo	71 404	74 451	77 236
C	DC29 iLembe District Municipality	373 996	420 163	463 652
Total: iLembe Municipalities		793 625	877 273	953 398
B	KZN433 Greater Kokstad	45 887	44 006	46 219
B	KZN434 Ubuhlebezwe	90 491	97 558	102 551
B	KZN435 Umzimkhulu	152 393	163 981	173 501
B	KZN436 KZN436	94 288	99 474	104 242
C	DC43 Harry Gwala District Municipality	260 069	284 205	308 451
Total: Harry Gwala Municipalities		643 128	689 224	734 964
Total: KwaZulu-Natal Municipalities		10 394 142	11 310 364	12 234 197

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2

Category	Municipality	Urban Settlements Development Grant			Public Transport Network Grant			Neighbourhood Development Partnership (Capital) Grant			Integrated City Development Grant			SUB-TOTAL: INFRASTRUCTURE		
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
		2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)
KWAZULU-NATAL																
A	ETB eTobweni	1 885 685	1 998 766	2 096 646	960 078	1 000 197	1 000 023	51 100	50 000	56 100	50 256	49 361	52 224	2 968 119	3 126 834	3 239 993
B	KZN12 KZN12													73 370	39 342	43 975
B	KZN13 Umzimbe													51 622	44 929	46 677
B	KZN14 uMzimabantsu													22 275	23 814	24 980
B	KZN16 KZN16													67 156	72 013	76 609
C	DC21 Ugu District Municipality													322 372	384 652	414 705
Total: Ugu Municipalities																
														537 293	564 680	606 946
B	KZN21 uMhlabathini													31 329	38 175	39 612
B	KZN22 uMgosi													27 966	30 506	24 653
B	KZN23 Mqofana													19 680	20 213	20 640
B	KZN24 Ingqande													19 382	26 802	22 330
B	KZN25 Maudiani				200 031	200 023	212 033	22 110	23 813	35 327				457 479	478 779	541 616
B	KZN26 Mkhambathini													25 626	26 303	25 007
B	KZN27 Richmond													41 659	30 790	31 644
C	DC22 Umgungahlanu District Municipality													152 249	172 274	238 603
Total: Umgungahlanu Municipalities																
					200 031	200 023	212 033	22 110	23 813	35 327				776 270	824 442	944 473
B	KZN33 Okhahlamba													38 514	28 907	30 388
B	KZN37 KZN217													48 547	47 306	50 582
B	KZN38 KZN218													126 353	60 148	76 752
C	DC23 Uthukela District Municipality													142 691	449 817	497 537
Total: Uthukela Municipalities																
														558 195	598 178	682 270
B	KZN41 Bhekweni													24 517	25 474	30 123
B	KZN42 Ntsoi													47 778	52 876	56 541
B	KZN44 Mntga													60 800	63 261	63 322
B	KZN45 Umvoti													51 311	55 444	49 020
C	DC24 Umqungathlana District Municipality													373 735	417 476	463 839
Total: Umqungathlana Municipalities																
														558 141	614 531	662 800
B	KZN52 Newcastle													185 150	201 601	232 966
B	KZN53 Binafanganzi													17 913	19 454	24 730
B	KZN54 Durbansat													20 694	22 599	23 265
C	DC25 Amajuba District Municipality													93 041	93 863	123 348
Total: Amajuba Municipalities																
														314 802	332 619	406 311
B	KZN61 eDundee													35 221	39 384	34 213
B	KZN62 uMhlabathini													60 136	41 905	45 336
B	KZN63 Abaqulusi													55 078	57 966	60 000
B	KZN65 Ngqoma													44 417	44 567	49 276
B	KZN66 Uthuli													54 492	46 570	43 217
C	DC26 Zululand District Municipality													437 625	431 685	379 347
Total: Zululand Municipalities																
														686 969	662 977	611 440
B	KZN71 Umhlabiyalingana													53 325	50 692	55 594
B	KZN72 Jomo													53 689	53 291	58 291
B	KZN75 Mthobeni													44 303	45 442	44 142
B	KZN76 KZN76													41 300	44 780	42 830
C	DC27 Umkhanyabende District Municipality													280 499	282 310	342 072
Total: Umkhanyabende Municipalities																
														476 526	476 478	542 919
B	KZN81 Mfokisi													32 049	36 773	39 122
B	KZN82 KZN82													150 738	186 382	216 407
B	KZN84 uMhlabeni													46 539	49 295	53 544
B	KZN85 KZN85													27 399	26 370	29 196
B	KZN86 Nceda													39 795	48 293	38 429
C	DC28 uThungulu District Municipality													464 142	469 600	446 885
Total: Uthungulu Municipalities																
														768 662	816 718	824 646
B	KZN91 Maudeni													40 757	51 154	56 085
B	KZN92 KwaDukuza								11 000	8 867				70 330	74 758	65 539
B	KZN93 Ndwebwe								11 000					47 451	39 450	44 027
B	KZN94 Mquthuzelo													36 401	35 798	38 669
C	DC29 Ilembe District Municipality													251 658	433 339	323 265
Total: Ilembe Municipalities																
									22 000	8 867				440 397	634 409	524 186
B	KZN43 Greater KwaZulu													31 525	17 637	18 420
B	KZN44 Uthabathele													54 057	58 484	53 878
B	KZN45 Umquthuzelo													66 399	54 368	66 035
B	KZN46 KZN46													41 513	42 722	44 130
C	DC40 Harry Gwala District Municipality													339 290	409 099	310 992
Total: Harry Gwala Municipalities																
														532 774	582 308	564 225
Total: KwaZulu-Natal Municipalities																
		1 885 685	1 998 766	2 096 646	1 150 109	1 209 228	1 212 056	123 833	113 342	134 879	50 256	49 361	52 224	8 690 269	9 230 488	9 587 300

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)
KWAZULU-NATAL							
A	ETH eThekweni	2 319 380	2 576 367	2 829 662	5 396 366	5 781 697	6 141 624
B	KZN212 KZN212	121 144	116 787	124 276	234 148	195 830	205 433
B	KZN213 Umzumbe	119 488	123 267	127 910	229 996	239 833	250 375
B	KZN214 uMuziwabantu	76 377	81 848	86 301	101 606	107 562	113 181
B	KZN216 KZN216	165 774	180 940	195 507	275 261	289 918	306 186
C	DC21 Ugu District Municipality	384 729	426 030	466 113	711 390	814 113	882 868
Total: Ugu Municipalities		867 512	928 872	1 000 107	1 552 401	1 647 256	1 758 043
B	KZN221 uMshwathi	83 479	89 253	94 699	120 389	130 529	137 736
B	KZN222 uMngeni	49 326	54 910	60 244	80 134	87 116	86 852
B	KZN223 Mpo fana	27 693	28 818	30 313	60 454	62 073	64 917
B	KZN224 Impendle	31 349	32 128	33 615	53 999	60 920	57 835
B	KZN225 Msunduzi	432 307	480 046	527 315	936 193	1 004 253	1 107 498
B	KZN226 Mkhambathini	50 183	51 099	54 184	78 887	79 362	81 406
B	KZN227 Richmond	55 625	60 619	64 690	100 386	93 309	98 234
C	DC22 Umgungundlovu District Municipality	428 362	468 036	512 298	584 996	643 647	752 199
Total: Umgungundlovu Municipalities		1 158 324	1 264 909	1 377 358	2 015 438	2 161 209	2 386 677
B	KZN235 Okhahlamba	96 932	102 293	107 030	141 637	134 656	140 964
B	KZN237 KZN237	134 763	142 700	150 620	226 361	209 871	217 224
B	KZN238 KZN238	183 739	189 339	200 109	342 394	319 321	326 764
C	DC23 Uthukela District Municipality	332 370	361 841	392 513	682 030	816 454	893 048
Total:Uthukela Municipalities		747 804	796 173	850 272	1 392 422	1 480 302	1 578 000
B	KZN241 Endumeni	36 413	36 906	39 936	63 682	64 080	72 014
B	KZN242 Nqutu	110 256	116 695	122 462	200 579	214 260	246 174
B	KZN244 Msinga	131 035	138 537	146 554	198 595	206 784	215 802
B	KZN245 Umvoti	94 786	105 514	113 165	159 041	174 030	165 586
C	DC24 Umzinyathi District Municipality	263 532	292 854	320 683	641 908	713 217	786 047
Total: Umzinyathi Municipalities		636 022	690 506	742 800	1 263 805	1 372 371	1 485 623
B	KZN252 Newcastle	306 952	324 247	350 776	525 898	574 558	632 280
B	KZN253 Emadlangeni	23 572	25 281	26 447	44 594	46 635	54 093
B	KZN254 Dannhauser	75 694	80 181	83 977	102 559	107 781	112 846
C	DC25 Amajuba District Municipality	129 160	139 337	150 938	224 239	231 838	278 033
Total: Amajuba Municipalities		535 378	569 046	612 138	897 290	960 812	1 077 252
B	KZN261 eDumbe	57 900	61 387	64 417	102 660	109 965	108 502
B	KZN262 uPhongolo	97 800	104 530	110 401	162 782	148 335	157 942
B	KZN263 Abaqulusi	107 884	115 710	123 222	184 985	196 019	207 038
B	KZN265 Nongoma	121 046	128 549	134 781	199 038	219 179	232 937
B	KZN266 Ulundi	124 460	131 159	136 958	193 342	192 155	195 577
C	DC26 Zululand District Municipality	347 834	380 691	413 855	791 374	815 263	794 202
Total: Zululand Municipalities		856 924	922 026	983 634	1 634 181	1 680 916	1 696 198
B	KZN271 Umhlabuyalingana	122 458	133 785	142 392	317 766	336 311	339 277
B	KZN272 Jozini	134 845	144 859	152 832	293 584	308 515	308 097
B	KZN275 Mtubatuba	120 328	132 738	141 977	186 623	205 267	209 631
B	KZN276 KZN276	79 379	83 025	87 821	164 577	162 714	162 779
C	DC27 Umkhanyakude District Municipality	292 146	327 467	359 612	636 386	632 824	702 684
Total: Umkhanyakude Municipalities		749 156	821 874	884 634	1 598 936	1 645 631	1 722 468
B	KZN281 Mfobozi	98 724	107 868	114 489	146 674	160 043	169 796
B	KZN282 KZN282	263 487	291 465	319 112	435 609	490 421	544 729
B	KZN284 uMlalazi	148 417	159 664	168 611	242 753	256 754	272 878
B	KZN285 KZN285	63 687	67 763	70 547	103 824	101 007	103 231
B	KZN286 Nkandla	79 169	82 877	86 010	140 191	151 817	147 426
C	DC28 Uthungulu District Municipality	433 405	464 457	506 461	905 304	936 944	954 346
Total: Uthungulu Municipalities		1 086 889	1 174 094	1 265 230	1 974 355	2 096 986	2 192 406
B	KZN291 Mandeni	122 874	134 039	143 306	240 007	249 332	279 640
B	KZN292 KwaDukuza	116 642	132 042	146 463	193 609	212 215	217 947
B	KZN293 Ndwedwe	108 709	116 578	122 741	234 298	238 894	254 586
B	KZN294 Maphumulo	71 404	74 451	77 236	184 467	192 057	202 580
C	DC29 iLembe District Municipality	373 996	420 163	463 652	785 889	856 388	787 917
Total: iLembe Municipalities		793 625	877 273	953 398	1 638 270	1 748 886	1 742 670
B	KZN433 Greater Kokstad	45 887	44 006	46 219	80 756	69 443	66 439
B	KZN434 Ubuhlebezwe	90 491	97 558	102 551	151 419	161 268	162 103
B	KZN435 Umzimkhu	152 393	163 981	173 501	239 506	239 358	262 425
B	KZN436 KZN436	94 288	99 474	104 242	166 017	166 361	169 144
C	DC43 Harry Gwala District Municipality	260 069	284 205	308 451	613 004	696 191	690 443
Total: Harry Gwala Municipalities		643 128	689 224	734 964	1 250 702	1 332 621	1 350 554
Total: KwaZulu-Natal Municipalities		10 394 142	11 310 364	12 234 197	20 614 166	21 908 687	23 131 515

**APPENDIX W1
APPENDIX 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +
BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Municipality	Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees			BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES					
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year					
		2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)		2017/18 (R'000)		2018/19 (R'000)	
Water		Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	
KWAZULU-NATAL																
A	UThungulu District Municipality	2 319 338	2 276 207	2 829 662												
B	KZN212 KZN212	114 086	109 386	1 16 512				7 058	7 401	7 764	33 212	36 379	37 217	29 083	41 409	31 842
B	KZN213 Umhlabetambo District Municipality	111 613	115 005	119 238				7 875	8 262	8 672	32 792	26 046	35 564	27 797	38 297	29 449
B	KZN214 uMkhambathuze District Municipality	75 278	77 664	82 220				3 799	3 994	4 181	22 434	17 083	24 524	19 402	27 297	20 960
B	KZN216 KZN216	165 734	180 948	195 507							73 636	81 464	82 949	64 843	82 823	71 379
C	DC21 Ugu District Municipality	320 836	317 130	390 909				63 873	68 900	75 204						
	Total Ugu Municipalities	784 907	849 328	994 266				63 873	68 900	75 204	18 732	19 647	20 617	162 954	128 714	148 135
B	KZN221 uMkhawane District Municipality	78 321	83 844	89 625							5 158	5 409	5 674	31 198	24 384	34 449
B	KZN222 uMgema District Municipality	44 927	50 208	55 406				4 399	4 612	4 838	25 546	20 290	29 064	22 716	32 832	25 247
B	KZN223 Mpelela District Municipality	25 833	26 800	28 289				1 840	1 930	2 024	8 778	6 966	9 616	7 516	10 440	8 050
B	KZN224 Inxwabo District Municipality	29 802	30 900	31 952				1 847	1 923	2 003	7 763	6 366	8 483	6 630	9 204	7 078
B	KZN225 Mankeniwe District Municipality	432 307	460 040	527 315												
B	KZN226 Mthunzi District Municipality	47 534	48 310	51 258				2 659	2 789	2 926	13 640	10 836	15 219	11 895	16 536	12 962
B	KZN227 Richmond District Municipality	52 966	57 330	61 364				2 659	2 789	2 926	17 129	13 685	19 241	15 039	21 465	16 303
C	DC22 Umatsheni District Municipality	204 282	226 320	248 468				224 080	241 716	263 830						
	Total Umkhanyakazi District Municipalities	915 982	1 004 041	1 093 437				224 080	241 716	263 830	18 262	19 152	20 693	112 821	88 145	125 719
	Total Umatsheni Municipalities	1 094 041	1 093 437	1 242 874				224 080	241 716	263 830	18 262	19 152	20 693	112 821	88 145	125 719
B	KZN231 Okhahlamba District Municipality	91 394	96 448	100 833				5 538	5 807	6 092	27 403	21 813	30 129	23 548	32 819	25 237
B	KZN237 KZN237	126 036	133 536	141 065				8 737	9 164	9 615	40 321	32 025	44 723	34 955	49 254	37 875
B	KZN238 KZN238	183 739	189 339	200 109							71 015	56 405	78 322	61 216	85 769	65 944
C	DC23 Umhlabu District Municipality	279 315	304 716	330 343				47 937	51 710	56 461						
	Total Umatsheni District Municipalities	680 474	724 977	772 350				47 937	51 710	56 461	68 340	58 393	78 851	69 519	95 842	79 866
	Total Umhlabu Municipalities	849 948	929 954	1 028 700				47 937	51 710	56 461	68 340	58 393	78 851	69 519	95 842	79 866
B	KZN241 Elandeni District Municipality	339 914	342 366	37 189				2 499	2 620	2 747	14 346	11 394	16 196	12 658	18 154	13 960
B	KZN242 Ndutu District Municipality	103 959	110 091	115 304				6 288	6 684	6 928	31 228	24 821	34 429	26 917	37 654	28 978
B	KZN244 Matiga District Municipality	123 794	130 938	138 577				7 241	7 598	7 977	39 403	31 256	43 818	34 243	48 302	37 205
B	KZN245 Umvoti District Municipality	89 628	100 105	107 491				5 158	5 409	5 674	33 345	25 691	36 497	28 526	40 890	31 444
C	DC24 Umhlabeni District Municipality	234 603	261 862	286 855				28 731	30 992	33 820						
	Total Umhlabeni District Municipalities	687 698	735 362	787 416				38 719	41 618	44 489	117 344	93 262	130 958	102 349	145 118	111 587
B	KZN252 Newcastle District Municipality	306 932	324 247	330 776												
B	KZN253 Emthunjeni District Municipality	21 229	22 229	23 960				2 243	2 332	2 467	5 164	4 101	5 654	4 419	6 147	4 727
C	DC25 Amajuba District Municipality	70 916	75 171	78 721				4 778	5 010	5 254	19 922	15 823	21 911	17 125	23 927	18 399
	Total Amajuba District Municipalities	63 222	68 209	73 303				65 938	71 128	77 435	27 086	19 924	27 568	21 544	30 074	23 126
	Total Amajuba Municipalities	62 419	69 756	73 769				65 938	71 128	77 435	27 086	19 924	27 568	21 544	30 074	23 126
B	KZN261 eNdlana District Municipality	54 861	58 200	61 673				3 039	3 187	3 344	15 784	12 536	17 378	13 583	18 998	14 609
B	KZN262 uThixo District Municipality	92 262	98 723	104 369				5 338	5 607	5 892	28 917	22 968	32 196	25 094	33 594	27 217
B	KZN263 Abaqulusi District Municipality	107 884	115 910	123 222							41 149	33 881	45 847	35 834	50 723	39 004
B	KZN265 Ngqweni District Municipality	113 089	120 182	126 082				7 977	8 347	8 739	31 964	25 384	33 255	27 553	38 611	29 600
B	KZN266 Umkhekezane District Municipality	115 810	121 766	127 104				8 957	9 393	9 834	30 871	24 520	33 896	26 493	36 953	28 416
C	DC26 Zululand District Municipality	299 339	328 403	356 781				48 475	52 296	57 074						
	Total Zululand District Municipalities	782 330	842 982	908 491				48 475	52 296	57 074	144 683	118 893	164 482	128 559	180 879	138 936
B	KZN271 Umhlabavuma District Municipality	115 780	126 783	133 046				6 678	7 002	7 346	37 312	29 615	41 851	32 711	46 610	35 842
B	KZN272 Joni District Municipality	127 248	136 998	144 471				7 997	7 999	8 361	39 532	31 399	43 879	34 291	48 346	37 177
B	KZN275 Mthunzi District Municipality	112 731	124 698	133 616				7 897	7 998	8 361	34 623	27 800	39 182	30 625	44 028	33 856
B	KZN276 KZN276	74 320	77 718	82 251				5 059	5 307	5 570	20 376	16 179	22 734	17 769	25 192	19 372
C	DC27 Umhlabavuma District Municipality	262 934	283 970	325 125				29 292	31 399	34 407						
	Total Umhlabavuma District Municipalities	692 933	752 330	820 489				29 292	31 399	34 407	131 837	104 713	147 640	118 396	164 176	126 247
B	KZN281 Mfeku District Municipality	92 036	100 872	107 147				6 668	6 996	7 342	26 712	21 216	29 963	23 419	33 371	25 661
B	KZN282 KZN282	263 497	291 463	319 112												
B	KZN284 uMhlabontzi District Municipality	138 140	149 907	157 324							10 297	10 717	11 287	43 559	34 897	46 407
B	KZN285 KZN285	58 628	62 456	64 977				5 059	5 307	5 570	15 273	12 131	16 658	13 019	18 039	13 871
B	KZN286 Nkandama District Municipality	74 011	77 468	80 336				5 158	5 409	5 674	20 305	16 127	22 040	17 228	23 759	18 270
C	DC28 uThixo District Municipality	203 714	216 636	228 256				270 401	287 740	307 483						
	Total Uthixo District Municipalities	639 836	697 856	744 922				229 691	247 740	267 483	27 142	28 649	29 873	117 971	91 889	128 581
B	KZN291 Maseko District Municipality	116 196	127 037	135 960				6 678	7 002	7 346	39 528	31 396	44 500	34 781	49 742	38 250
B	KZN292 Kaniyobeni District Municipality	116 642	123 042	130 463							67 052	53 287	76 842	60 058	87 437	67 237
B	KZN293 Ndlambe District Municipality	101 236	108 738	114 513				7 473	7 840	8 228	29 908	23 255	33 141	25 903	36 462	28 038
B	KZN294 Mqandeni District Municipality	67 225	70 068	72 607				4 179	4 383	4 599	19 464	15 840	21 081	16 477	22 670	17 432
C	DC29 Ilizime District Municipality	301 217	314 156	327 463				72 779	78 507	85 409						
	Total Ilizime District Municipalities	792 516	839 541	887 536				72 779	78 507	85 409	18 338	19 228	20 173	85 952	123 868	157 228
B	KZN403 Greater Kokstad District Municipality	42 240	40 191	42 217				3 639	3 815	4 002	15 677	12 482	17 104	13 369	18 529	14 249
B	KZN404 Umhlabhe District Municipality	85 333	92 448	96 877				5 158	5 409	5 674	26 328	20 851	29 053			

APPENDIX W2

APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)
BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES

Municipality	SCHEDULE 5, PART B						SCHEDULE 6, PART B		
	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of WSIG allocations for district municipalities authorised for services			Breakdown of WSIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)
B KZN261 eDumbe	14 948	16 142	17 142	19 000	29 000	21 097			
B KZN262 UPhongolo	42 300	45 679	48 510	19 000	26 633	16 871			
B KZN263 Abaqulusi	45 720	49 373	52 433	18 071	24 000	13 932			
B KZN265 Nongoma	66 174	71 460	75 889	22 000	25 000	30 618			
B KZN266 Ulundi	44 172	47 700	50 657	31 000	29 000	21 482			
C DC26 Zululand District Municipality									
Total: Zululand Municipalities	213 314	230 354	244 631	109 071	133 633	104 000			
B KZN271 Umhlabuyalingana	56 859	61 401	65 207	15 000	11 253	23 000			
B KZN272 Jozini	67 993	73 425	77 976	15 371	12 000	19 200			
B KZN275 Mtubatuba	51 184	55 274	58 699	13 000	14 700	29 000			
B KZN276 KZN276	26 485	28 601	30 374	27 000	18 000	30 800			
C DC27 Umkhanyakade District Municipality									
Total: Umkhanyakade Municipalities	202 521	218 701	232 256	70 371	55 953	102 000			
B KZN281 Mfolozi	30 743	33 199	35 256						
B KZN282 KZN282									
B KZN284 uMlalazi	69 644	75 208	79 869	33 569	41 412	21 000			
B KZN285 KZN285	26 687	28 819	30 605	16 800	42 054	17 000			
B KZN286 Nkandla	33 096	35 740	37 955	35 000	32 034	35 000			
C DC28 uThungulu District Municipality									
Total: Uthungulu Municipalities	160 170	172 966	183 685	85 369	115 500	73 000			
B KZN291 Mandeni	39 804	42 984	45 647	21 500	28 000	35 000			
B KZN292 KwaDukuza	59 938	64 726	68 737	21 000	19 500	23 000			
B KZN293 Ndwedwe	41 438	44 748	47 521	13 000	17 000	26 000			
B KZN294 Maphumulo	40 805	44 065	46 796	7 000	35 000	23 105			
C DC29 iLembe District Municipality									
Total: iLembe Municipalities	181 985	196 523	208 701	62 500	99 500	107 105			
B KZN433 Greater Kokstad	9 952	10 899	11 575	20 000	29 000	25 000			
B KZN434 Ubulhebezwe	43 839	48 014	50 990	25 000	19 000	33 400			
B KZN435 Umzimkhulu	89 921	98 485	104 588	14 000	19 000	23 000			
B KZN436 KZN436	42 426	46 467	49 346	27 118	31 000	37 000			
C DC43 Harry Gwala District Municipality									
Total: Harry Gwala Municipalities	186 138	203 865	216 499	86 118	98 000	118 400			
Total: KwaZulu-Natal Municipalities	1 651 832	1 787 422	1 898 197	752 195	1 042 720	1 054 205			
LIMPOPO									
B LIM331 Greater Giyani	108 526	117 196	124 459	8 000	4 000	36 000	10 000	38 000	23 500
B LIM332 Greater LeTaba	86 100	92 979	98 741	8 000	4 000	27 000		12 000	9 100
B LIM333 Greater Tzaneen	171 342	185 030	196 498	48 000	50 000	46 000		14 000	8 700
B LIM334 Ba-Phalaborwa	31 049	33 530	35 608	29 000	52 000	42 000	5 000	13 000	11 700
B LIM335 Maruleng	36 889	39 837	42 305	16 288	43 000	26 000	5 000	11 000	12 000
C DC33 Mopani District Municipality									
Total: Mopani Municipalities	433 906	468 572	497 611	109 288	153 000	177 000	20 000	88 000	65 000

**APPENDIX W4
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED
GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2016/17 FTE Performance Target	National and Municipal Financial Year		
			2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)
KWAZULU-NATAL					
A	ETH eThekweni	4 213	49 478		
B	KZN212 KZN212	94	2 038		
B	KZN213 Umzumbi	79	1 083		
B	KZN214 uMuziwabantu	55	1 129		
B	KZN216 KZN216	152	2 660		
C	DC21 Ugu District Municipality	534	1 788		
Total: Ugu Municipalities		914	8 698		
B	KZN221 uMshwathi	65	1 313		
B	KZN222 uMngeni	55	1 317		
B	KZN223 Mpofoana	32	1 000		
B	KZN224 Impendle	35	1 443		
B	KZN225 Maunduzi	449	6 809		
B	KZN226 Mkhambathini	43	1 253		
B	KZN227 Richmond	46	1 277		
C	DC22 Umgungundlovu District Municipality	236	2 094		
Total: Umgungundlovu Municipalities		961	16 506		
B	KZN235 Okhahlamba	77	2 934		
B	KZN237 KZN237	101	2 328		
B	KZN238 KZN238	168	4 906		
C	DC23 Uthukela District Municipality	401	3 169		
Total: Uthukela Municipalities		747	13 337		
B	KZN241 Endumeni	39	1 127		
B	KZN242 Nqutu	72	1 337		
B	KZN244 Msinga	93	2 095		
B	KZN245 Umvoti	71	2 373		
C	DC24 Umzinyathi District Municipality	399	2 350		
Total: Umzinyathi Municipalities		674	9 282		
B	KZN252 Newcastle	253	3 173		
B	KZN253 Emadlangeni	28	1 284		
B	KZN254 Dannhauser	51	1 119		
C	DC25 Amajuba District Municipality	94	1 497		
Total: Amajuba Municipalities		426	7 073		
B	KZN261 eDumbe	43	1 000		
B	KZN262 uPhongolo	78	3 021		
B	KZN263 Abaqulusi	83	1 398		
B	KZN265 Nongoma	71	1 102		
B	KZN266 Ulundi	69	1 000		
C	DC26 Zululand District Municipality	488	3 624		
Total: Zululand Municipalities		832	11 145		
B	KZN271 Umhlabuyalingana	85	2 277		
B	KZN272 Jozini	97	3 338		
B	KZN275 Mtubatuba	73	1 408		
B	KZN276 KZN276	78	3 545		
C	DC27 Umkhanyakude District Municipality	450	1 293		
Total: Umkhanyakude Municipalities		783	11 861		
B	KZN281 Mfolozi	62	1 649		
B	KZN282 KZN282	244	5 061		
B	KZN284 uMlalazi	102	2 924		
B	KZN285 KZN285	36	2 161		
B	KZN286 Nkandla	57	2 149		
C	DC28 uThungulu District Municipality	404	5 466		
Total: Uthungulu Municipalities		905	19 410		
B	KZN291 Mandeni	85	2 065		
B	KZN292 KwaDukuza	113	1 285		
B	KZN293 Ndwedwe	72	1 791		
B	KZN294 Maphumulo	53	1 261		
C	DC29 iLembe District Municipality	409	1 850		
Total: iLembe Municipalities		732	8 242		
B	KZN433 Greater Kokstad	46	1 619		
B	KZN434 Ubuhlebezwe	64	1 985		
B	KZN435 Umzimkhulu	97	1 299		
B	KZN436 KZN436	81	2 191		
C	DC43 Harry Gwala District Municipality	23	3 364		
Total: Harry Gwala Municipalities		311	10 458		
Total: KwaZulu-Natal Municipalities		11 498	165 490		

Table 15.K : Transfers to local government - Museum subsidies											
R thousand			Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
			2012/13	2013/14	2014/15				2015/16		
A	KZN200	eThekweni	547	865	133	4 390	4 390	390	623	868	111
Total: Ugu Municipalities			268	568	302	317	317	317	334	352	370
B	KZN216	Hibiscus Coast	268	568	302	317	317	317	334	352	370
Total: uMgungundlovu Municipalities			589	552	164	712	712	712	750	789	827
B	KZN222	uMngeni	134	784	151	166	166	166	175	184	193
B	KZN223	Mpofana	134	284	151	166	166	166	175	184	193
B	KZN225	Msunduzi	321	484	862	380	380	380	400	421	441
Total: Uthukela Municipalities			536	136	604	649	649	649	684	720	756
B	KZN232	Emnambithi/Ladysmith	134	284	151	166	166	166	175	184	193
B	KZN234	Umtshezi	268	568	302	317	317	317	334	352	370
B	KZN235	Okhahlamba	134	284	151	166	166	166	175	184	193
Total: Umzinyathi Municipalities			455	768	763	546	546	546	575	605	635
B	KZN241	Endumeni	321	484	612	380	380	380	400	421	442
B	KZN245	Umvoti	134	284	151	166	166	166	175	184	193
Total: Amajuba Municipalities			268	568	302	317	317	317	334	352	370
B	KZN252	Newcastle	1 268	568	302	317	317	317	334	352	370
Total: Zululand Municipalities			134	284	151	166	166	166	175	184	193
B	KZN263	Abaqulusi	134	284	151	166	166	166	175	184	193
Total: Umkhanyakude Municipalities			-	-	-	-	-	-	1	1	1
Total: uThungulu Municipalities			268	568	611	672	879	879	237	299	364
B	KZN281	Umfolozo									
B	KZN282	uMhlatuze	134	284	151	166	166	166	175	184	193
B	KZN283	Ntambanana									
B	KZN284	uMlalazi	134	284	460	506	713	713	1 062	1 115	1 171
Total: Ilembe Municipalities			134	284	151	166	166	166	175	184	193
B	KZN292	KwaDukuza	1 134	284	151	166	166	166	175	184	193
Total: Harry Gwala Municipalities			850	-	-	-	-	-	-	-	-
B	KZN431	Ingwe	850	-	-	-	-	-	-	-	-
Unallocated			-	-	-	-	-	-	-	-	-
Total			10 049	9 593	8 181	7 935	8 142	8 142	8 887	9 353	9 819

Table 15.N : Transfers to local government - Community Library Services grant											
R thousand			Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
			2012/13	2013/14	2014/15				2015/16		
A	KZN200	eThekweni	500	15 000	750	35 750	35 750	35 750	21 055	21 376	21 695
Total: Ugu Municipalities			916	314	141	1 826	1 826	826	923	023	123

B	KZN211	Vulamehlo									
B	KZN212	Umdoni	287	360	378	510	510	510	537	565	593
B	KZN213	Umzumbe									
B	KZN214	uMuziwabantu	106	120	126	170	170	170	179	188	197
B	KZN215	Eziqoleni	101	120	126	170	170	170	179	188	197
B	KZN216	Hibiscus Coast Ugu District Municipality	422	714	511	976	976	976	1 028	1 082	1 136
C	DC21										
Total: uMgungundlovu Municipalities			1 828	1 052	1 320	1 763	2 263	2 263	2 034	2 139	2 242
B	KZN221	uMshwathi	-	120	126	170	170	170	179	188	197
B	KZN222	uMngeni	207	240	252	340	340	340	358	377	394
B	KZN223	Mpofana	85	120	126	170	170	170	179	188	197
B	KZN224	Impendle	96	120	126	170	170	170	179	188	197
B	KZN225	Msunduzi	1 226	193	418	552	552	552	581	612	642
B	KZN226	Mkhambathini	124	139	146	191	691	691	379	398	418
B	KZN227	Richmond	90	120	126	170	170	170	179	188	197
Total: Uthukela Municipalities			240	638	796	1 423	1 423	423	1 498	1 578	1 657
B	KZN232	Emnambithi/Ladys mith	119	259	398	531	531	531	559	589	618
B	KZN233	Indaka	18	-	-	191	191	191	201	212	223
B	KZN234	Umtshezi	-	240	126	340	340	340	358	377	396
B	KZN235	Okhahlamba	18	139	146	191	191	191	201	212	223
B	KZN236	Imbabazane	85	-	126	170	170	170	179	188	197
Total: Umzinyathi Municipalities			568	855	816	1 083	1 083	083	1 319	1 387	1 456
B	KZN241	Endumeni	106	336	252	340	340	340	537	564	592
B	KZN242	Nquthu	247	260	292	382	382	382	402	423	444
B	KZN244	Msinga	114	139	146	191	191	191	201	212	223
B	KZN245	Umvoti	101	120	126	170	170	170	179	188	197
Total: Amajuba Municipalities			285	600	630	850	850	850	895	941	987
B	KZN252	Newcastle	105	360	378	510	510	510	537	565	593
B	KZN253	eMadlangeni	90	120	126	170	170	170	179	188	197
B	KZN254	Dannhauser	90	120	126	170	170	170	179	188	197
Total: Zululand Municipalities			548	763	796	1 232	1 232	232	1 654	1 740	1 827
B	KZN261	eDumbe	119	139	146	191	191	191	201	212	223
B	KZN262	uPhongolo	118	125	126	340	340	340	358	377	396
B	KZN263	Abaqulusi	197	240	252	340	340	340	358	377	396
B	KZN265	Nongoma	-	120	126	170	170	170	179	188	197
B	KZN266	Ulundi Zululand District Municipality	114	139	146	191	191	191	558	586	615
C	DC26										
Total: Umkhanyakude Municipalities			521	619	2 032	850	850	850	1 074	1 129	1 184
B	KZN271	Umhlabuyalingana	96	120	126	170	170	170	179	188	197
B	KZN272	Jozini	106	120	126	170	170	170	179	188	197
B	KZN273	The Big 5 False Bay	-	-	-	-	-	-	179	188	197
B	KZN274	Hlabisa	108	139	126	170	170	170	179	188	197
B	KZN275	Mtubatuba	211	240	1 654	340	340	340	358	377	396
Total: uThungulu Municipalities			1 241	1 363	1 556	2 061	2 561	561	2 514	2 641	2 772
B	KZN281	Umfolozi	-	-	126	170	170	170	358	376	395

B	KZN282	uMhlathuze	620	720	756	020	520	1 520	1 253	1 316	1 382
B	KZN283	Ntambanana	90	120	126	170	170	170	179	188	197
B	KZN284	uMlalazi	215	259	272	361	361	361	366	385	404
B	KZN285	Mthonjaneni	106	120	126	170	170	170	179	188	197
B	KZN286	Nkandla	210	144	150	170	170	170	179	188	197
Total: Ilembe Municipalities			496	619	776	1 211	1 211	211	633	716	801
B	KZN291	Mandeni	186	240	378	510	510	510	716	752	789
B	KZN292	KwaDukuza	191	240	252	510	510	510	537	565	593
B	KZN293	Ndwedwe	119	139	146	191	191	191	380	399	419
Total: Harry Gwala Municipalities			626	749	796	1 062	1 062	062	476	552	628
B	KZN431	Ingwe	119	139	146	191	191	191	380	399	419
B	KZN432	Kwa Sani	90	120	126	170	170	170	179	188	197
B	KZN433	Greater Kokstad	197	240	252	340	340	340	358	377	396
B	KZN434	Ubuhlebezwe	106	111	126	170	170	170	179	188	197
B	KZN435	Umzimkhulu	114	139	146	191	191	191	380	400	419
Unallocated			-	-	-	-	-	-	-	-	-
Total			22 769	23 572	16 409	49 111	50 111	50 111	37 075	38 222	39 372

Table 15.M : Transfers to municipalities - Provincialisation of libraries

R thousand		Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2012/13	2013/14	2014/15				2015/16	2016/17	2017/18
A	KZN2000 eThekweni	73 316	#####	#####	119 622	119 622	119 622	86 738	91 333	94 980
Total: Ugu Municipalities		5 458	11 460	11 950	12 331	12 331	12 331	12 477	12 981	13 661
B	KZN212 Umdoni	1 960	4 116	4 280	4 429	4 429	4 429	4 482	4 662	4 906
B	KZN214 uMuziwabantu	245	514	535	553	553	553	559	583	613
B	KZN215 Ezingoleni	245	514	535	553	553	553	559	583	613
B	KZN216 Hibiscus Coast	3 008	6 316	6 600	6 796	6 796	6 796	6 877	7 153	7 529
Total: uMgungundlovu Municipalities		12 166	26 476	27 475	28 971	28 971	28 971	25 625	26 666	28 324
B	KZN221 uMshwathi	454	657	685	707	707	707	715	744	782
B	KZN222 uMngeni	1 134	2 461	2 500	2 636	2 636	2 636	2 668	2 774	2 919
B	KZN223 Mpofana	336	705	735	758	758	758	768	798	840
B	KZN224 Impendle	245	514	535	553	553	553	559	583	613
B	KZN225 Msunduzi	9 507	20 968	21 800	23 057	23 057	23 057	19 315	20 103	21 431
B	KZN226 Mkhambathini	177	514	535	553	553	553	885	920	957
B	KZN227 Richmond	313	657	685	707	707	707	715	744	782
Total: Uthukela Municipalities		3 222	6 909	7 170	7 434	7 434	7 434	7 522	7 826	8 234
B	KZN232 Emnambithi/Ladysmith	1 520	3 192	3 300	3 435	3 435	3 435	3 476	3 615	3 804
B	KZN233 Indaka	245	514	535	553	553	553	559	583	613
B	KZN234 Umtshezi	894	1 878	1 950	2 020	2 020	2 020	2 045	2 127	2 239
B	KZN235 Okhahlamba	318	668	700	719	719	719	727	757	796
B	KZN236 Imbabazane	245	657	685	707	707	707	715	744	782
Total: Umzinyathi Municipalities		2 350	4 932	5 140	5 307	5 307	5 307	5 696	5 924	6 193
B	KZN241 Endumeni	1 234	2 590	2 700	2 787	2 787	2 787	3 146	3 272	3 402
B	KZN242 Nquthu	490	1 028	1 070	1 106	1 106	1 106	1 119	1 163	1 224
B	KZN244 Msinga	245	514	535	553	553	553	559	583	613
B	KZN245 Umvoti	381	800	835	861	861	861	872	906	954
Total: Amajuba Municipalities		2 600	5 744	5 970	6 733	6 733	6 733	6 813	7 089	7 460
B	KZN252 Newcastle	2 246	4 716	4 900	5 627	5 627	5 627	5 695	5 923	6 234
B	KZN253 eMadlangeni	177	514	535	553	553	553	559	583	613
B	KZN254 Dannhauser	177	514	535	553	553	553	559	583	613
Total: Zululand Municipalities		2 618	5 498	5 725	5 914	5 914	5 914	6 965	7 243	7 564
B	KZN261 eDumbe	381	800	835	861	861	861	872	906	954
B	KZN262 uPhongolo	422	886	920	952	952	952	965	1 002	1 055
B	KZN263 Abaqulusi	1 234	2 592	2 700	2 789	2 789	2 789	3 148	3 274	3 405
B	KZN265 Nongoma	245	514	535	553	553	553	559	583	613
B	KZN266 Ulundi	336	706	735	759	759	759	1 421	1 478	1 537
Total: Umkhanyakude Municipalities		5 408	5 677	5 905	6 105	6 105	6 105	6 177	6 426	6 762
B	KZN271 Umhlabyalingana	1 238	1 300	1 350	1 396	1 396	1 396	1 413	1 469	1 545
B	KZN272 Jozini	730	766	800	827	827	827	837	871	917
B	KZN273 The Big 5 False Bay	600	630	655	677	677	677	685	713	750
B	KZN274 Hlabisa	730	766	800	827	827	827	837	871	917
B	KZN275 Mtubatuba	2 110	2 215	2 300	2 378	2 378	2 378	2 405	2 502	2 633
Total: uThungulu Municipalities		5 239	10 486	11 060	11 434	11 434	11 434	12 651	13 161	13 747
B	KZN281 Umfolozi	177	372	535	553	553	553	1 059	1 101	1 145
B	KZN282 uMhlathuze	2 784	5 846	6 080	6 289	6 289	6 289	6 947	7 224	7 514
B	KZN283 Ntambanana	245	514	535	553	553	553	559	583	613
B	KZN284 uMlalazi	1 298	2 726	2 840	2 933	2 933	2 933	2 968	3 087	3 249
B	KZN285 Mthonjaneni	245	514	535	553	553	553	559	583	613
B	KZN286 Nkandla	490	514	535	553	553	553	559	583	613
Total: Ilembe Municipalities		2 016	4 566	4 755	4 901	4 901	4 901	5 611	5 834	6 107
B	KZN291 Mandeni	490	1 362	1 420	1 454	1 454	1 454	1 797	1 869	1 944
B	KZN292 KwaDukuza	1 281	2 690	2 800	2 894	2 894	2 894	2 929	3 045	3 206
B	KZN293 Ndwedwe	245	514	535	553	553	553	885	920	957
Total: Harry Gwala Municipalities		1 611	3 383	3 710	3 834	3 834	3 834	4 530	4 714	4 933
B	KZN431 Ingwe	381	800	835	861	861	861	1 198	1 246	1 296
B	KZN432 Kwa Sani	159	334	535	553	553	553	559	583	613
B	KZN433 Greater Kokstad	581	1 221	1 270	1 314	1 314	1 314	1 329	1 382	1 454
B	KZN434 Ubuhlebezwe	245	514	535	553	553	553	559	583	613
B	KZN435 Umzimkhulu	245	514	535	553	553	553	885	920	957
Unallocated		-	-	-	-	-	-	-	-	-
Total		116 004	225 111	198 182	212 586	212 586	212 586	#####	189 197	#####

Annexure C - "A" Schedule

Annexure D - Signing Budget Locking Certificate

Certification that the adopted budget for 2012/13 is correctly captured and locked on the municipality's financial management system

(as requested by National Treasury in terms of section 74 of the MFMA, with reference to paragraph 6.3 of MFMA Budget Circular 59 dated 16 March 2012)

I,, in my capacity as accounting officer of the municipality, hereby certify that:

- The adopted annual budget has been captured on the municipality's financial system;*
- There is 100 per cent reconciliation between the budget on the system and the budget adopted by council;*
- The adopted annual budget on the municipality's financial system is locked and will not be changed as it serves as the baseline against which to monitor and measure performance; and*
- The relevant budget return forms have been submitted to the local government database.*

I, further certify that the municipality has in place controls to ensure that any changes to the adopted budget will be captured separately and only in accordance with:

- a virement authorised by the municipal manager, or duly delegate official, in terms of a council approved virements policy; and*
- an adjustments budget approved by council.*

Print Name _____

Municipal manager of _____
(name and demarcation code of municipality)

Signature _____

Date _____

This certificate must be submitted to National Treasury by close of business 16 July 2012 at the following email address: lgdocuments@treasury.gov.za.

Also send copies to the Auditor General and the relevant provincial treasury

Annexure E - Service Level Standards

Province: Municipality(KZN263) - Schedule of Service Delivery Standards Table	
Description Standard	Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	Weekly
Premise based removal (Business Frequency)	Daily
Bulk Removal (Frequency)	Weekly
Removal Bags provided(Yes/No)	No
Garden refuse removal Included (Yes/No)	No
Street Cleaning Frequency in CBD	Daily
Street Cleaning Frequency in areas excluding CBD	No
How soon are public areas cleaned after events (24hours/48hours/longer)	48 hours
Clearing of illegal dumping (24hours/48hours/longer)	Longer
Recycling or environmentally friendly practices(Yes/No)	No
Licensed landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/N0 drop)	No drop
Is free water available to all? (All/only to the indigent consumers)	Only to indigent consumers and consumers in ZDM areas who are not metered
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	Read on a monthly basis
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	
One service connection affected (number of hours)	4 hours
Up to 5 service connection affected (number of hours)	4 hours
Up to 20 service connection affected (number of hours)	16 hours
Feeder pipe larger than 800mm (number of hours)	24 hours
What is the average minimum water flow in your municipality?	240 mg lt/month
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty water meters? (days)	1 hour
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No

Province: Municipality(KZN263) - Schedule of Service Delivery Standards Table	
Description Standard	Service Level
Electricity Service	
What is your electricity availability percentage on average per month?	100%
Do your municipality have a ripple control in place that is operational? (Yes/No)	Yes
How much do you estimate is the cost saving in utilizing the ripple control system?	Via load control
What is the frequency of meters being read? (per month, per year)	Monthly
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	Read on a monthly basis
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	Immediately where possible
Are accounts normally calculated on actual readings? (Yes/no)	Yes
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty meters? (days)	Within 30 days
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	Yes, tender has been drawn up
How effective is the action plan in curbing line losses? (Good/Bad)	Not in use at the moment
How soon does the municipality provide a quotation to a customer upon a written request? (days)	Within 7 days
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	Within 10 days
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	Within 10 days
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	Within 30 days
Sewerage Service	
Are your purification system effective enough to put water back in to the system after purification?	Yes
To what extend do you subsidize your indigent consumers?	Indigent consumers get subsidized 100%
How long does it take to restore sewerage breakages on average	
Severe overflow? (hours)	24 hours
Sewer blocked pipes: Large pipes? (Hours)	4 hours
Sewer blocked pipes: Small pipes? (Hours)	1 hour
Spillage clean-up? (hours)	1 hour

Province: Municipality(KZN263) - Schedule of Service Delivery Standards Table	
Description Standard	Service Level
Replacement of manhole covers? (Hours)	1 hour
Road Infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	2 hours
Time taken to repair a single pothole on a minor road? (Hours)	1 hour
Time taken to repair a road following an open trench service crossing? (Hours)	8 hours
Time taken to repair walkways? (Hours)	4 hours
Property valuations	
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	One month
Do you have any special rating properties? (Yes/No)	No
Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Yes it is decreasing
Are the financial statement outsourced? (Yes/No)	AFS are compiled in conjunction with PWC
Are there Council adopted business process restructuring the flow and management of documentation feeding to Trial Balance?	Yes
How long does it take for an Tax/Invoice to be paid from the date it has been received?	30 days
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	No
Administration	
Reaction time on enquiries and requests?	7 working days
Time to respond to a verbal customer enquiry or request? (working days)	7 working days
Time to respond to a written customer enquiry or request? (working days)	7 working days
Time to resolve a customer enquiry or request? (working days)	7 working days
What percentage of calls are not answered? (5%,10% or more)	5%
How long does it take to respond to voice mails? (hours)	N/A
Does the municipality have control over locked enquiries? (Yes/No)	No

Province: Municipality(KZN263) - Schedule of Service Delivery Standards Table	
Description Standard	Service Level
Is there a reduction in the number of complaints or not? (Yes/No)	Yes
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 day
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Not often
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	60 minutes
How long does it take to renew a vehicle license? (minutes)	60 minutes
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	60 minutes
How long does it take to de-register a vehicle? (minutes)	60 minutes
How long does it take to renew a drivers license? (minutes)	60 minutes
What is the average reaction time of the fire service to an incident? (minutes)	60 minutes
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	N/A
Economic development	
How many economic development projects does the municipality drive?	3
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	5
What percentage of the projects have created sustainable job security?	5%

Province: Municipality(KZN263) - Schedule of Service Delivery Standards Table	
Description Standard	Service Level
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	No
Other Service delivery and communication	
Is a information package handed to the new customer? (Yes/No)	No
Does the municipality have training or information sessions to inform the community? (Yes/No)	No
Are customers treated in a professional and humanly manner? (Yes/No)	Yes

Annexure F - SCOA Plan and Progress to date

Annexure B.1 - Non-pilot municipality self-assessment tool

Instructions:

1. Score = Percentage (%) completed (0 - 100).
2. The Provincial Treasury mSCOA project team should verify the municipality's self-assessment of its Implementation Plan progress and activities.

NON PILOT ASSESSMENT			
ABAQULUSI LM	77	77	Challenges
MUNSOFT			
Date	2016/03/12		
Initial Preparation and Awareness	100	100	
Read the regulations, project documents, position papers and ICF documents and costing manual	100		
Review of current chart, mSCOA tables	100		
Review mSCOA circulars	100		
Review the guidance provided in the Project Summary Document at the end of each of its sections	100		
Awareness workshops (Demystify mSCOA Council awareness - Council and Management)	100		
Develop Project Management skills	100		
Register on FAQ Database	100		Munsoft has registered on the FAQ database
Governance	100	100	
Commissioning an mSCOA steering committee	100		
Commissioning an mSCOA multi-disciplinary project team	100		
Set up the project governance structure and project management office (PMO)	100		
Register a formal SCOA project in the municipality with a project sponsor, steering committee (with a terms of reference)	100		MM is the sponsor
Draft a terms of reference for the municipality's SCOA project team	100		
Develop a SCOA project delivery strategy, including the assignment of responsibilities, Key Performance Indicators (KPI's) and performance targets for the project and provide for regular project monitoring and reporting	100		
Tabling the Municipal Regulations on Standard Chart of Accounts in the municipal council	100		

Annexure B.1 - Non-pilot municipality self-assessment tool

Instructions:

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NON PILOT ASSESSMENT			
ABAQULUSI LM	77	77	Challenges
MUNSOFT			
Date	2016/03/12		
Obtain Council approval for implementation of mSCOA, proposed governance structures, implementation plan and risk register	100		
Obtain proof of appointment, consent from the Senior Manager and evidence that this task and responsibility had been integrated in the Key Performance Areas of the Project Manager and Project Team	100		
Tabling a progress report, including the updated risk register with the municipal council on a quarterly basis	100		
mSCOA Project Management			
Identify key human resources,	100	63	
Identify key project milestones	100		
Identify capital requirement and budget (servers, IT requirements)	100		
Investigate effect of changes on the system	100		
Set up project organisational/management arrangements (charter, scope, plan, budget, risks and issues)	100		
Prepare code of ethics and members to sign these	100		Part of TOR's
Appoint stream leads to cover all 15 business processes			
Stream Leads			
mSCOA steering committee and Project Management	100		
IT infrastructure and network			
Review current vote structure to mSCOA vote structure and prepare the annual budget on the structure	100		
Data purification and gap analysis	100		

Annexure B.1 - Non-pilot municipality self-assessment tool

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NON PILOT ASSESSMENT

ABAQULUSI LM

MUNSOFT

Date

77

77

Challenges

Action steps

2016/03/12

*(a) **Examples of data purification** - Human Resources (HR) information such as the data of employees and individual/ personal contractors; Asset data (e.g. the GRAP 17 asset register); Vendor register/ supplier database; Creditors' data records; Debtors' data records; Valuation roll reconciliation, interim valuations and zoning/ use of properties; Reconciliation of vote/ account numbers (balance sheet items); Clearing of all suspense/ clearing accounts, etc.*

*(b) **Examples of gap analysis** - It is crucial that a municipality obtain a conceptual view of its current ICT infrastructure, including its 'Core Financials' and all other solution offerings. This exercise normally reveals massive duplications and gaps. Municipalities that have not yet submitted their mSCOA project plans to the Treasuries are encouraged to do so. A review by the Treasuries is part of the support offered that could assist the municipality to, at an early stage in the process, identify gaps and possible challenges. A comparison of the existing chart to the mSCOA chart may also identify gaps that require attention.*

HR & payroll	100		
Planning (IDP, Budget, SDBIP, PM)	100		
Core system, additional systems	100		
Real estate, land use and grant management	0		No sub module required
Document management	0		Stand-alone with no interfacing with financial system
<u>Business Processes</u>			

Annexure B.1 - Non-pilot municipality self-assessment tool

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NON PILOT ASSESSMENT			
ABAQULUSI LM	77	77	Challenges
MUNSOFT			
Date	2016/03/12		
Stream Leads to prepare detailed implementation plans with milestones for their area of responsibility dealing with applicable business processes:			
<i>Corporate governance</i>	100		
<i>Municipal budgeting, planning and financial modelling</i>	100		
<i>Financial accounting</i>	100		
<i>Costing and reporting</i>	100		
<i>Project accounting</i>	0		
<i>Treasury and cash management</i>	100		All work outsourced (Capital)
<i>Procurement cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable</i>	100		
<i>Grant management</i>	100		
<i>Full asset life cycle management including maintenance management</i>	0		Maintenance Management not included in asset module
<i>Real estate and resource management</i>	0		
<i>Human resources and payroll management</i>	100		
<i>Land use and building control management</i>	0		maybe used on another stand-alone program such as GIS or TGIS
<i>Valuation roll management</i>	100		
<i>Revenue cycle: meter reading, billing, accounts receivable, revenue management and receipting</i>	100		
<i>Customer care, credit control and debt collection</i>	100		
Sign-off implementation plan	50		Part of Implementation plan - ongoing
Sign-off milestones achieved	50		Part of Implementation plan - ongoing
User acceptance testing	0		Part of Implementation plan - ongoing
Stream Leads to prepare risk registers for their area of responsibility	0		Part of Implementation plan - ongoing
Sign-off risk register	0		Part of Implementation plan - ongoing

Annexure B.1 - Non-pilot municipality self-assessment tool

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NON PILOT ASSESSMENT			
ABAQULUSI LM	77	77	Challenges
MUNSOFT			
Date	2016/03/12		
Stream Leads to prepare data purification for their area of responsibility	100		Data cleansing on-going
Sign-off data purification	100		
Prepare and plan for change management and transition	50		Part of Implementation plan - ongoing
Stakeholder engagement -establishment of user forums (PT & Other stakeholders)	100		
Vendor engagement - vendor feedback and integration into project plan	100		
Detailed migration project plan (vendor) and MOU	100		System upgrade. It is not a new system development
System User acceptance testing	0		Part of Implementation plan - ongoing
System User acceptance training	0		Part of Implementation plan - ongoing
Review the current municipal chart of accounts	100		
Document and map the current business processes in the municipality	0		To be done in-house
Determining impact on business policies, processes & procedures	0		To be done in-house. Vendor will also advise.
Undertake a Human Resources and Payroll review and allocation verification	100		Payroll allocation will be signed off
Review master information(suppliers, stores, fleet, job costing)	50		System upgrade. It is not a new system development. No migration of master data only mSCOA opening balances with history.
Billing / Revenue create codes , transfer data and prepare the data base	0		Tariff codes to include a short description as a result of the 7 segments.

Annexure B.1 - Non-pilot municipality self-assessment tool

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NON PILOT ASSESSMENT			
ABAQULUSI LM	77	77	Challenges
MUNSOFT			
Date	2016/03/12		
Conduct an "as is" review of IT infrastructure, network and archiving (ICT to define core functions used and those not used in core financial system and which system core functions are outsourced). <i>Use as a minimum the template attached as "Annexure C" to Municipal SCOA Circular 2. Submit the completed information to the National Treasury (Jan.Hattingh@treasury.gov.za) and the relevant provincial treasury on/ before Friday, 13 November 2015.</i>	0		To be done in-house
Review 3rd party systems / integration	50		Part of Implementation plan - ongoing
Change all pre-printed stationary and internal documents	50		Part of Implementation plan - ongoing
System Application	90	90	
Opening balance conversion – Historical information and data and sign off	100		
Clearing of suspense accounts, clearing accounts, control accounts, and interface accounts	80		Suspense accounts to be cleared by LM.
Reporting requirements – Test, analyse, and understand content	0	-	
Budget reporting formats (MBRR)	0		Part of Implementation plan - ongoing. Caseware to be used.
Annual financial statement	0		AFS completed on Caseware
MFMA section 71 and 72 monthly reporting (current format)	0		Part of Implementation plan - ongoing. Caseware to be used.
Portal data testing and quality assurance	0		Part of Implementation plan - ongoing. Caseware to be used.
Project Audit File - Information on file	86	86	

Annexure B.1 - Non-pilot municipality self-assessment tool

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NON PILOT ASSESSMENT			
ABAQULUSI LM	77	77	Challenges
MUNSOFT			
Date			
2016/03/12			
Ensure proper document management for the SCOA project and municipal records:			
Council resolutions	100		
Project governance documentation	100		
Agenda, minutes and attendance registers	100		
Project plan and milestone reports	100		
Risk register and mitigation measures	100		
Issue log and resolutions	100		
User acceptance testing and sign off	0		Part of Implementation plan - ongoing
Project close out report	100	100	
Project close out report	100		Part of Implementation plan - ongoing. Implementation only 1.7.2016

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
1	Buy in from Council	1 day	Mon 29/06/15	Mon 29/06/15	Municipal manager	100%	Tabled in Council		
2	Letter of Appointment	1 day	Thu 01/10/15	Thu 01/10/15	Municipal manager	100%	Issued		
3	Draft mSCOA Implementation Plan	3 days	Mon 12/10/15	Wed 14/10/15	Steering committee, Implementation Team, Munsoft Consulting, Project Champion	100%	Draft completed. Steering & Implementation Committees to review		
4	Draft TOR Steering Committee	3 days	Mon 12/10/15	Wed 14/10/15	Munsoft Consulting, CFO, Project Champion	100%	Draft completed. CFO & MM to review		
5	Draft TOR Implementation Team	3 days	Mon 12/10/15	Wed 14/10/15	Munsoft Consulting, CFO, Project Champion	100%	Draft completed. CFO & MM to review		
6	Draft Letter of Appointment for Steering Committee members	4 days	Mon 12/10/15	Thu 15/10/15	Munsoft Consulting, CFO, Project Champion	100%	Draft completed. CFO & MM to review		
7	Draft Letter of Appointment for Implementation Team members	3 days	Mon 12/10/15	Wed 14/10/15	Munsoft Consulting, CFO, Project Champion	100%	Draft completed. CFO & MM to review		

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
8	Draft open invitation to NT, AG, PT, Cogta and Internal audit	2 days	Mon 12/10/15	Tue 13/10/15	Munsoft Consulting,CFO,Project Champion	100%	Draft completed. CFO & MM to review		
9	MM to sign tasks 6 to 8	5 days	Mon 12/10/15	Fri 16/10/15	Municipal manager	100%	MM so sign on official WDM letterheads		
10	TOR, Appointment letters and open invitations to be emailed to NT	1 day	Mon 19/10/15	Mon 19/10/15	Project Champion	100%	Until the mSCOA committees have met, the CFO/Munsoft will assist as secretariat		
11	Agenda for 1st joint steering committee to go out	1 day	Fri 23/10/15	Fri 23/10/15	Municipal manager,Munsoft Consulting,CFO,Project Champion	100%	Agenda to all committee members as well as to open invitation members		
12	1st joint steering committee	1 day	Fri 30/10/15	Fri 30/10/15	Municipal manager,Munsoft Consulting,Project Champion,Implementation Team,Steering committee	100%	Munsoft Consulting to prepare a SCOA presentation.Minutes, approved TOR and attendance register to be tabled at next Council meeting for noting. Thereafter Quarterly Council submissions.	Ensure that all members are aware of their role and responsibilities	

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
13	Implementation Plan	216 days	Mon 12/10/15	Mon 08/08/16	Implementation Team,Project Champion,Steering committee,All	5%	To be approved at the joint committee meeting	Unfamiliarity with mSOA could prolong the meeting. Ability to understand that the Implementation plan is flexible.	mSCOA Circular #1 and Regulations to accompany the notice of meeting.
14	Training - Implementation Team and Finance staff	175 days	Fri 30/10/15	Thu 30/06/16	Munsoft Consulting	0%	Training will begin with the Financial staff as well as the mSCOA Implentation Committee. Classromm & desktop training on Munsoft. Training will be continious throughout the project.	Availability of staff	Oranisational awareness
15	Training - Steering Committee and Non-Finance staff	175 days	Fri 30/10/15	Thu 30/06/16	Munsoft Consulting	0%	Training will be extended to all office personnel and middle management of working departments. Classroom & desktop training on Munsoft. Training will be continious throughout the	Availability of staff	Oranisational awareness

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
							project		
16	SCOA selections on Munsoft (for comparative purposes) - 5 segments options	10 days	Mon 12/10/15	Fri 23/10/15	Munsoft Consulting,Project Champion	100%	Select A&L, Gains & Losses, Revenue, Projects, Costing, Regional segments.	BTO staff that have specialized in a certain field may not see the bigger picture	Munsoft Consulting to assist BTO staff
17	Ensure that Vote structure is GFS aligned. If not use the 7th segment - "Org Structure Setup".	3 days	Mon 26/10/15	Wed 28/10/15	Munsoft Consulting,CFO,Project Champion	95%	If vote structure is not aligned to GFS classification look at "Organizational Structure setup"		
18	Build SCOA ledger (for comparative purposes)	8 days	Wed 28/10/15	Fri 06/11/15	Munsoft Consulting,Project Champion	100%	Use 3 years TB and Annual reports	TB has not been populated with final journals	In this unlikely event use lead sheets and process the final journals on the TB

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
19	Align old chart to mSCOA (for comparative purposes)	5 days	Mon 09/11/15	Fri 13/11/15	Munsoft Consulting, Project Champion	40%	Use 3 years TB and Annual reports	TB has not been populated with final journals	In this unlikely event use lead sheets and process the final journals on the TB
20	Migrate balances (for comparative purposes)	1 day	Mon 16/11/15	Mon 16/11/15	Munsoft Consulting, Project Champion	0%	Use 3 years TB and Annual reports	TB has not been populated with final journals	In this unlikely event use lead sheets and process the final journals on the TB
21	Reconcile 3 prior years AFS to comparative TB	10 days	Mon 16/11/15	Fri 27/11/15	Munsoft Consulting, Project Champion	0%	Use 3 years TB and Annual reports	TB has not been populated with final journals	In this unlikely event use lead sheets and process the final journals on the TB
22	Align FAR to SCOA FA controls	12 days	Mon 30/11/15	Fri 15/12/15	Munsoft Consulting, BTO staff, Project Champion	0%	Munsoft asset register is used. Change parameters on the Munsoft FAR to those of mSCOA		

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
							segments.		
23	Look at 3rd party software for seamless integration	31 days	Fri 13/11/15	Fri 11/12/15	Implementation Team, Munsoft Consulting, All, Steering committee	0%	Members of the Implementation Committee to identify all 3rd party software and evaluate mSCOA compliance of these packages, for example the HR packages, Prepaid vendor systems, Traffic Mgt Systems	Ensure that standalone packages facilitate a seamless integration with Munsoft. Consult the with the 3rd party vendors	Look at alternative Stand-alone salary and other packages that are mSCOA compliant. Check pricing and other options available.
24	Understand the IDP, KPA's, KPI's and strategies	31 days	Mon 16/11/15	Fri 14/12/15	Steering Committee Chair, Head IDP, IDP/PMS managers, Implementation Team, Project Champion	0%	Important for the selection of projects. Divisional manager must meet with all project resources and get a common understanding of the IDP		
25	Identify projects from IDP	15 days	Mon 16/11/15	Fri 26/02/16	Steering committee, All resources, Implementation Team	0%	After understanding the IDP and the requirements of mSCOA new projects will be opened		

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
26	Select further projects and SCOA segments as required	80 days	Mon 09/11/15	Fri 26/02/16	Munsoft Consulting,BTO staff,All resources,Implementation Team	0%	Selection on Munsoft		
27	Build SCOA Project masters and link to IDP where possible	75 days	Mon 16/11/15	Fri 26/02/16	BTO staff,Managers,Munsoft Consulting,Implementation Team	0%			
28	Zero Based Budgeting using the IDP as a base as well as other fixed and variable costs	75 days	Mon 16/11/15	Fri 26/02/16	All	0%	Full compliance to zero based budgeting, triggered by the IDP and using the detailed Munsoft budgeting screens is not negotiable.	Non finance departments have not worked on Munsoft except for enquiries and request for goods.	Training and on-site assistance with non finance staff will be key.
29	Table draft budget at Exco	1 day	Wed 16/03/16	Wed 16/03/16	CFO,Municipal manager,BTO staff	0%			
30	Amend Draft Budget if required	3 days	Wed 16/03/16	Fri 18/03/16	BTO staff	0%			
31	Table draft budget to Full Council	1 day	Fri 25/03/16	Fri 25/03/16	Mayor,Municipal manager	0%			

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
32	Submit Draft Budget to NT, PT and Cogta - and advertise	9 days	Mon 28/03/16	Thu 07/04/16	Project Champion,CFO	0%	Comply with MFMA and MSA with regards to advertising		
33	Community participation	9 days	Sat 09/04/16	Wed 20/04/16	CFO,Head IDP,Managers,Mayor,Municipal manager,Directors	0%	Public participation including the IDP roadshow		
34	Changes to the Draft Budget	18 days	Thu 21/04/16	Mon 16/05/16	BTO staff,Project Champion	0%	If required		
35	Table draft budget at Exco	1 day	Wed 25/05/16	Wed 25/05/16	CFO,Municipal manager,BTO staff	0%			
36	Final Budget approval	1 day	Fri 27/05/16	Fri 27/05/16	Mayor,Municipal manager	0%			
37	Submit Final Budget to NT, PT and Cogta - and advertise	7 days	Tue 28/06/16	Wed 06/07/16	CFO,Project Champion	0%	Comply with MFMA and MSA with regards to advertising. Website publish. Notice boards.		
38	Set up Quick codes for cashiers, tariffs and controls	5 days	Mon 25/04/16	Fri 29/04/16	BTO staff,Munsoft Consulting,Project Champion	0%	Creating quick codes with SCOA segments in existence	New revenue sources during the year.	Train BTO staff how to open quick codes
39	Training and testing on SCOA transactions	18 days	Wed 01/06/16	Fri 24/06/16	All resources	0%	Transacting with test data on Munsoft test		

ABAQULUSI LOCAL MUNICIPALITY
DRAFT mSCOA IMPLEMENTATION PLAN

Task No.	Task Name	Duration	Start	Finish	Resource Names	% Complete	Actions	Risks	Mitigation Actions
40	UAT (User acceptance testing)	18 days	Wed 01/06/16	Fri 24/06/16	All resources	0%	User to sign off.		
41	Live SCOA transacting - 2016/2017	1 day	Fri 01/07/16	Fri 01/07/16	All resources	0%	user to sign odd print outs prior to year end and those after year end.		
42	1st Month end review - July 2016	2 days	Mon 08/08/16	Tue 09/08/16	BTO staff,CFO, Munsoft Consulting, Implementation Team	0%	Ensure correct allocations to the mSCOA segments		
43	Disestablish Committees	1 day	Mon 08/08/16	Mon 08/08/16	Munsoft Consulting,S teering committee, Implementation Team	0%	Final reports and Sign off the project.	All records must be kept by the committees for evaluation by NT and PT	Munsoft Consulting will also safe keep copies of records

Annexure G - Policies

