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**MEDIUM TERM REVENUE AND
EXPENDITURE FRAMEWORK**

2024/25 TO 2026/27

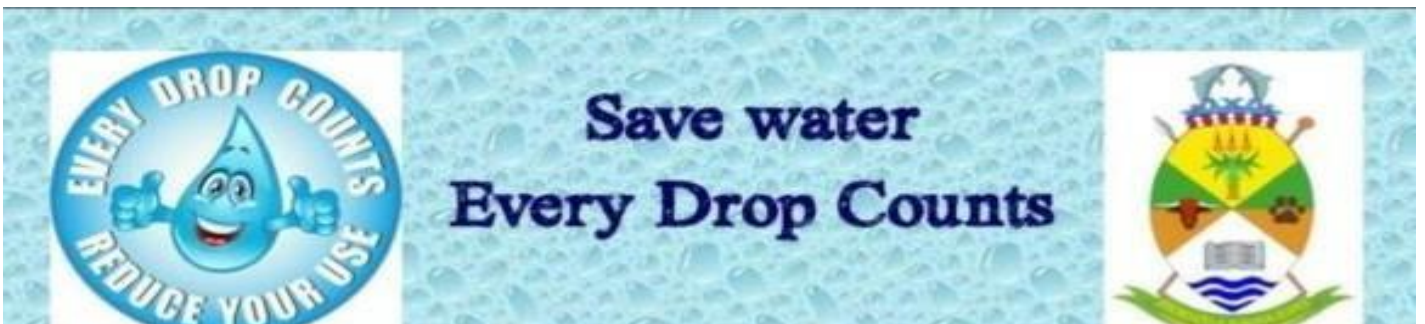




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Abbreviations and Acronyms

MM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DoRA	Division of Revenue Act
FBS	Free Basic Services
RM	Repairs and Maintenance
GDP	Gross Domestic Product
IDP	Integrated Development Plan
AFS	Annual Financial Statements RO
	Reverse Osmosis Plant
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
PPE	Property Plant and Equipment
SDBIP	Service Delivery Budget Implementation Plan
ES	Equitable Share
FMG	Financial Management Grant
WSIG	Water Services Infrastructure Grant
MBRR	Municipal Budget & Reporting Regulations
SLA	Service Level Agreements
EPWP	Expanded Public Works Programme
ERP	Enterprise Resource Planning financial system
INEP	Integrated National Electrification Programme

**PART 1 – ANNUAL BUDGET****1.1 MAYOR’S REPORT***To be inserted***1.2 COUNCIL RESOLUTIONS**

The following resolutions are listed here as required by the MBRR and it is recommended that the Council approves the following resolutions for the budget, in accordance with section 24 of the Municipal Finance Management Act)

THAT the Draft Reviewed Integrated Development Plan for 2024/2025, BE NOTED and be used for public consultations.

THAT the draft capital budget of R104,407,000 for 2025, (2026 R49,468,000) and (2027 R56,532,000) funded by external funding as outlined in Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source be NOTED.

THAT the draft capital budget of R7,014,000, (2025 R16 285 000) AND (2026 R9 640 000) funded by internal generated funds as outlined in Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source be NOTED.

THAT the draft operating budget for the 2024/2025 financial year as presented in Table A4 - Budgeted Financial Performance (revenue and expenditure) reflecting the operating deficit of R31,456,000, (2026 R30,842,000) and (2027 R59,694,000) be NOTED.

THAT the operating budget throughout the 2024/25 MTREF to reflect surpluses when the budget is adopted.

THAT the draft tariffs be NOTED as follows:

I. The annual and monthly tariff of property rates be NOTED and be commented on:

Category	Cent amount in the Rand rate determined for the relevant property category 2023/2024	Cent amount in the Rand rate determined for the relevant property category 2024/2025	Ratio tariff in relation to residential tariff 2024/2025	Percentage decrease or increase in tariff from 2023/2024 to 2024/2025
Residential	0.0125	0.0110	1:1	-14%
Vacant Land Vacant Residential	0.0125	0.0119	1:1.08	-5%
Business & Commercial	0.0139	0.0122	1:1.11	-14%
Vacant Land Vacant Business & Commercial	0.0139	0.0131	1:1.19	-6%
Industrial	0.0139	0.0122	1:1.11	-14%
Vacant Land Vacant Industrial	0.0139	0.0131	1:1.19	-6%
Agricultural Properties	0.0031	0.0028	1:0.25	-11%
Mining	0.0139	0.0122	1:1.11	-14%
Public Service Purposes	0.0139	0.0139	1:1.26	0%



II. The pensioners rebate criteria be noted and commented on:

Category/Description	Proposed rebate	Based on:
RETIRED AND DISABLED OWNERS ON RESIDENTIAL PROPERTY WITH RATEABLE VALUE OF LESS THAN R3 000 000		
Owner with income up to R 9 000 per month	45.0%	Residential rate
Owner with income between R 9 001 and R12 000	35.0%	Residential rate
Owner with income between R12 001 and R15 000	25.0%	Residential rate

- III. A 6% increase effected on Water, Waste and Wastewater tariffs that have yielded to an operating deficit be NOTED.
- IV. A cost of supply study on Water, Wastewater and Waste management be developed and the outcomes be made available for public participation after they are presented to Council for endorsement.



V. THAT it be noted Electricity Services tariffs are awaiting NERSA approval :

2024/2025 NDLAMBE MUNICIPALITY TARIFF LIST						
DESCRIPTION	2022/2023	2023/2024	2023/2024	2024/2025	2024/2025	New description
	Actual	Actual	Full cost reflective	Year 1 phase in with increase.	Increase	
	VAT EXCL	VAT EXCL	VAT EXCL	VAT EXCL	VAT EXCL	
	1/7/2022	1/7/2023	1/7/2023	Increase		
				15.72%	%	
ELECTRICITY NDLAMBE						ELECTRICITY NDLAMBE
1. Scale 1: Domestic Credit						1. Scale 1: Domestic ≤ 20 Amp single phase: Prepaid & Credit
Applicable to all bona fide domestic Consumers			get 50 kWh/m for free'			Applicable to all bona fide domestic Consumers with capacity smaller or equal to 20 Amps single phase.
Basic Charge: R/m per point of supply (meter)	R 301.40	R 346.91	R -	R -	-100.0%	Basic Charge: R/m per point of supply (meter)
Energy Charge: R/kWh						Energy Charge: R/kWh
Block 1 (0 - 50 kWh)	R 1.3523	R 1.5565	R 1.5565	R 2.3157	48.8%	Block 1 (0 - 50 kWh)
Block 2 (51 - 350 kWh)	R 1.7386	R 2.0011	R 2.0011	R 2.3157	15.7%	Block 2 (51 - 350 kWh)
Block 3 (351 - 600 kWh)	R 2.4470	R 2.8165	R 2.8165	R 3.2593	15.7%	Block 3 (351 - 600 kWh)
Block 4 (>600 kWh)	R 2.8694	R 3.3027	R 3.3027	R 3.8219	15.7%	Block 4 (>600 kWh)
2. Scale 2: Domestic Pre-payment						2. Scale 2: Domestic: > 20 Amps single phase
Applicable to all bona fide domestic consumers in areas where vending is available						Applicable to all bona fide domestic consumers with capacity exceeding 20 Amps single phase Prepaid and credit.
Basic Charge: R/m per point of supply (meter)	R 301.40	R 346.91	R 57.83	R 289.94	-16.4%	Basic Charge: R/m per point of supply (meter)
			R 13.24	R 5.11	New	Capacity charge: R/Amp/phase/month
Energy Charge: R/kWh						Energy Charge: R/kWh
Block 1 (0 - 50 kWh)	R 1.3523	R 1.5565	R 1.9434	R 1.9504	25.3%	Block 1 (0 - 50 kWh)
Block 2 (51 - 350 kWh)	R 1.7386	R 2.0011	R 1.9434	R 2.2934	14.6%	Block 2 (51 - 350 kWh)
Block 3 (351 - 600 kWh)	R 2.4470	R 2.8165	R 1.9434	R 2.9225	3.8%	Block 3 (351 - 600 kWh)
Block 4 (>600 kWh)	R 2.8694	R 3.3027	R 1.9434	R 3.2975	-0.2%	Block 4 (>600 kWh)
3. Scale 3: Commercial						3. Scale 3: Commercial: Credit or Prepaid'
Applicable to non-domestic consumers with a demand not exceeding 55kVA.						Applicable to non-domestic consumers with a demand not exceeding 55kVA. Including municipal supplies
Basic Charge: R/m per point of supply (meter)	R 540.47	R 622.08	R 67.53	R 505.96	-18.7%	Basic Charge: R/m per point of supply (meter)
			R 19.47	R 7.51	New	Capacity charge: R/Amp/phase/month
Energy Charge: R/kWh	R 2.3960	R 2.7578	R 1.9411	R 2.8763	4.3%	Energy Charge: R/kWh
4. Scale 7: Time of Use LV						4. Scale 7: Time of Use LV
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand normally exceeding 50kVA supplied at LV, including municipal supplies.
Surcharge on all charges	24%	24%	Zero			Surcharge on all charges
Basic Charge: R/m per point of supply (meter)	R 990.62	R 1,140.21	R 385.09	R 1,239.29	8.7%	Basic Charge: R/m per point of supply (meter)
			R 116.43	R 44.91	New	Access charge: Highest of notified or actual MD
Demand Charges KVA (Peak & Standard only)	R145.6132	R 167.5984	R 137.41	R 213.33	27.3%	Demand Charges KVA (Peak & Standard only)
Energy Charge: R/kWh (low season)						Energy Charge: R/kWh (low season)
Peak	R 1.9623	R 2.2587	R 2.3048	R 3.0497	35.0%	Peak
Standard	R 1.2105	R 1.3933	R 1.7248	R 1.9981	43.4%	Standard
Off-Peak	R 0.8622	R 0.9922	R 1.2563	R 1.4338	44.5%	Off-Peak
Energy Charge: R/kWh (High season - June to August)						Energy Charge: R/kWh (High season - June to August)
Peak	R 6.8777	R 7.9162	R 6.1487	R 9.9445	25.6%	Peak
Standard	R 1.8157	R 2.0899	R 2.1721	R 2.8371	35.8%	Standard
Off-Peak	R 1.4489	R 1.6678	R 1.3827	R 2.1288	27.6%	Off-Peak
			R 0.2511	R 0.0969	New	Reactive Energy Charge:R/kvarh (>85% PF per hour (Peak & Standard)



5. Scale 7: Time of Use MV						5. Scale 7: Time of Use MV
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand normally exceeding 50kVA, supplied at MV, including municipal supplies.
Surcharge on all charges	12%	12%	Zero	Zero		Surcharge on all charges
Basic Charge: R/m per point of supply (meter)	R 990.62	R 1,140.21	R 792.79	R 1,291.00	13.2%	Basic Charge: R/m per point of supply (meter)
			R 79.6280	R 30.7152	New	Access charge: Highest of notified or actual MD
Demand Charges KVA (Peak & Standard only)	R131.52	R151.38	R96.07	R167.86	10.9%	Demand Charges KVA (Peak & Standard only)
Energy Charge: R/kWh (low season)						Energy Charge: R/kWh (low season)
Peak	R 1.7724	R 2.0401	R 2.2875	R 2.6451	29.7%	Peak
Standard	R 1.0933	R 1.2584	R 1.7075	R 1.7460	38.7%	Standard
Off-Peak	R 0.7787	R 0.8962	R 1.2390	R 1.2523	39.7%	Off-Peak
Energy Charge: R/kWh (High season - June to August)						Energy Charge: R/kWh (High season - June to August)
Peak	R 6.2121	R 7.1501	R 6.1314	R 8.5431	19.5%	Peak
Standard	R 1.6400	R 1.8876	R 2.1548	R 2.4622	30.4%	Standard
Off-Peak	R 1.3087	R 1.5064	R 1.3654	R 1.8283	21.4%	Off-Peak
			R 0.2511	R 0.0969	New	Reactive Energy Charge: R/kWh: R/kvarh (>85% PF per hour (Peak & Standard))
6. Scale 8: Time of Use Small: < 50 kVA						6. Scale 8: Time of Use Small: < 50 kVA
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand not exceeding 50kVA. Compulsary for SSEG consumers <50 kVA.
Surcharge on all charges			Zero			Surcharge on all charges
Basic Charge: R/m per point of supply (meter)			R 397.95	R 460.51	New	Basic Charge: R/m per point of supply (meter)
Capacity charge: R.Amp/phase			R 6.31	R 7.30	New	Capacity charge: R.Amp/phase
Energy Charge: R/kWh (low season)				R -		Energy Charge: R/kWh (low season)
Peak			R 2.3189	R 2.6834	New	Peak
Standard			R 1.7389	R 2.0122	New	Standard
Off-Peak			R 1.2704	R 1.4701	New	Off-Peak
Energy Charge: R/kWh (High season - June to August)				R -		Energy Charge: R/kWh (High season - June to August)
Peak			R 6.1628	R 7.1316	New	Peak
Standard			R 2.1862	R 2.5298	New	Standard
Off-Peak			R 1.3968	R 1.6163	New	Off-Peak
7. Scale 9: SSEG FEEDIN						7. Scale 9: SSEG FEEDIN
Applicable to all SSEG consumers consumers irrespectve of size.						Applicable to all SSEG consumers consumers irrespectve of size.
Additional Basic Charge: R/m per point of supply (meter)			R 100.00	R 115.7200	New	Additional Basic Charge: R/m per point of supply (meter)
Energy Credits (low season)						Energy Credits (low season)
Peak			-R 1.6054	-R 1.6054	New	Peak
Standard			-R 1.1414	-R 1.1414	New	Standard
Off-Peak			-R 0.7666	-R 0.7666	New	Off-Peak
Energy Credist (High season - June to August)						Energy Credist (High season - June to August)
Peak			-R 4.6805	-R 4.6805	New	Peak
Standard			-R 1.4992	-R 1.4992	New	Standard
Off-Peak			-R 0.8677	-R 0.8677	New	Off-Peak
8. Scale 10: Public lighting						8. Scale 10: Public lighting
Applicable to non-domestic consumers with a demand not exceeding 55kVA.						Applicable to non-domestic consumers with a demand not exceeding 55kVA.
Maintenance charge: R/luminaire/month			R 218.16	R 252.45	New	Maintenance charge: R/luminaire/month
Energy Charge: R/kWh			R 2.9920	R 3.4623	New	Energy Charge: R/kWh
9. Scale 11: Municipal usage						9. Scale 11: Municipal usage
All municipal supplies< 50 kVA						All municipal supplies< 50 kVA
Basic Charge: R/m per point of supply (meter)			R 78.15	R 90.43		Basic Charge: R/m per point of supply (meter)
Capacity charge: R/Amp/phase/month/month			R 22.53	R 26.08		Capacity charge: R/Amp/phase/month/month
Energy Charge: R/kWh			R 2.2462	R 2.5993		Energy Charge: R/kWh
10. Scale 12: Availability.						10. Scale 12: Availability.
Applicable to serviced stands that is not connected. This includes SSEG consumers who have gone off the Grid.						Applicable to serviced stands that is not connected. This includes SSEG consumers who have gone off the Grid.
Fixed charge per month.		R346.9114	R 363.5205	R 407.8526	17.6%	Fixed charge per month.



THAT the draft financial position for the 2024/2025 financial year as presented in Table A6- Budgeted Financial Position reflecting the community wealth/equity of R1,447,261,000 for 2024/2025, (2026 R1,473,602,000) and (2027 R1,479,000) be NOTED.

THAT the draft cash flow for the 2024/2025 financial year as presented in Table A7- Budgeted Cash Flow reflecting a positive cash and cash equivalent at the end of 2024/2024 financial year R36,923,000, (2026 R121,997,000) and (2027 R181,124,000) be NOTED.

THAT budget related policies reviewed with no amendments for 2024/25 MTREF be NOTED.

Policy	Policy Amended			Amendment Date
	Yes	No	New	
Rates Policy	Yes			
Indigent Policy		No		
Budget Policy		No		
Creditors, Staff and Councilors Payment Policy		No		
Credit Control and Debt Collection Policy		No		
Funding and Reserve Policy		No		
Virement Policy		No		
Subsistence and Travel Policy		No		
Policy and Procedures for Irregular and Fruitless Expenditure		No		
Fixed Asset Policy		No		
Supply Chain Management Policy		No		
Write-off of Irrecoverable Debt Policy		No		
Loans Policy		No		
Tariff Policy		No		
Management of Accumulated Surplus and Bad Debt Policy		No		
Loss Control Policy		No		
Fuel Card Policy		No		
Internship Programme Policy		No		
Costs Containment Policy		No		

THAT the draft procurement plans for 2024/25 budget be NOTED.

THAT the institutional organogram for 2024/25 which forms the annexure of the IDP be NOTED



1.3 EXECUTIVE SUMMARY

National Treasury's main objective when introducing budget circulars 126 and 128 was to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial reform agenda by focusing on key "game changers". These game changers include ensuring that municipal budgets are funded, revenue management is optimized, assets are managed efficiently, supply chain management processes are adhered to, mSCOA is implemented correctly and that audit findings are addressed.

1. *The South African economy and inflation targets*

The National Treasury forecasts real GDP growth of 0.8 per cent in 2023, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports. Power cuts are expected to continue for the remainder of this year and to gradually ease in 2024. Faster, determined implementation of energy and logistics reforms remains critical to boosting economic growth.

In the context of weaker global growth and risks to the domestic outlook, government is working to position the economy for sustained growth and resilience to shocks. A combination of a stable macroeconomic framework, the rapid implementation of economic and structural reforms, and improvements in state capability remains central to achieving higher growth, employment, and competitiveness.

Employment growth continues to lag South Africa's post-COVID-19 economic recovery, with 74 000 fewer people in employment in the second quarter of 2023 than in the fourth quarter of 2019. Improving employment growth sustainably over the long term requires faster GDP growth and improved education and skills development.

Ndlambe Municipality's budget was a difficult budget to compile given the current economic pressures, the issue of load shedding that is influencing Eskom account for bulk electricity and the fuel consumption on generators that are utilized as the backup plan to sustain uninterrupted running of water and wastewater pumpstations. It has remained critical that everything possible should be done to collect outstanding debt that is due to the municipality simultaneously ensuring good quality of services that are rendered at an affordable price and critically ensure that fixed assets are managed efficiently.

- More customers should be moved on to the Time of use tariff to force behaviour changes and assist in managing bulk purchase costs
- SSEG and Wheeling should be supported as initiatives to lower bulk purchase cost and managing the maximum demand

The proposed structural tariff changes aim to ensure revenue neutrality for the municipality, but it also tries to ensure sustainability of the electricity revenue in that it introduces fixed and variable charges for all tariff categories to ensure the municipality recovers at least its costs (bulk purchases and operational expenses) even when the electricity sales drop due to the implementation of load shedding and more customers installing solar panels to meet their energy needs.



The impact on individual customers and customer groupings are however not neutral. Some customers will see higher tariffs and others will see lower tariffs. Based on consumption patterns not all customers in the same tariff category will experience the same increase or decrease.

The introduction of time of use tariffs to more customers should also assist in managing the bulk purchases account from Eskom since it will send a pricing signal to the customers to use their energy at different time periods (Time of Use). The introduction of Capacity charges and Demand charges (previously only demand charges) will also promote the managing of maximum demand by the customers while ensure income to the municipality to maintain the infrastructure.

Based on the analysis of the existing tariffs when compared to the cost of supplying the specific customers the indication is that some customers are being over charged while others are undercharged. This is particularly true for the indigent customers which is to be expected based on the subsidy that they receive.

This imbalance cannot be corrected within one financial year and there will always be cross subsidisation of some sort from the larger customers to the individual customers and thus it is proposed to phase the structural changes in over a period to smooth the impact.



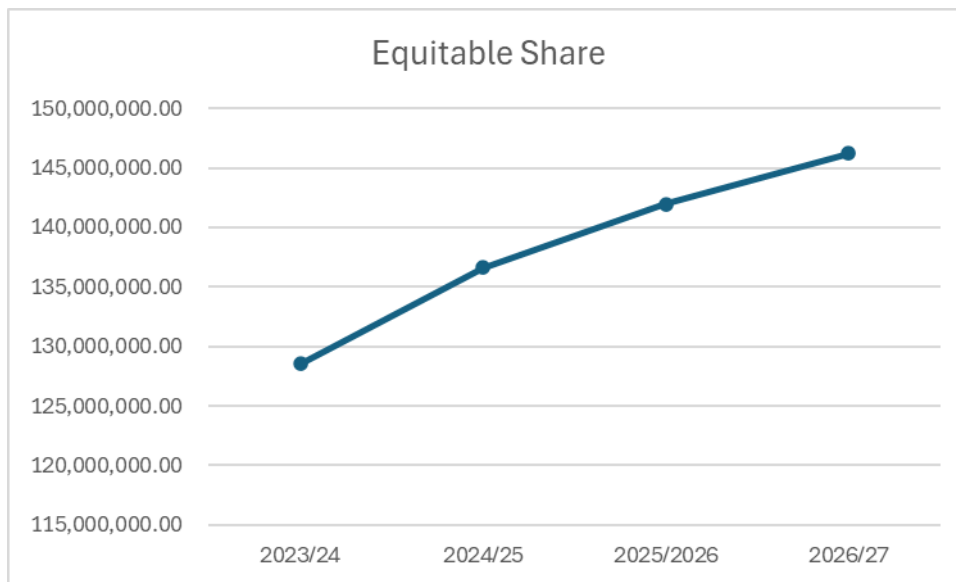
The main challenges of the 2024/2025 budget can be summarized as follows:

It must be noted that the operating budget for 2024/2025 MTREF as presented reflects an overall deficit of R31,456,000, (2026 R30,842,000) and (2027 R56,532,000) from the imposed tariffs of 6% across excluding electricity with new structure tariffs from the cost of supply and property rates from the new general valuation roll which the rate in a rand is per category. The operating deficit is mainly resulted by a deficit in water trading service across the MTREF it is therefore evident that the proposed 6% increase on tariff does not cover the costs of rendering a service. The municipality is therefore in the process of conducting the cost of supply study for other three trading services and the outcomes implementation will be phased in over the period of three years..

Local government conditional and unconditional grants allocations

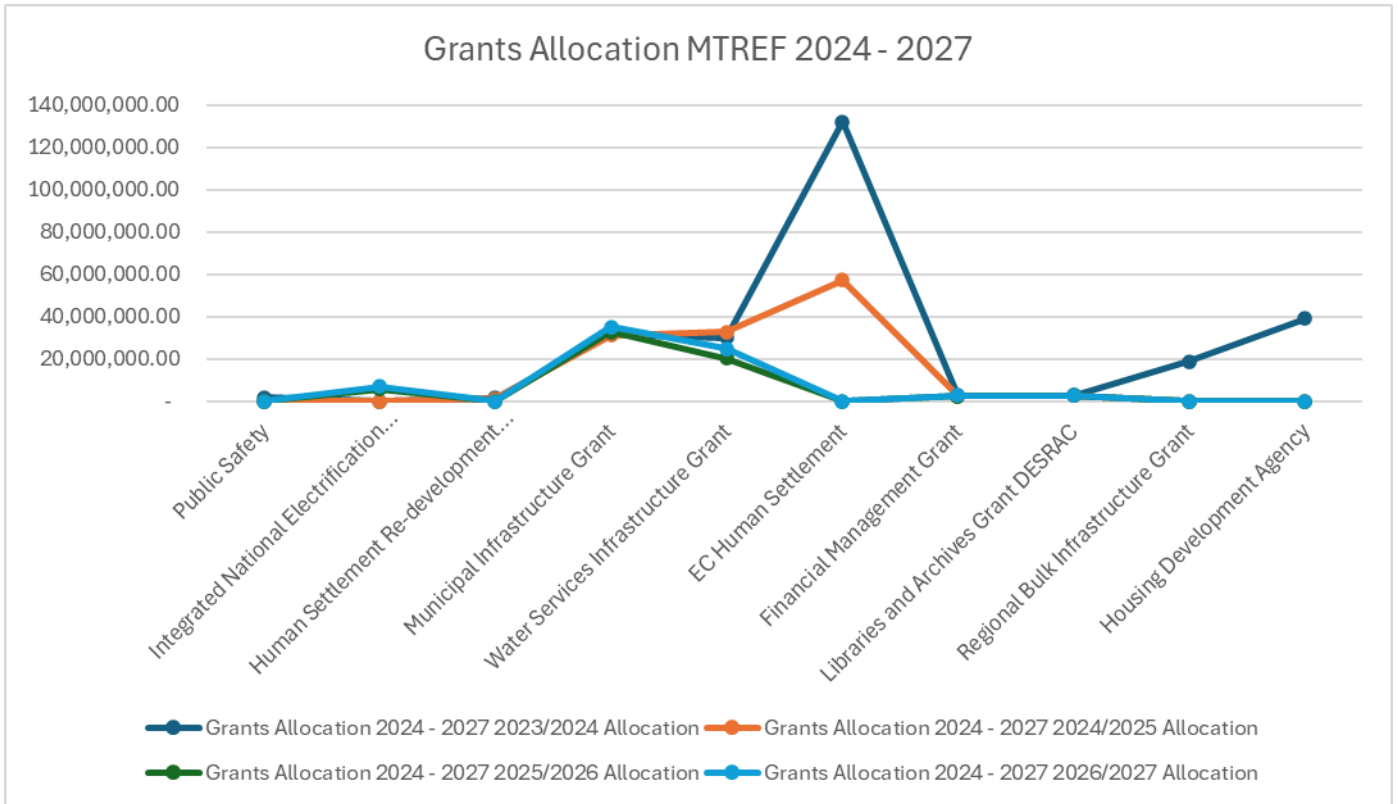
Over the 2024 MTEF, the local government equitable share and conditional grants will be reduced by a total of R12.8 billion, made up of R9.6 billion in the local government equitable share and R3.2 billion in direct conditional grants. The general fuel levy sharing with municipalities will be reduced by R5.1 billion. These reductions form part of the government’s efforts to drive fiscal consolidation. The implication of these changes will be outlined in more detail in the 2024 Budget Review.

The equitable share allocation for Ndlambe Municipality is reflecting an increase of 6% as compared to the previous year 2022/23, (2026 increase 4%) and (2027 increase by 3%)





The municipality did not experience a major decrease on allocations from the national government compared to 2023/2024 financial year.



Municipal Standard Chart of Accounts (mSCOA)

The mSCOA chart for the 2024/25 budget year will be on version 6.8 moving from version 6.7 in 2022/23 budget year. Ndlambe municipality has extended the contract for the ERP financial system-Munsoft, the extension is for the period of 3 years started January 2023.



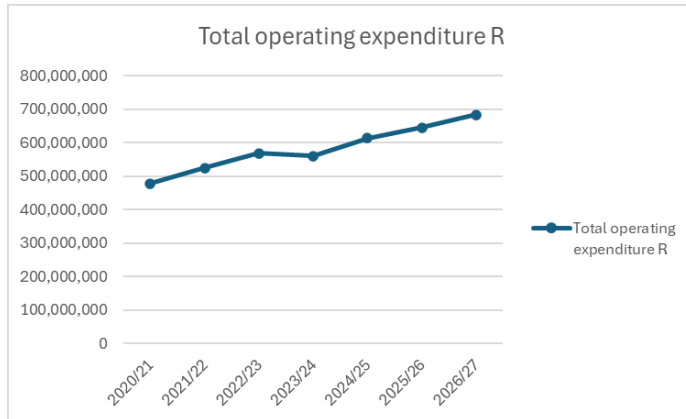
Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands										
Financial Performance										
Property rates	124,996	134,278	143,573	154,154	154,154	154,154	154,154	177,996	188,676	199,997
Service charges	154,494	166,316	181,743	206,426	206,426	206,426	206,426	210,556	223,399	213,688
Investment revenue	2,942	4,279	7,977	6,893	6,893	6,893	6,893	10,858	11,520	12,269
Transfer and subsidies - Operational	128,964	116,128	128,498	137,300	224,552	224,552	224,552	145,303	150,768	155,445
Other own revenue	23,754	27,718	42,093	45,079	45,093	45,093	45,093	38,556	40,908	43,567
Total Revenue (excluding capital transfers and contributions)	435,151	448,719	503,884	549,852	637,118	637,118	637,118	583,268	615,272	624,966
Employee costs	163,349	164,670	184,822	196,957	196,578	196,578	196,578	201,627	213,135	224,907
Remuneration of councillors	7,548	7,813	7,671	8,464	9,084	9,084	9,084	8,573	9,117	9,696
Depreciation and amortisation	45,677	58,132	51,754	49,076	49,076	49,076	49,076	50,555	50,555	50,555
Interest	4,567	6,697	7,967	196	196	196	196	9,501	11,483	14,010
Inventory consumed and bulk purchases	82,415	106,655	136,643	121,829	120,694	120,694	120,694	134,981	143,682	153,103
Transfers and subsidies	3,310	3,350	4,529	3,980	4,497	4,497	4,497	5,308	5,198	5,171
Other expenditure	171,485	178,203	175,697	180,269	268,120	268,120	268,120	204,181	212,943	227,218
Total Expenditure	478,350	525,519	569,082	560,770	648,245	648,245	648,245	614,725	646,114	684,660
Surplus/(Deficit)	(43,199)	(76,800)	(65,198)	(10,918)	(11,126)	(11,126)	(11,126)	(31,456)	(30,842)	(59,694)
Transfers and subsidies - capital (monetary allocations)	150,852	93,862	141,420	63,644	169,766	169,766	169,766	120,987	57,182	65,407
Transfers and subsidies - capital (in-kind)	167	5,024	113	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	107,820	22,086	76,335	52,726	158,640	158,640	158,640	89,531	26,340	5,713
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	107,820	22,086	76,335	52,726	158,640	158,640	158,640	89,531	26,340	5,713
Capital expenditure & funds sources Capital expenditure	131,626	104,861	146,016	79,930	186,052	186,052	186,052	111,421	49,674	56,738
Transfers recognised - capital	126,766	81,776	121,814	63,644	169,766	169,766	169,766	104,407	49,468	56,532
Borrowing	(408)	-	(2)	-	-	-	-	-	-	-
Internally generated funds	5,425	26,543	24,203	16,285	16,285	16,285	16,285	7,014	206	206
Total sources of capital funds	131,783	108,319	146,016	79,930	186,052	186,052	186,052	111,421	49,674	56,738
Financial position Investments										
LIABILITIES	67	61	45	49	26	26	26	45	45	45
Financial liabilities NET	-	-	-	-	-	-	-	-	-	-
ASSETS	4,428	2,497	986	(0)	13	13	13	-	-	-
Community wealth/Equity	1,245,045	1,266,264	1,342,132	1,370,107	1,500,772	1,500,772	1,505,608	1,447,261	1,473,602	1,479,315
	-	-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating Net cash from (used) investing Net cash from (used) financing	457,385 (137,964))	55,403 (123,898))	5,599 (159,062) (2,072)	87,270 (91,919))	206,727 (189,423))	206,727 (189,423))	206,727 (189,423))	97,599 (89,872))	149,512 (32,237))	131,328 (38,079))
Cash/cash equivalents at the year end	(1,312)	8,036	(77,749)	(1,419)	(1,419)	(1,419)	(1,419)	1,188	184,679	278,166
	318,108			22,679	83,121	83,121	83,121			
Cash backing/surplus reconciliation										
Non current Investments Statutory requirements Balance - surplus (shortfall)	1,656 24,686 (23,031))	17,284 (19,513))	15,175 (19,060))	13,410 (40,459))	43,583 (41,717))	43,583 (41,717))	43,583 (41,717))	1,155 5,685 (4,530))	3,155 135,931 (132,776))	3,155 247,066 (243,911))
		36,797	34,235	53,869	85,300	85,300	85,300			
Asset management										
Asset register summary (WDV)	1,128,538	1,240,377	1,273,668	1,176,859	1,241,161	1,241,161		1,230,127	1,184,944	1,140,682
Depreciation	45,531	47,495	48,965	49,076	49,076	49,076		50,555	50,555	50,555
Renewal and Upgrading of Existing Assets	32,580	(21,124)	(3,340)	1,318	(28,101)	(28,101)		21,741	9	6,926
Repairs and Maintenance	19,818	31,029	25,376	38,691	35,668	35,668		42,654	45,154	48,082
Free services										
Cost of Free Basic Services provided Revenue cost of free services provided Households below minimum service level	- 74,571	- 77,658	- 75,641	- 75,166	- 75,166	- 75,166	- 75,166	- 48,386	- 51,328	- 66,732
Water: Sanitation/sewerage:	0	0	0	0	0	0		0	0	0
Energy:	2	2	2	2	2	2		2	2	3
Refuse:	-	-	-	-	-	-		-	-	-
	4	4	4	4	4	4		4	4	4

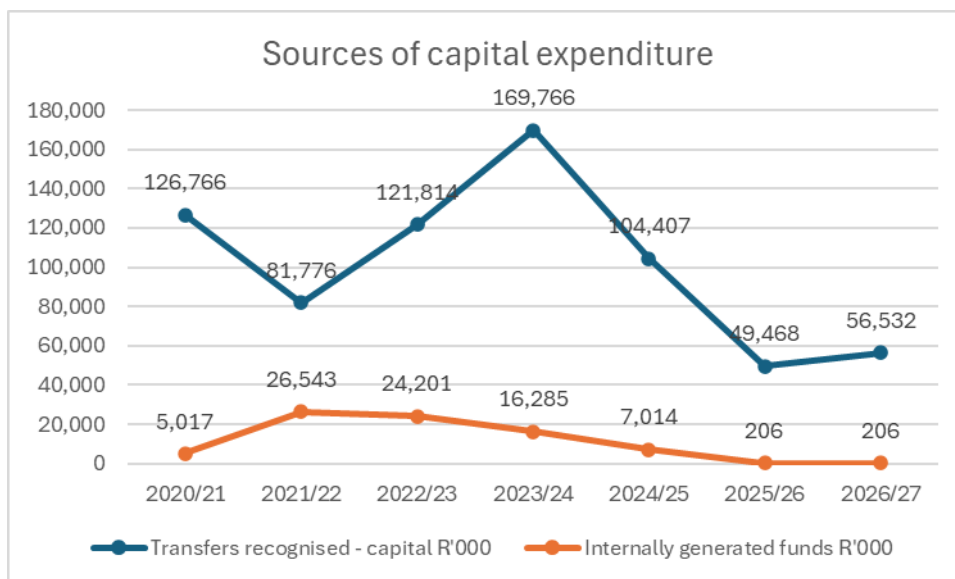
- Total revenue excluding capital transfers and contributions reflect an increase of 6% compared to the original budget of 2023/24, both variables exclude the additional grants that adjusted the original budget of 2023/24.
- It must be noted that the municipality has been realizing a deficit for the prior years, current year and the MTREF also reflects a deficit. The decision to conduct a cost of supply study for the trading services to ensure that the tariffs align with the services rendered.



- Total operating expenditure over the seven year period reflects an average increase of 9%



- In terms of Section 30 and 32 (1) (b) ii the municipality has affected its latest General Valuation roll for the 2024 to 2029 financial period. The total value of the 2024 General Valuation roll reflects a 30% increase from the total value of the 2019-2024 Valuation roll. The overall value of the 2019-2024 roll amounts to R14, 154m and the 2024 GV roll total amounts to R18,491. The table above reflects the various property categories which comes from the valuation roll and the draft cent in the rand rates tariff per category. These tariffs will be effective for the billing of rates from 1 July 2024. It is evident from the above rates cent in the rand tariff structure that the municipality has a new rates tariff structure and has moved away from the rebate tariff structure. Further it can be noted that the Business tariff decreased from 0.0139 to 0.0122 reflecting a 14% decrease and the Residential tariff has decreased from 0.0125 to 0.0110 which is a 14% decrease.
- The municipality is mainly funding its capital expenditure by grant funding. In most cases the municipality is appointed as an implementing agent for by funder/ implementor for capital and Human Settlement projects and that results to the municipality being in the receiving end of grant monies. The line graph below outlines the trends on capital expenditure starting from 2020/21 covering the 2024/25 forecasts and the two outer years.



- The table below outlines the top capital projects



Project Short Desc	Funding	Region	2025 Draft Budget	2026 Draft Budget	2027 Draft Budget
Reticulation:Upgrading of Internal Bulk Sewer Reticulation in Marselle (500 houses)	Provincial Government:Eastern Cape:Infrastructure:EC Human Settlement	EC105 Ndlambe:Ward 4	29,576,804	-	-
Upgrading of Sewer System Port Alfred: Phase 1	National Government:Water Services Infrastructure Grant	EC105 Ndlambe:Ward 10	27,710,000	-	-
Reticulation:Construction of Civil Engineering Services for Thornhill	Provincial Government:Eastern Cape:Infrastructure:EC Human Settlement	EC105 Ndlambe:Ward 6	20,331,177	-	-
Waste Water Treatment Works:Waste Water Treatment Works and Bulk Sewer Reticulation in Bathurst	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 5	7,022,060	5,904,363	16,212,626
Thornhill Link Sanitation Services - Portion 1: Pump station and pumping mains	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 6	4,645,406	-	-
Roads:Upgrading of Atherstone Road	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 10	4,282,264	7,022,083	-
Roads:Upgrading of Protea Crescent in Station Hill	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 6	4,196,127	-	-
Upgrading of Gladiola Road: Alexandria	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 2	3,597,811	-	-
Machinery and Equipment:Plant and Machinery	Transfer from Operational Revenue	EC105 Ndlambe:Ward 3	2,700,000	-	-
Pump Station:Upgrading of Port Alfred Sewage Pump Stations	National Government:Water Services Infrastructure Grant	EC105 Ndlambe:Ward 10	-	17,619,130	11,031,132
Roads:Upgrading of Tana Square	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 4	-	7,661,098	0
Roads:Upgrading of KwaNonkqubela Main Road	National Government:Municipal Infrastructure Grant	EC105 Ndlambe:Ward 1	-	2,656,648	4,832,076



1.4 BUDGET SUPPORTING TABLES

Budget supporting tables 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 2024/2025 budget and MTREF to be approved by the Council. The tables will be presented as the appendix of this document and the *explanatory note* for each table is provided below. The narrations of these tables are outlined in the overview and executive summary.

1.6.1 Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

1.6.1.1 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.

1.6.1.2 Note that as a general principle the revenues for the Trading Services should exceed their expenditures.

1.6.1.3 Other functions that show a deficit between revenue and expenditure are being financed from property rates revenues and other revenue sources.

1.6.1.4 It must be noted that the total revenue in the table below includes the revenue from capital transfers.

Functional Classification Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional	1									
Governance and administration		212,745	204,390	249,255	231,585	231,600	231,600	298,801	312,627	325,740
Executive and council		4,567	5,133	4,943	4,100	4,100	4,100	4,576	4,763	4,954
Finance and administration		208,178	199,257	244,312	227,485	227,499	227,499	294,225	307,864	320,786
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		20,311	10,278	10,729	20,545	109,858	109,858	7,403	7,667	7,957
Community and social services		2,972	2,831	3,291	3,578	4,745	4,745	2,837	2,843	2,849
Sport and recreation		11,377	1,822	487	11,225	11,225	11,225	249	264	281
Public safety		562	62	3,137	1,900	3,010	3,010	77	82	87
Housing		3,771	4,281	1,860	1,948	88,984	88,984	2,228	2,364	2,517
Health		1,629	1,282	1,956	1,894	1,894	1,894	2,013	2,115	2,223
Economic and environmental services		8,993	18,301	23,826	20,784	20,784	20,784	25,267	32,527	23,389
Planning and development		4,919	11,515	5,174	5,214	5,214	5,214	5,816	6,145	6,566
Road transport		3,158	5,641	17,463	13,752	13,752	13,752	17,602	24,421	14,735
Environmental protection		915	1,145	1,189	1,818	1,818	1,818	1,849	1,961	2,089
Trading services		341,140	311,369	357,922	325,816	429,877	429,877	368,462	315,046	328,402
Energy sources		73,142	108,156	86,268	98,117	97,916	97,916	114,088	126,987	111,683
Water management		187,215	112,741	100,534	107,238	167,366	167,366	74,173	78,697	83,813
Waste water management		46,642	55,682	142,601	75,967	124,065	124,065	139,644	65,291	84,643
Waste management		34,141	34,790	28,520	44,494	40,531	40,531	40,557	44,071	48,264
Other	4	2,982	3,267	3,686	14,765	14,765	14,765	4,323	4,587	4,885
Total Revenue - Functional	2	586,170	547,605	645,418	613,496	806,885	806,885	704,256	672,454	690,373
Expenditure - Functional										
Governance and administration		165,376	128,673	152,269	153,490	155,686	155,686	168,499	175,449	186,322
Executive and council		31,101	36,782	41,821	46,363	46,616	46,616	50,971	53,126	56,363
Finance and administration		127,888	84,876	102,350	98,904	100,722	100,722	108,395	112,635	119,654
Internal audit		6,387	7,015	8,098	8,223	8,347	8,347	9,134	9,688	10,304
Community and public safety		33,354	39,687	44,172	45,879	133,749	133,749	54,062	57,041	60,443
Community and social services		9,429	10,466	11,648	12,170	13,320	13,320	16,065	16,778	17,656
Sport and recreation		10,354	14,800	14,681	15,969	15,381	15,381	18,312	19,586	20,551
Public safety		7,651	8,361	11,531	11,607	12,529	12,529	12,755	13,447	14,224
Housing		3,400	2,975	4,178	3,546	89,981	89,981	4,190	4,374	5,020
Health		2,519	3,085	2,133	2,586	2,539	2,539	2,739	2,858	2,992
Economic and environmental services		78,314	84,555	87,321	87,873	88,348	88,348	92,062	96,086	100,384
Planning and development		24,360	26,354	25,754	26,545	26,279	26,279	27,744	28,302	29,590



Road transport		51,675	55,263	58,604	58,371	59,525	59,525	61,599	64,845	67,648
Environmental protection		2,279	2,937	2,963	2,956	2,544	2,544	2,719	2,940	3,146
Trading services		199,174	270,071	282,536	270,512	267,189	267,189	296,752	313,987	333,748
Energy sources		90,599	115,234	110,010	108,986	107,349	107,349	118,560	125,478	133,519
Water management		46,589	86,899	106,294	101,507	96,877	96,877	104,516	109,710	115,566
Waste water management		24,473	30,579	29,376	24,749	27,650	27,650	29,429	30,767	32,231
Waste management		37,513	37,359	36,855	35,270	35,312	35,312	44,247	48,032	52,432
Other	4	2,132	2,533	2,785	3,016	3,273	3,273	3,350	3,550	3,764
Total Expenditure - Functional	3	478,350	525,519	569,082	560,770	648,245	648,245	614,725	646,114	684,660
Surplus/(Deficit) for the year		107,820	22,086	76,335	52,726	158,640	158,640	89,531	26,340	5,713



1.6.2 Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to revenue and expenditure per municipal vote. Ndlambe Municipality has 5 municipal votes which are:

1. Executive and Council
2. Office of the Municipal Manager
3. Corporate Services
4. Community Protection Services
5. Infrastructure Development

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		4,267	4,443	4,443	4,093	4,093	4,093	4,576	4,763	4,954
Vote 2 - MUNICIPAL MANAGER		304	690	504	7	7	7	-	-	-
Vote 3 - CORPORATE SERVICES		4,073	3,441	14,793	3,872	5,063	5,063	3,125	3,148	3,174
Vote 4 - COMMUNITY AND PROTECTION SERVICES		36,313	36,822	31,006	46,930	42,967	42,967	43,032	46,676	51,009
Vote 5 - COMMUNITY AND PROTECTION SERVICES		16,058	6,064	8,240	29,442	30,552	30,552	6,247	6,628	7,059
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		58,232	76,602	166,821	96,606	231,740	231,740	165,078	97,996	108,221
Vote 7 - ELECTRICITY SERVICES		73,142	108,156	86,268	98,117	97,916	97,916	114,088	126,987	111,683
Vote 8 - WATER WORKS		187,215	112,741	100,534	107,238	167,366	167,366	74,173	78,697	83,813
Vote 9 - FINANCIAL SERVICES		206,567	198,647	232,810	227,191	227,181	227,181	293,937	307,559	320,460
Vote 10 -		(0)	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	586,170	547,605	645,418	613,496	806,885	806,885	704,256	672,454	690,373
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		11,949	12,429	12,922	14,652	14,689	14,689	14,510	14,883	15,811
Vote 2 - MUNICIPAL MANAGER		26,446	32,363	38,363	41,674	41,891	41,891	47,024	48,685	51,649
Vote 3 - CORPORATE SERVICES		35,780	27,985	40,876	32,839	35,146	35,146	37,207	39,094	41,244
Vote 4 - COMMUNITY AND PROTECTION SERVICES		64,428	68,839	68,612	68,814	67,887	67,887	78,744	84,218	90,594
Vote 5 - COMMUNITY AND PROTECTION SERVICES		20,960	23,682	25,095	26,188	27,101	27,101	28,858	30,428	32,657
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		105,584	113,017	116,673	111,018	201,201	201,201	121,959	127,885	133,946
Vote 7 - ELECTRICITY SERVICES		90,599	115,234	110,010	108,986	107,349	107,349	118,560	125,478	133,519
Vote 8 - WATER WORKS		46,589	86,899	106,294	101,507	96,877	96,877	104,516	109,710	115,566
Vote 9 - FINANCIAL SERVICES		75,899	45,071	50,210	55,091	56,103	56,103	63,347	65,733	69,675
Vote 10 -		116	-	26	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	478,350	525,519	569,082	560,770	648,245	648,245	614,725	646,114	684,660
Surplus/(Deficit) for the year	2	107,820	22,086	76,335	52,726	158,640	158,640	89,531	26,340	5,713



1.6.3 TABLE A4 BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)

Table A4 represents the revenue per source as well as the expenditure per type. This classification is aligned to the GRAP disclosures in the annual financial statements of the municipality.

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	69,914	84,723	80,662	92,700	92,499	92,499	92,499	112,432	119,291	102,812
Service charges - Water	2	52,115	49,073	64,111	66,182	69,474	69,474	69,474	54,426	57,746	61,500
Service charges - Waste Water Management	2	14,746	14,750	16,705	18,102	18,974	18,974	18,974	20,135	21,364	22,752
Service charges - Waste Management	2	17,719	17,770	20,266	29,442	25,479	25,479	25,479	23,562	24,999	26,624
Sale of Goods and Rendering of Services		3,335	3,601	3,130	3,076	3,076	3,076	3,076	3,743	3,972	4,230
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		4,739	5,657	8,096	8,389	8,389	8,389	8,389	9,222	9,785	10,421
Interest earned from Current and Non Current Assets		2,942	4,279	7,977	6,893	6,893	6,893	6,893	10,858	11,520	12,269
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land	1	1	3	-	-	-	-	-	-	-	-
Rental from Fixed Assets		666	794	1,047	1,092	1,092	1,092	1,092	1,150	1,220	1,300
Licence and permits		2,982	3,267	3,686	14,765	14,765	14,765	14,765	4,323	4,587	4,885
Operational Revenue		2,090	1,640	1,935	2,136	2,161	2,161	2,161	1,448	1,536	1,636
Non-Exchange Revenue											
Property rates	2	124,996	134,278	143,573	154,154	154,154	154,154	154,154	177,996	188,676	199,997
Surcharges and Taxes		6,858	6,464	7,540	9,110	9,110	9,110	9,110	8,823	9,362	9,970
Fines, penalties and forfeits		372	675	343	328	328	328	328	418	443	472
Licences or permits		984	1,212	1,266	1,927	1,927	1,927	1,927	1,991	2,113	2,250
Transfer and subsidies - Operational		128,964	116,128	128,498	137,300	224,552	224,552	224,552	145,303	150,768	155,445
Interest		1,726	2,976	3,846	4,254	4,254	4,254	4,254	7,437	7,891	8,404
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	1,137	0	-	-	-	-	-	-	-
Other Gains		-	293	11,206	-	(10)	(10)	(10)	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contrib)		435,151	448,719	503,884	549,852	637,118	637,118	637,118	583,268	615,272	624,966
Expenditure											
Employee related costs	2	163,349	164,670	184,822	196,957	196,578	196,578	196,578	201,627	213,135	224,907
Remuneration of councillors		7,548	7,813	7,671	8,464	9,084	9,084	9,084	8,573	9,117	9,696
Bulk purchases - electricity	2	53,072	69,670	84,363	79,082	77,772	77,772	77,772	88,969	94,314	100,532
Inventory consumed	8	29,343	36,985	52,280	42,747	42,922	42,922	42,922	46,012	49,368	52,572
Debt impairment	3	-	47,654	59,636	9,961	9,961	9,961	9,961	6,317	6,712	7,215
Depreciation and amortisation		45,677	58,132	51,754	49,076	49,076	49,076	49,076	50,555	50,555	50,555
Interest		4,567	6,697	7,967	196	196	196	196	9,501	11,483	14,010
Contracted services		74,269	77,353	72,787	88,806	175,621	175,621	175,621	95,714	99,734	106,753
Transfers and subsidies		3,310	3,350	4,529	3,980	4,497	4,497	4,497	5,308	5,198	5,171
Irrecoverable debts written off		42,420	(331)	191	29,039	29,039	29,039	29,039	34,398	36,118	38,288
Operational costs		54,514	48,699	41,237	52,463	53,490	53,490	53,490	67,752	70,379	74,963
Losses on disposal of Assets		165	4,821	1,834	-	-	-	-	-	-	-
Other Losses		118	6	12	-	8	8	8	-	-	-
Total Expenditure		478,350	525,519	569,082	560,770	648,245	648,245	648,245	614,725	646,114	684,660
Surplus/(Deficit)		(43,199)	(76,800)	(65,198)	(10,918)	(11,126)	(11,126)	(11,126)	(31,456)	(30,842)	(59,694)
Transfers and subsidies - capital (monetary)	6	150,852	93,862	141,420	63,644	169,766	169,766	169,766	120,987	57,182	65,407
Transfers and subsidies - capital (in-kind)	6	167	5,024	113	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		107,820	22,086	76,335	52,726	158,640	158,640	158,640	89,531	26,340	5,713
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		107,820	22,086	76,335	52,726	158,640	158,640	158,640	89,531	26,340	5,713
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		107,820	22,086	76,335	52,726	158,640	158,640	158,640	89,531	26,340	5,713
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	107,820	22,086	76,335	52,726	158,640	158,640	158,640	89,531	26,340	5,713



1.6.4 TABLE A5. BUDGETED CAPITAL EXPENDITURE BY VOTE, FUNCTIONAL CLASSIFICATION, AND FUNDING

1. Table A5 is a breakdown of the capital program 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 capital program is funded from National, Provincial and Other grants and transfers and internally generated funds from current and prior year surpluses.

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY AND PROTECTION SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 -		-	-	-	-	-	-	-	-	-	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	1,886	-	-	-	-	-	-	-	-
Vote 7 - ELECTRICITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 8 - WATER WORKS		-	-	-	-	-	-	-	-	-	-
Vote 9 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	1,886	-	-	-	-	-	-	-	-
Single-year expenditure, to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		(103)	205	829	603	603	603	603	-	-	-
Vote 2 - MUNICIPAL MANAGER		466	291	1,211	709	559	559	559	254	-	-
Vote 3 - CORPORATE SERVICES		287	197	13,675	117	422	422	422	-	-	-
Vote 4 - COMMUNITY AND PROTECTION SERVICES		2,430	5,183	3,091	2,468	2,338	2,338	2,338	2,993	6	6
Vote 5 -		10,067	1,383	2,908	17,655	18,771	18,771	18,771	-	-	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		18,800	33,113	98,191	55,044	102,952	102,952	102,952	105,937	44,399	50,542
Vote 7 - ELECTRICITY SERVICES		-	15,170	1,852	500	511	511	511	1,636	5,269	6,190
Vote 8 - WATER WORKS		98,880	47,081	23,316	1,340	58,402	58,402	58,402	-	-	-
Vote 9 - FINANCIAL SERVICES		800	351	941	1,493	1,493	1,493	1,493	600	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		131,626	102,975	146,016	79,930	186,052	186,052	186,052	111,421	49,674	56,738
Total Capital Expenditure - Vote		131,626	104,861	146,016	79,930	186,052	186,052	186,052	111,421	49,674	56,738
Capital Expenditure - Functional											
Governance and administration		1,740	1,394	3,078	4,315	3,914	3,914	3,914	2,013	67	67
Executive and council		329	496	2,040	1,262	1,112	1,112	1,112	254	-	-
Finance and administration		1,394	898	1,038	3,003	2,751	2,751	2,751	1,759	67	67
Internal audit		18	-	-	51	51	51	51	-	-	-
Community and public safety		10,480	3,790	17,091	17,245	19,367	19,367	19,367	190	-	-
Community and social services		215	165	13,660	37	342	342	342	-	-	-
Sport and recreation		9,845	3,603	765	13,215	13,105	13,105	13,105	190	-	-
Public safety		410	-	2,659	3,958	5,034	5,034	5,034	-	-	-
Housing		-	-	-	-	851	851	851	-	-	-
Health		10	22	7	35	35	35	35	-	-	-
Economic and environmental services		2,359	6,147	16,952	15,752	20,136	20,136	20,136	15,596	20,815	12,529
Planning and development		142	152	391	860	571	571	571	475	30	30
Road transport		2,157	5,990	16,561	14,892	19,565	19,565	19,565	15,121	20,779	12,493
Environmental protection		60	6	-	-	-	-	-	-	6	6
Trading services		117,047	93,530	108,894	42,617	142,455	142,455	142,455	93,622	28,792	44,142
Energy sources		-	15,170	1,852	500	511	511	511	1,636	5,269	6,190
Water management		98,880	47,081	23,316	1,340	58,402	58,402	58,402	-	-	-
Waste water management		16,220	28,464	81,528	39,257	82,022	82,022	82,022	89,285	23,523	37,952
Waste management		1,947	2,815	2,198	1,520	1,520	1,520	1,520	2,700	-	-
Other		-	-	-	-	180	180	180	-	-	-
Total Capital Expenditure - Functional	3	131,626	104,861	146,016	79,930	186,052	186,052	186,052	111,421	49,674	56,738
Funded by:											
National Government		88,755	50,778	95,442	60,358	86,295	86,295	86,295	53,354	49,468	56,532
Provincial Government		36,854	29,863	22,086	-	79,075	79,075	79,075	49,908	-	-
District Municipality		(2)	-	2,556	1,800	2,910	2,910	2,910	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		1,159	1,136	1,730	1,486	1,486	1,486	1,486	1,145	-	-
Transfers recognised - capital	4	126,766	81,776	121,814	63,644	169,766	169,766	169,766	104,407	49,468	56,532
Borrowing	6	(408)	-	(2)	-	-	-	-	-	-	-
Internally generated funds		5,425	26,543	24,203	16,285	16,285	16,285	16,285	7,014	206	206
Total Capital Funding	7	131,783	108,319	146,016	79,930	186,052	186,052	186,052	111,421	49,674	56,738

**1.6.5 TABLE A6 BUDGETED FINANCIAL POSITION I**

- 1.6.5.1 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).
- 1.6.5.2 This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents.
- 1.6.5.3 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.
- 1.6.6 Table A6 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:**
1. Consumer debtors.
 2. Property, plant, and equipment.
 3. Trade and other payables.
 4. Provisions non-current.
 5. Changes in net assets; and
 6. Reserves
- 1.6.6.1 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.
- 1.6.6.2 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. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.



Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Current assets											
Cash and cash equivalents		77,059	77,768	67,235	22,679	83,139	83,139	83,139	71,949	196,334	297,304
Trade and other receivables from exchange transactions	1	22,899	29,126	29,097	49,331	30,753	30,753	30,753	(21,015)	(73,765)	(129,744)
Receivables from non-exchange transactions	1	17,733	20,161	20,129	55,521	52,070	52,070	52,070	28,666	37,661	47,092
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	1,095	1,146	1,185	4,395	3,757	3,757	3,757	62,722	15,008	(35,801)
VAT		102,149	118,892	149,579	164,152	176,107	176,107	176,107	149,579	149,579	149,579
Other current assets		10,543	436	865	263	865	865	865	865	865	865
Total current assets		231,478	247,529	268,090	296,342	346,691	346,691	346,691	292,765	325,681	329,295
Non current assets											
Investments		67	61	45	49	26	26	26	45	45	45
Investment property		260,120	261,357	259,721	260,082	258,533	258,533	258,533	258,541	257,361	256,181
Property, plant and equipment	3	1,041,406	1,091,356	1,185,205	1,159,375	1,323,383	1,323,383	1,323,383	1,247,270	1,247,587	1,254,969
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		0	0	0	0	0	0	0	0	0	0
Intangible assets		(560)	(679)	110	(598)	95	95	95	91	72	53
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		1,301,033	1,352,095	1,445,081	1,418,909	1,582,038	1,582,038	1,582,038	1,505,947	1,505,066	1,511,249
TOTAL ASSETS		1,532,511	1,599,624	1,713,170	1,715,250	1,928,729	1,928,729	1,928,729	1,798,712	1,830,747	1,840,543
LIABILITIES											
Current liabilities											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		1,738	1,920	1,464	973	960	960	960	0	0	0
Consumer deposits		2,383	2,538	2,662	2,817	2,721	2,721	2,721	2,877	2,950	3,188
Trade and other payables from exchange transactions	4	55,457	56,905	68,598	7,379	70,340	70,340	70,340	57,800	44,848	29,273
Trade and other payables from non-exchange transactions	5	1,764	16,783	21,909	16,751	43,583	43,583	43,583	1,155	3,155	3,155
Provision		12,329	13,188	13,728	13,188	13,728	13,728	13,728	13,728	13,728	13,728
VAT		88,201	111,715	136,000	176,221	170,921	170,921	170,921	140,787	145,878	151,287
Other current liabilities		10,008	17,142	2,418	17,142	2,418	2,418	(2,418)	2,418	2,418	2,418
Total current liabilities		171,880	220,190	246,779	234,470	304,670	304,670	299,834	218,765	212,976	203,050
Non current liabilities											
Financial liabilities	6	4,428	2,497	986	(0)	13	13	13	-	-	-
Provision	7	61,193	68,184	68,052	68,184	68,052	68,052	68,052	77,465	88,948	102,958
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		49,965	42,489	55,221	42,489	55,221	55,221	55,221	55,221	55,221	55,221
Total non current liabilities		115,586	113,170	124,259	110,673	123,286	123,286	123,286	132,686	144,169	158,179
TOTAL LIABILITIES		287,466	333,360	371,038	345,143	427,957	427,957	423,121	351,451	357,145	361,229
NET ASSETS		1,245,045	1,266,264	1,342,132	1,370,107	1,500,772	1,500,772	1,505,608	1,447,261	1,473,602	1,479,315
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	1,246,059	1,266,264	1,342,101	1,370,107	1,500,772	1,500,772	1,500,772	1,447,261	1,473,602	1,479,315
Reserves and funds	9	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10	1,246,059	1,266,264	1,342,101	1,370,107	1,500,772	1,500,772	1,500,772	1,447,261	1,473,602	1,479,315



1.6.7 Table A7 Budgeted Cash Flows

1.6.7.1 The budgeted cash flow statement is the first measurement in determining if the budget is funded.

1.6.7.2 It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

1.6.7.3 The investment in capital expenditure, which is much higher than the cash generated by operations, is the main reason for the annual decline in cash resources.

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		120,862	128,564	140,967	135,655	135,655	135,655	135,655	166,622	176,620	187,217
Service charges		139,845	145,890	158,470	208,903	208,903	208,903	208,903	250,659	265,950	259,004
Other revenue		20,311	106,886	61,383	39,850	39,875	39,875	39,875	27,511	29,200	31,086
Transfers and Subsidies - Operational	1	141,451	135,587	170,841	137,300	216,144	216,144	216,144	145,303	150,768	155,445
Transfers and Subsidies - Capital	1	139,780	105,514	138,630	63,644	199,465	199,465	199,465	123,172	59,182	65,407
Interest		2,683	2,958	7,567	6,893	6,893	6,893	6,893	10,858	11,520	12,269
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(107,548)	(552,788)	(632,280)	(504,780)	(595,899)	(595,899)	(595,899)	(611,918)	(527,186)	(560,080)
Interest		-	(638)	(417)	(196)	(196)	(196)	(196)	(9,501)	(11,483)	(14,010)
Transfers and Subsidies	1	-	(16,571)	(39,561)	-	(4,114)	(4,114)	(4,114)	(5,108)	(5,058)	(5,011)
NET CASH FROM/(USED) OPERATING ACTIVITIES		457,385	55,403	5,599	87,270	206,727	206,727	206,727	97,599	149,512	131,328
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	95	-	-	-	-	-	-	-
VAT Control (receipts)		-	-	-	-	-	-	-	30,846	23,151	23,953
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	(6)	2	-	(18)	(18)	(18)	-	-	-
Payments											
Capital assets		(137,964)	(123,891)	(159,159)	(91,919)	(189,405)	(189,405)	(189,405)	(120,718)	(55,388)	(62,032)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(137,964)	(123,898)	(159,062)	(91,919)	(189,423)	(189,423)	(189,423)	(89,872)	(32,237)	(38,079)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	218	59	59	59	59	215	73	239
Payments											
Repayment of borrowing		(1,312)	-	(2,290)	(1,477)	(1,477)	(1,477)	(1,477)	973	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,312)	-	(2,072)	(1,419)	(1,419)	(1,419)	(1,419)	1,188	73	239
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	-	76,531	77,786	28,747	67,235	67,235	67,235	58,417	67,331	184,679
Cash/cash equivalents at the year end:	2	318,108	8,036	(77,749)	22,679	83,121	83,121	83,121	67,331	184,679	278,166



1.6.8 Table A8 Cash backed reserves/accumulated surplus reconciliation.

- 1.6.8.1 The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
- 1.6.8.2 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.
- 1.6.8.3 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". The municipality's budget is cash-funded and thus in compliance with the requirements of the MFMA.



1.6.8.4 As part of the budgeting and planning guidelines that informed the compilation of the 2022/23 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFM

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available Cash/cash equivalents at the year end Other current investments > 90 days Non current Investments	1	318,108 (241,049)	8,036 69,732	(77,749) 144,984	22,679 0	83,121 18	83,121 18	83,121 18	67,331 4,618	184,679 11,655	278,166 19,138
	1	67	61	45	49	26	26	26	45	45	45
Cash and investments available:		77,126	77,828	67,280	22,728	83,166	83,166	83,166	71,994	196,379	297,349
Application of cash and investments											
Unspent conditional transfers		1,656	17,284	15,175	13,410	43,583	43,583	43,583	1,155	3,155	3,155
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(27,010)	(7,177)	(13,579)	12,069	(5,186)	(5,186)	(5,186)	(8,791)	(3,701)	1,709
Other working capital requirements	3	55,457	56,905	68,598	7,379	70,340	70,340	70,340	57,800	44,848	29,273
Other provisions		22,337	30,329	16,146	30,329	16,146	16,146	16,146	16,146	16,146	16,146
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		52,440	97,341	86,340	63,187	124,883	124,883	124,883	66,309	60,448	50,282
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		24,686	(19,513)	(19,060)	(40,459)	(41,717)	(41,717)	(41,717)	5,685	135,931	247,066
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		24,686	(19,513)	(19,060)	(40,459)	(41,717)	(41,717)	(41,717)	5,685	135,931	247,066

1.6.9 Table A9 Asset Management

1.6.9.1 Table A9 provides an overview of municipal capital allocations to building new assets and the renewal and upgrade of existing assets, as well as spending on repairs and maintenance by asset class in line with the mSCOA classifications.

1.6.9.2 National Treasury has recommended that municipalities should allocate at least 40 per cent. of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The Municipality does not meet both these recommendations for the 2022/23 budget year.

Description	### #	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CAPITAL EXPENDITURE										
Total New Assets	1	85,036	63,432	78,872	25,752	51,832	51,832	66,723	6,110	16,419
Roads Infrastructure		-	-	-	-	252	252	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	15,170	1,852	300	1,151	1,151	-	-	-
Water Supply Infrastructure		82,531	28,760	9,041	840	19,882	19,882	-	-	-
Sanitation Infrastructure		-	12,627	43,985	8,057	15,217	15,217	59,709	5,904	16,213
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		61	54	10	100	100	100	-	-	-
Infrastructure		82,592	56,611	54,888	9,297	36,601	36,601	59,709	5,904	16,213
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	13,444	350	261	261	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	13,444	350	261	261	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		(16)	-	-	-	-	-	-	-	-



Intangible Assets	(16)	-	-	-	-	-	-	-	-	-
Computer Equipment	844	724	1,653	973	861	861	314	6	6	
Furniture and Office Equipment	661	336	659	1,044	1,290	1,290	43	-	-	
Machinery and Equipment	(1,857)	(3,153)	1,142	4,100	2,595	2,595	2,890	-	-	
Transport Assets	2,812	8,915	7,086	9,988	10,224	10,224	3,767	200	200	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Mature	-	-	-	-	-	-	-	-	-	
Immature	-	-	-	-	-	-	-	-	-	
Living Resources	-	-	-	-	-	-	-	-	-	
Total Renewal of Existing Assets	2	29,746	(21,481)	2,073	(47)	3,234	3,234	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		29,792	(21,548)	(2)	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	(2)	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		29,792	(21,550)	(2)	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	155	155	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	155	155	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		(46)	69	2,075	(47)	3,079	3,079	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	2,833	357	(5,413)	2,525	(31,335)	(31,335)	21,741	9	6,926
Roads Infrastructure		488	569	(3,541)	1,524	(14,667)	(14,667)	21,744	34	5,253
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	12	(12)
Water Supply Infrastructure		(40)	(428)	(1,779)	-	(38,014)	(38,014)	-	-	-
Sanitation Infrastructure		4,170	153	5	22	20,846	20,846	(3)	(38)	1,685
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		4,618	293	(5,316)	1,547	(31,835)	(31,835)	21,741	9	6,926
Community Facilities		-	(878)	56	-	-	-	-	-	-
Sport and Recreation Facilities		(2,165)	853	2	40	(107)	(107)	-	-	-
Community Assets		(2,165)	(25)	58	40	(107)	(107)	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		16	75	(156)	798	606	606	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		16	75	(156)	798	606	606	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	14	-	-	-	-	-	-	-
Intangible Assets		-	14	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		364	-	-	140	1	1	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-



Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	117,616	42,308	75,532	28,231	23,731	23,731	88,464	6,119	23,344
Roads Infrastructure		488	569	(3,541)	1,524	(14,415)	(14,415)	21,744	34	5,253
Storm water Infrastructure		29,792	(21,548)	(2)	-	-	-	-	-	-
Electrical Infrastructure		-	15,170	1,852	300	1,151	1,151	-	12	(12)
Water Supply Infrastructure		82,490	28,330	7,262	840	(18,133)	(18,133)	-	-	-
Sanitation Infrastructure		4,170	12,780	43,990	8,079	36,063	36,063	59,706	5,867	17,897
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		61	54	10	100	100	100	-	-	-
Infrastructure		117,002	35,354	49,570	10,844	4,766	4,766	81,450	5,913	23,138
Community Facilities		-	(878)	56	-	-	-	-	-	-
Sport and Recreation Facilities		(2,165)	853	2	40	(107)	(107)	-	-	-
Community Assets		(2,165)	(25)	58	40	(107)	(107)	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		16	75	13,288	1,148	1,021	1,021	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		16	75	13,288	1,148	1,021	1,021	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		(16)	14	-	-	-	-	-	-	-
Intangible Assets		(16)	14	-	-	-	-	-	-	-
Computer Equipment		799	793	3,728	926	3,940	3,940	314	6	6
Furniture and Office Equipment		661	336	659	1,044	1,290	1,290	43	-	-
Machinery and Equipment		(1,493)	(3,153)	1,142	4,240	2,596	2,596	2,890	-	-
Transport Assets		2,812	8,915	7,086	9,988	10,224	10,224	3,767	200	200
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		117,616	42,308	75,532	28,231	23,731	23,731	88,464	6,119	23,344
ASSET REGISTER SUMMARY - PPE (WDV)	5	1,128,538	1,240,377	1,273,668	1,176,859	1,241,161	1,241,161	1,230,127	1,184,944	1,140,682
Roads Infrastructure		332,202	325,387	320,802	297,035	305,977	305,977	306,071	291,340	276,610
Storm water Infrastructure		-	56	56	56	56	56	56	56	56
Electrical Infrastructure		94,570	105,906	108,337	99,177	104,855	104,855	104,571	105,970	108,291
Water Supply Infrastructure		109,002	203,698	218,782	177,180	206,682	206,682	204,153	189,524	174,895
Sanitation Infrastructure		138,194	136,511	147,334	125,466	141,093	141,093	141,554	135,775	129,996
Solid Waste Infrastructure		65	65	-	65	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		674,033	771,622	795,310	698,979	758,663	758,663	756,405	722,666	689,848
Community Assets		99,204	111,156	111,579	121,284	111,162	111,162	111,161	110,742	110,324
Heritage Assets		0	0	0	0	0	0	0	0	0
Investment properties		260,120	261,357	259,721	260,082	258,533	258,533	258,541	257,361	256,181
Other Assets		323	(3,082)	4,516	(10,986)	504	504	137	(4,242)	(8,621)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		(560)	(679)	110	(598)	95	95	91	72	53
Computer Equipment		2,261	2,419	3,484	3,391	4,240	4,240	3,046	2,300	1,554
Furniture and Office Equipment		3,375	2,991	2,263	2,867	2,935	2,935	1,726	1,147	567
Machinery and Equipment		(7,808)	(8,083)	(10,915)	(5,053)	(9,086)	(9,086)	(8,541)	(9,057)	(9,573)
Transport Assets		15,394	20,479	23,841	24,697	30,355	30,355	23,800	20,193	16,585
Land		82,195	82,195	83,761	82,195	83,761	83,761	83,761	83,761	83,761
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,128,538	1,240,377	1,273,668	1,176,859	1,241,161	1,241,161	1,230,127	1,184,944	1,140,682
EXPENDITURE OTHER ITEMS		65,349	78,523	74,340	87,767	84,744	84,744	93,209	95,708	98,637
Depreciation	7	45,531	47,495	48,965	49,076	49,076	49,076	50,555	50,555	50,555
Repairs and Maintenance by Asset Class	3	19,818	31,029	25,376	38,691	35,668	35,668	42,654	45,154	48,082
Roads Infrastructure		151	216	236	80	290	290	250	265	734
Storm water Infrastructure		582	514	852	350	1,050	1,050	550	584	169
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		972	14,856	7,548	18,408	12,752	12,752	18,965	20,122	21,430
Sanitation Infrastructure		3,274	1,877	1,131	813	1,268	1,268	920	977	1,038



Solid Waste Infrastructure	4,803	1,059	4,447	6,750	6,750	6,750	6,400	6,754	7,013
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Infrastructure	9,782	18,522	14,214	26,401	22,110	22,110	27,085	28,702	30,385
Community Facilities	-	169	(114)	-	-	-	50	53	56
Sport and Recreation Facilities	-	24	-	150	145	145	150	160	169
Community Assets	-	193	(114)	150	145	145	200	213	225
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	40	47	148	39	52	52	55	58	64
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	40	47	148	39	52	52	55	58	64
Operational Buildings	3,373	5,470	4,840	2,792	4,459	4,459	4,781	4,695	5,049
Housing	-	42	-	-	-	-	-	-	-
Other Assets	3,373	5,512	4,840	2,792	4,459	4,459	4,781	4,695	5,049
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	1	57	14	62	82	82	64	65	71
Furniture and Office Equipment	65	96	44	177	212	212	401	420	465
Machinery and Equipment	3,530	2,165	2,692	4,104	3,941	3,941	4,977	5,420	5,835
Transport Assets	3,027	4,436	3,538	4,966	4,668	4,668	5,091	5,581	5,988
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	65,349	78,523	74,340	87,767	84,744	84,744	93,209	95,708	98,637
Renewal and upgrading of Existing Assets as % of total capex	27.7%	-49.9%	-4.4%	8.8%	-118.4%	-118.4%	24.6%	0.1%	29.7%
Renewal and upgrading of Existing Assets as % of deprecn	71.6%	-44.5%	-6.8%	5.0%	-57.3%	-57.3%	43.0%	0.0%	13.7%
R&M as a % of PPE	1.8%	2.5%	2.0%	3.3%	2.9%	2.9%	3.5%	3.8%	4.2%
Renewal and upgrading and R&M as a % of PPE	4.6%	0.8%	1.7%	3.5%	0.6%	0.6%	5.2%	3.8%	4.8%

**PART 2 SUPPORTING DOCUMENTATION****2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS**

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

The Budget Steering Committee consists of the Chief Financial officer and senior officials of the municipality meeting under the chairpersonship of the Portfolio Councillor.

The primary aims 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, considering 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 table below is the extract of budget timetable for 2024/25 budget process approved by Ndlambe council on the 31 August 2023.

BUDGET TIMETABLE FOR THE 2024/2025 FINANCIAL YEAR

COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
JULY 2023			
28 July 2023	Review Process Plan and develop IDP//Budget/PMS time schedule for 2024/2025 (MFMA S35(1).	(Legal requirement) Cacadu DM and Local Municipality.	Aligned Draft IDP and Budget time schedule / Process Plan with CDM Draft Framework.
31 July 2023	Develop Performance Agreements (2023/24) of Municipal Manager and Managers reporting to the Municipal Manager and submit to MEC and publicize.	Municipal Manager	Check legal requirement
AUGUST 2023			
4 August 2023	IDP/Budget timetable, budget guidelines, budget instructions, IDP/budget schedule to be presented to the Budget Steering Committee chairperson.	IDP/Budget Office	Email to the Budget Steering committee chairperson
29 August 2023	A reviewed IDP/Budget timetable, budget guidelines, budget instructions, and budget schedules for 2024/2025 to be presented to Council for adoption.	IDP/Budget Steering Committee	Council Resolution and IDP/Budget process plan



30 August 2023	Upload the IDP/Budget time schedule, process plan on the municipal website, place on notice boards and advertise in a local newspaper	IDP/Budget Office	Newspaper advert and notice
30 August 2023	Submit adopted process plans and council resolution to EC-CoGTA, National and Provincial Treasury	IDP/Budget Office	E-mail, formal letter or Courier receipt
31 August 2023	Submit adopted schedule of key dates to external stakeholders (Sector Departments)	MM and IDP Manager	E-mail or formal letter
SEPTEMBER 2023			
08 September 2023	Attend District IDP Rep Forum Meetings	IDP Co-Ordinator's and Mayors	Attendance Register
COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
14 September 2023	<p>IDP/Budget Steering Committee to set parameters for the next 3 years based on marked trends and other information available.</p> <ul style="list-style-type: none"> ➤ Tariff increases ➤ Salary increases ➤ General expenses ➤ Repairs and maintenance ➤ Key changes to be reflected considering all strategies and studies (including institutional study) ➤ Develop priority areas <p>Reflect on all factors that could potentially impact on future budgets.</p>	Chairperson IDP/Budget Steering Committee	Budget Steering Committee minutes
14 September 2023	Confirm Councils existing and new policy priorities for next three years. Review potential price increases of bulk resources with function and department officials.	Chairperson IDP/Budget Steering Committee	Budget Steering Committee minutes
14 September 2023	IDP/Budget Steering Committee to determine the funding / revenue covering potentially available funding for next three years.	Chairperson IDP/Budget Steering Committee	Budget Steering Committee minutes
14 September 2023	IDP/Budget Steering Committee to determine the most likely financial outlook and identify need for changes to fiscal strategies.	Chairperson IDP/Budget Steering Committee	Budget Steering Committee minutes



COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
OCTOBER 2023			
02 October 2023	Managers / directors to have held a staff meeting with staff in their directorate responsible for compiling the budgets where the budget timetable, policies, guidelines, instruction, and minutes of the budget steering committee are to have been discussed.	All Managers / Directors	Minutes of the meeting
03 October 2023	Chairperson of the IDP/Budget Steering Committee to have held a meeting with all ward councillors to discuss the budget timetable, policies, guidelines, instructions, and minutes of the Budget Steering Committee.	Chairperson IDP/Budget Steering Committee	Attendance Register and minutes
05 October 2023	Convene first IDP/Budget Representative Forum meeting. Present adopted process plan and project status. Sector departments to report on 2023/24 FY project implementation progress.	Municipal Manager, Mayor and IDP Official	Presentations, minutes and attendance register
05 October 2023	Ward councillors to have completed meetings with their ward committees to explain the budget process and documentation and to gather information and submit to the Chairperson of the IDP/Budget Steering Committee that is to be considered when offices and directorates do their capital / operational budgets and tariffs.	All Ward Councillors	
For the month of October 2023	Conduct gap analysis to determine level of existing development consider changes in the current environment; IDP Assessment (2023/24) and Annual Performance Report and develop corrective action plans.	Municipal Manager, Directors and IDP Official	Corrective Action Plans
16 October 2023	Chairperson of the IDP/Budget Steering Committee to provide all offices and directorates with the input from Ward Councillors to consider when preparing their budgets and tariffs.	Chairperson IDP/Budget Steering Committee	Budget Steering Committee minutes
October 2023	Q1 review by Internal Audit. Preparation of Annual Performance Report for MPAC.	MM, PMS Manager, and Internal Audit Unit	Reviewed Reports
16 October 2023	Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget – reference to legislation.	All Managers / Directors	



18 October 2023	Offices and Directorates to start to prepare draft capital and operational plans with cost and revenue estimates.	All Managers / Directors	
30 October 2023	Convene IDP/Budget Steering Committee meeting. Report on refined objectives and strategies, planned for service delivery and development for the next three-year budgets including strategic interventions by sector departments and proposed amendment to the organogram (if any) in response to overcome challenges. Present consolidated proposed directorate projects and budget needs.	Municipal Manager, CFO and IDP Manager	Reports, presentations, minutes and attendance register
31 October 2023	Q1 Performance Reporting. Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal Compliance.	MM and PMS Officer	Score sheet
COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
NOVEMBER 2023			
01 November 2023	Managers and directors to assess the Human Resources component of their operating budget for the next year and for the two following years and make submissions to the human resources department. Submissions would include full motivations for each post and assessments must take into consideration all known studies, establishment plan (organogram) and any other future developments over the next three years that would require a provision for costing.	All Managers / Directors	Submission Email
14 November 2023	The submission on all offices and chairperson of the IDP/Budget Steering Committee.	Chairperson IDP/Budget Steering Committee, Municipal Manager and Directors	
28 November 2023	The submission of the salary and allowance component of the budget to be provided to the Human Resources Department by all managers and directors. The Human Resources and Finance Departments are responsible for determining the costs associated with the submissions. Once Finance Department has budgeted all salary and allowance budgets for all offices and directorates, this information is then to be submitted to the relevant office or directorate.	All Managers / Directors	Salary budget per directorate



28 November 2023	Human Resources Department to calculate required budget amount for the leave provision.	Dir. Corporate Services	Leave provision calculation
COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
28 November 2023	The budget and treasury office will assist directorates where required in determining budget figures for: <ul style="list-style-type: none"> ➤ Insurance ➤ Depreciation ➤ Provision for bad debts 	All Managers / Directors	Schedule of depreciation Calculation of provision for bad debts
30 November 2023	Offices and directorates are to complete the relevant capital request forms as provided by the Budget and Treasury with all required information and to provide a summary of capital requirements for the next three financial years.	All Managers / Directors	Capital forms budget request
30 November 2023	Income, expenditure, and capital budgets together with all forms and supporting documents are to be consolidated to be submitted to the Budget and Treasury in the mSCOA format for inclusion budget designed for three years.	All Managers / Directors	Income and expenditure budget
30 November 2023	Offices and directorates to finalise their SDBIP's for each cost / functional center on what is contained in the operating budget that indicate what the key objectives / measurable outputs are. The SDBIP format provided by the Office of the Municipal Manager is to have been used.	All Managers / Directors	
DECEMBER 2023			
8 December 2023	Finance directorate to review tariffs and charges and ensure that all costs of trading and economic services are covered by the tariff submitted by offices and directorates.	Tariff Review Team	Cost reflective tariff tool
14 December 2023	Chairperson of the IDP/Budget Steering Committee to confirm in writing to the Mayor that all required documentation (SDBIP's, capital budget, operating budget, Tariffs) has been submitted to the finance directorate for consolidation.	Chairperson IDP/Budget Steering Committee	Letter or email
15 December 2023	Chairperson of the Budget Steering Committee to advise the Mayor and Municipal Manager, in writing, of any office or directorate that has not submitted all budget related documentation to the finance directorate by the stipulated date.	Chairperson IDP/Budget Steering Committee	Letter or email
JANUARY 2024			



08 January 2024	Close the financial system for the month-end of December 2023. Circulate December actual report to directorates for the preparation of midyear adjustment budget.	Finance Department	
08 January 2024	Budget office meet with directorates advising them of the major segments that required to be included on the mid-year adjustment budget.	Budget office	
08 January 2024	Request the directorates for their inputs for the preparation of Sec 72 report.	Budget office	
11 January 2024	Q2 Performance Reporting. Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal Compliance.	MM and PMS Officer	
22 January 2024	All the submissions from offices and directorates are to be consolidated by the finance department with all working papers that would have been submitted in support of the proposed operating and capital budget.	Budget office	
22 January 2024	The finance directorate is to keep a central file on all budget related documents.	Budget office	
23 January 2024	The finance directorate to review all budget related policies with internal stakeholders and request written submissions on any proposed amendments from internal stakeholders.	All Managers / Directors	
23 January 2024	Chairperson of the IDP/Budget Steering Committee to confirm in writing to the Mayor that all SDBIP's, capital budgets and operating budgets have been consolidated.	Chairperson IDP/Budget Steering Committee	
23 January 2024	Finance directorate to incorporate any changes from National and Provincial Governments on three-year allocations in the budget.	Budget office	
23 January 2024	Finance directorate to document all material changes in budgets from the previous financial year budget and report such changes to the Chairperson of the Budget Steering Committee.	Budget office	
25 January 2024	Submission of the Mid-year budget and performance assessment report to the Mayor.	Budget office	



25 January 2024	IDP/Budget Steering Committee to have met to discuss capital / operational budget to be tabled to Council, tariffs, draft SDBIP's and any material changes to the budget based on the previous year's budget. Also, to ensure that anticipated expenditure meets parameters set out by National / Provincial Government.	Chairperson IDP/Budget Steering Committee	Minutes of the budget steering committee meeting
31 January 2024	Q2 Performance Reporting. Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal Compliance.	MM and PMS Officer	
FEBRUARY 2024			
06 February 2024	IDP/Budget Steering Committee Chairperson to have met with the ward councillors to discuss any anticipated changes to the operational / capital budget, tariffs and draft SDBIP's that are to be tabled to Council.	Chairperson IDP/Budget Steering Committee All ward councillors	
16 February 2024	IDP/Budget Steering Committee to have met to discuss any material changes to the operational / capital budget and the SDBIP's that are to be tabled to Council.	IDP/Budget Steering Committee	Minutes of budget steering committee meeting
15 February 2024	Mid-year Budget Performance engagements	MM, CFO, All Directors, Internal Audit, IDP/PMS, BTO Managers.	Assessment Report (Sec72)
By mid-February 2024	IGR Session to facilitate alignment	Municipal Manager and IGR secretariat	Attendance Register
27 February 2024	Finance directorate to finalise detailed budget to be tabled in the formats issued by National Treasury.	Budget office	Draft A Schedule Report
28 February 2024	Mayor tabled the mid-year adjustment budget for 2023/2024 financial year.	Mayor	B schedule Adjustment budget documents
28 February 2024	Finance directorate consolidates all comments on budget related policies and inserts budget policies with internal comments into the budget pack to be tabled to Council.	Budget office	Draft Policies



COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
MARCH 2024			
06 March 2024	Convene IDP/Budget Steering Committee. Finalize internal alignment and project register. Ensure budget alignment between the draft IDP and draft SDBIP with agreed upon targets and performance indicators per project.	Municipal Manager, Mayor and IDP Official	Reports, presentations, minutes, and attendance register
15 March 2024	The capital/operating budget and draft SDBIP's and budget related policies presented to the IDP/Budget Steering Committee by the finance directorate and to include a high-level summary and is supported by the budget forecasting model and reflects over a period of three years.	IDP/Budget Steering Committee	Minutes of the Meeting
18 March 2024	Chairperson of IDP/Budget Steering Committee presents budget pack to Mayor with recommendations.	Chairperson IDP/Budget Steering Committee	
19 March 2024	Convene the third IDP/Budget Representatives Forum meeting. Present the final draft IDP and Draft SDBIP. Sector Dept. report on project implementation for 2023/24 and confirm project and budget allocations for 2024/25. (Finalize external project align	Municipal Manager, Mayor and IDP Official	Presentations, minutes and attendance register
28 March 2024	Mayor to have tabled draft IDP, operating/capital budget, tariff list and budget related policies and draft SDBIP's to Council.	Executive Mayor / IDP/Budget Office	Tabled budget document and Council resolution
30 March 2024	Submit tabled budget data strings to Provincial Treasury and upload to GoMuni portal.	Budget Office	
APRIL 2024			
10 April 2024	Forward copy of tabled budget to National and Provincial Governments and Cacadu District Municipality for review, both electronically and in printed format.	Budget office	Email and courier receipt
10 April 2024	IDP Unit to advertise the Draft IDP and tabled budget approved by Council, inviting comments from all stakeholders.	Budget office	Advert and notice
10 April 2024	In collaboration with Council develop and publicize the draft IDP and tabled budget 2024/25 Community Engagement Programme. Make citizens aware of outreaches, prior to the adoption of the final Draft IDP and Budget. Secure venues and arrange logistics for scheduled meetings.	All Ward Councillors	Public notices. Mayoral Imbizo programme



19 April 2024	Draft Budget/Benchmark Engagement	MM, CFO, All Directors, Internal Audit, IDP/PMS, BTO Managers	Budget Engagement attendance register Draft budget assessment report
22 April 2024	Convene 4th IDP and Budget Steering Committee. Interrogate community comments and finalize SDBIP/IDP alignment and any necessary amendments to the IDP/ budget.	Municipal Manager and IDP Official and CFO	Reports, presentations, minutes and attendance register
24 April 2024	Convene IDP Representatives Forum meeting to present final IDP for consideration. Present the REVISED DRAFT IDP . Report on public engagement and outcome of the 21-days public inspection and invite any last changes or additions to sector project register.	Municipal Manager, Mayor and IDP Official	Presentations, minutes and attendance register
29 April 2024	IDP/Budget Steering Committee to discuss and analyse additional inputs from community, ward committees, National/Provincial Governments and Cacadu District Municipality.	Chairperson Budget Steering Committee	
29 April 2024	Managers and directors to incorporate feedback from community, ward committees, National/Provincial Governments, and if required, revise the budget previously tabled to Council in consultation with the Chairperson of the IDP/Budget Steering Committee.	All Managers / Directors	
30 April 2024	Q3 Performance Reporting. Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal compliance	MM and PMS Officer	Score sheets and attendance registers
MAY 2024			
Mid-May 2024	Submit 2023/24 IDP/Budget to the MPAC for oversight before adoption.	Municipal Manager, CFO and Mayor	Oversight report and recommendations by MPAC
16 May 2024	The final budget to have been presented to the Budget Steering committee for consideration	Budget Steering Committee	Minutes of the Budget steering committee
31 May 2024	Mayor to have presented final budget to council for adoption and to have included operating / capital budget, resolutions, tariffs, capital implementation plans, operational objectives, changes to IDP/budget plans.	Executive Mayor / IDP/Budget Office	Adopted Final IDP/Budget and related budget policies and Council resolution.
Within 10 days after adoption	Submit adopted Reviewed IDP to the MEC for local government	MM and IDP Manager	Letter of acknowledgement



COMPLETION DATE	ACTIVITY	RESPONSIBILITY	EVIDENCE
JUNE 2024			
09 June 2024	Upload the Council approved Reviewed IDP/Budget (2024/25) on the municipal website and place a notice in local newspapers for public inspection (21days).	Budget office and IDP Manager	Notice and local newspaper
09 June 2024	Complete all the budget annexures required by National Treasury and submit to the National Data Base and submit hard copies to National and Provincial Treasury.	Budget office	
28 June 2024	IDP/PMS manager to provide the Mayor with the consolidated SDBIP for Consideration	IDP/PMS Manager	Acknowledgement of receipt from Mayor
28 June 2024	Publish the rates tariff in the Provincial Government Gazette	Dep Dir Revenue	
Date to be communicated by COGTA	Final IDP Provincial Assessment	DM, LM, KPA leaders, CoGTA, Sector Departments	Signed MEC comments and individual assessment reports



2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN

Directorates aligned all operating and capital expenditure to the goals and actions as set out in the Integrated Development Plan. On the capital budget, the operating budget and the service delivery budget implementation plan directors have provided IDP numbers where possible to highlight the linkages. The budget is linked to the following main strategic goals and objectives as per the Integrated Development Plan.

- Basic Services Delivery
- Municipal Institutional Development and Transformation
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public participation
- Cost effective and sustainable service delivery.

Through the process of the budget the key responsibilities of the Ndlambe Municipality were considered.

- Provide democratic and accountable government for all local communities of Ndlambe
- Ensure the provision of services to all the Ndlambe community in a sustainable manner. Promote social and economic development.
- Promote a safe and healthy environment.
- Encourage the involvement of all communities and community-based organizations in the matters of local government.
- Maximizing of infrastructural development through the utilization of all available resources
- Implementation of effective management systems, internal controls, and procedures
- Ensure we have a skilled, committed, and motivated workforce. Comply with the Batho Pele principles.

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

The measurable performance objectives used to the budget for 2024/25 MTREF are extracted from the IDP.

Ndlambe Local Municipality Strategic goals and Objectives

Strategic Goal 1	1. A premier place to work and do business
<i>Strategic Objectives</i>	1.1. Improve the governance of the Municipality
	1.2. Improve financial viability of the municipality
	1.3. Develop state-of-the-art innovative physical and technological infrastructure
	1.4. Create a comfortable remote working environment and develop new economy skills
	1.5. Develop a vibrant rapidly growing employment generating economy based on tourism, agriculture, ocean resources and new digital technologies



	1.6. Develop Port Alfred as a logistics hub
	1.7. Develop ICT as a Strategic Enabler
Strategic Goal 2	2. Destination of choice for laid-back living for families
<i>Strategic Objectives</i>	2.1. Provide sustainable, efficient, cost effective, adequate and affordable services to all our citizens
	2.2. Provide efficient and effective public & private health services
	2.3. Create a pleasant, safe and secure living environment for all our citizens
	2.4. Mainstreaming of vulnerable groups into our growing society
Strategic Goal 3	3. Tourist destination of choice for people who love natural and cultural heritage, adventure, and water sports
<i>Strategic Objectives</i>	3.1. Preserve the natural beautiful environment, cultural heritage, and biodiversity
	3.2. Develop a cultural heritage, and biodiversity economy
	3.3. Develop and support adventure and extreme water sports
	3.4. Enable more events which attract visitors to NLM



2.4 MUNICIPAL TARIFFS ON SERVICE CHARGES AND PROPERTY RATES

Ndlambe Municipality has initiated cost reflective tariff as required by Section 74(2) of the MSA which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service however in this point it is done on electricity.

The proposed tariffs for 2024/2025 are detailed in the **Appendix C**.

The municipality has developed a new the tariff structure for electricity services because of the cost of supply study as outlined in the table below and as per the narrative in the executive summary.

2024/2025 NDLAMBE MUNICIPALITY TARIFF LIST						
OLD DESCRIPTION	2022/2023	2023/2024	2023/2024	2024/2025	2024/2025	NEW DESCRIPTION
	Actual	Actual	Full cost reflective	Year 1 phase in with increase.	Increase	
	VAT EXCL	VAT EXCL	VAT EXCL	VAT EXCL	VAT EXCL	
	1/7/2022	1/7/2023	1/7/2023	Increase		
				15.72%	%	
ELECTRICITY NDLAMBE						ELECTRICITY NDLAMBE
1. Scale 1: Domestic Credit						1. Scale 1: Domestic ≤ 20 Amp single phase: Prepaid & Credit
Applicable to all bona fide domestic Consumers			Indigents get 50 kWh/m for free'			Applicable to all bona fide domestic Consumers with capacity smaller or equal to 20 Amps single phase.
Basic Charge: R/m per point of supply (meter)	R 301.40	R 346.91	R -	R -	-100.0%	Basic Charge: R/m per point of supply (meter)
Energy Charge: R/kWh						Energy Charge: R/kWh
Block 1 (0 - 50 kWh)	R 1.3523	R 1.5565	R 1.5565	R 2.3157	48.8%	Block 1 (0 - 50 kWh)
Block 2 (51 - 350 kWh)	R 1.7386	R 2.0011	R 2.0011	R 2.3157	15.7%	Block 2 (51 - 350 kWh)
Block 3 (351 - 600 kWh)	R 2.4470	R 2.8165	R 2.8165	R 3.2593	15.7%	Block 3 (351 - 600 kWh)
Block 4 (>600 kWh)	R 2.8694	R 3.3027	R 3.3027	R 3.8219	15.7%	Block 4 (>600 kWh)
2. Scale 2: Domestic Pre-payment						2. Scale 2: Domestic: > 20 Amps single phase
Applicable to all bona fide domestic consumers in areas where vending is available						Applicable to all bona fide domestic consumers with capacity exceeding 20 Amps single phase Prepaid and Credit.
Basic Charge: R/m per point of supply (meter)	R 301.40	R 346.91	R 57.83	R 289.94	-16.4%	Basic Charge: R/m per point of supply (meter)
			R 13.24	R 5.11	New	Capacity charge: R/Amp/phase/month
Energy Charge: R/kWh						Energy Charge: R/kWh
Block 1 (0 - 50 kWh)	R 1.3523	R 1.5565	R 1.9434	R 1.9504	25.3%	Block 1 (0 - 50 kWh)
Block 2 (51 - 350 kWh)	R 1.7386	R 2.0011	R 1.9434	R 2.2934	14.6%	Block 2 (51 - 350 kWh)
Block 3 (351 - 600 kWh)	R 2.4470	R 2.8165	R 1.9434	R 2.9225	3.8%	Block 3 (351 - 600 kWh)
Block 4 (>600 kWh)	R 2.8694	R 3.3027	R 1.9434	R 3.2975	-0.2%	Block 4 (>600 kWh)
3. Scale 3: Commercial						3. Scale 3: Commercial: Credit or Prepaid'
Applicable to non-domestic consumers with a demand not exceeding 55kVA.						Applicable to non-domestic consumers with a demand not exceeding 55kVA. Including municipal supplies



Basic Charge: R/m per point of supply (meter)	R 540.47	R 622.08	R 67.53	R 505.96	-18.7%	Basic Charge: R/m per point of supply (meter)
			R 19.47	R 7.51	New	Capacity charge: R/Amp/phase/month
Energy Charge: R/kWh	R 2.3960	R 2.7578	R 1.9411	R 2.8763	4.3%	Energy Charge: R/kWh
4. Scale 7: Time of Use LV						4. Scale 7: Time of Use LV
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand normally exceeding 50kVA supplied at LV, including municipal supplies.
Surcharge on all charges	24%	24%	Zero			Surcharge on all charges
Basic Charge: R/m per point of supply (meter)	R 990.62	R 1,140.21	R 385.09	R 1,239.29	8.7%	Basic Charge: R/m per point of supply (meter)
			R 116.43	R 44.91	New	Access charge: Highest of notified or actual MD
Demand Charges KVA (Peak & Standard only)	R145.6132	R167.5984	R 137.41	R 213.33	27.3%	Demand Charges KVA (Peak & Standard only)
Energy Charge: R/kWh (low season)						Energy Charge: R/kWh (low season)
Peak	R 1.9623	R 2.2587	R 2.3048	R 3.0497	35.0%	Peak
Standard	R 1.2105	R 1.3933	R 1.7248	R 1.9981	43.4%	Standard
Off-Peak	R 0.8622	R 0.9922	R 1.2563	R 1.4338	44.5%	Off-Peak
Energy Charge: R/kWh (High season - June to August)						Energy Charge: R/kWh (High season - June to August)
Peak	R 6.8777	R 7.9162	R 6.1487	R 9.9445	25.6%	Peak
Standard	R 1.8157	R 2.0899	R 2.1721	R 2.8371	35.8%	Standard
Off-Peak	R 1.4489	R 1.6678	R 1.3827	R 2.1288	27.6%	Off-Peak
			R 0.2511	R 0.0969	New	Reactive Energy Charge:R/kvarh (>85% PF per hour (Peak & Standard))
5. Scale 7: Time of Use MV						5. Scale 7: Time of Use MV
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand normally exceeding 50kVA, supplied at MV, including municipal supplies.
Surcharge on all charges	12%	12%	Zero	Zero		Surcharge on all charges
Basic Charge: R/m per point of supply (meter)	R 990.62	R 1,140.21	R 792.79	R 1,291.00	13.2%	Basic Charge: R/m per point of supply (meter)
			R 79.6280	R 30.7152	New	Access charge: Highest of notified or actual MD
Demand Charges KVA (Peak & Standard only)	R131.52	R151.38	R96.07	R167.86	10.9%	Demand Charges KVA (Peak & Standard only)
Energy Charge: R/kWh (low season)						Energy Charge: R/kWh (low season)
Peak	R 1.7724	R 2.0401	R 2.2875	R 2.6451	29.7%	Peak
Standard	R 1.0933	R 1.2584	R 1.7075	R 1.7460	38.7%	Standard
Off-Peak	R 0.7787	R 0.8962	R 1.2390	R 1.2523	39.7%	Off-Peak
Energy Charge: R/kWh (High season - June to August)						Energy Charge: R/kWh (High season - June to August)
Peak	R 6.2121	R 7.1501	R 6.1314	R 8.5431	19.5%	Peak
Standard	R 1.6400	R 1.8876	R 2.1548	R 2.4622	30.4%	Standard
Off-Peak	R 1.3087	R 1.5064	R 1.3654	R 1.8283	21.4%	Off-Peak
			R 0.2511	R 0.0969	New	Reactive Energy Charge: R/kWh: R/kvarh (>85% PF per hour (Peak & Standard))



6. Scale 8: Time of Use Small: < 50 kVA						6. Scale 8: Time of Use Small: < 50 kVA
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand not exceeding 50kVA. Compulsory for SSEG consumers <50 kVA.
Surcharge on all charges			Zero			Surcharge on all charges
Basic Charge: R/m per point of supply (meter)			R 397.95	R 460.51	New	Basic Charge: R/m per point of supply (meter)
Capacity charge: R.Amp/phase			R 6.31	R 7.30	New	Capacity charge: R.Amp/phase
Energy Charge: R/kWh (low season)				R -		Energy Charge: R/kWh (low season)
Peak			R 2.3189	R 2.6834	New	Peak
Standard			R 1.7389	R 2.0122	New	Standard
Off-Peak			R 1.2704	R 1.4701	New	Off-Peak
Energy Charge: R/kWh (High season - June to August)				R -		Energy Charge: R/kWh (High season - June to August)
Peak			R 6.1628	R 7.1316	New	Peak
Standard			R 2.1862	R 2.5298	New	Standard
Off-Peak			R 1.3968	R 1.6163	New	Off-Peak
7. Scale 9: SSEG FEEDIN						7. Scale 9: SSEG FEEDIN
Applicable to all SSEG consumers consumers irresepctive of size.						Applicable to all SSEG consumers consumers irresepctive of size.
Additional Basic Charge: R/m per point of supply (meter)			R 100.00	R 115.7200	New	Additional Basic Charge: R/m per point of supply (meter)
Energy Credits (low season)						Energy Credits (low season)
Peak			-R 1.6054	-R 1.6054	New	Peak
Standard			-R 1.1414	-R 1.1414	New	Standard
Off-Peak			-R 0.7666	-R 0.7666	New	Off-Peak
Energy Credist (High season - June to August)						Energy Credist (High season - June to August)
Peak			-R 4.6805	-R 4.6805	New	Peak
Standard			-R 1.4992	-R 1.4992	New	Standard
Off-Peak			-R 0.8677	-R 0.8677	New	Off-Peak
8. Scale 10: Public lighting						8. Scale 10: Public lighting
Applicable to non-domestic consumers with a demand not exceeding 55kVA.						Applicable to non-domestic consumers with a demand not exceeding 55kVA.
Maintenance charge:R/luminaire/month			R 218.16	R 252.45	New	Maintenance charge:R/luminaire/month
Energy Charge: R/kWh			R 2.9920	R 3.4623	New	Energy Charge: R/kWh
9. Scale 11: Municipal usage						9. Scale 11: Municipal usage
All municipal supplies< 50 kVA						All municipal supplies< 50 kVA
Basic Charge: R/m per point of supply (meter)			R 78.15	R 90.43		Basic Charge: R/m per point of supply (meter)
Capacity charge: R/Amp/phase/month/month			R 22.53	R 26.08		Capacity charge: R/Amp/phase/month/month
Energy Charge: R/kWh			R 2.2462	R 2.5993		Energy Charge: R/kWh



10. Scale 12: Availability.						10. Scale 12: Availability.
Applicable to serviced stands that is not connected. This includes SSEG consumers who have gone off the Grid.						Applicable to serviced stands that is not connected. This includes SSEG consumers who have gone off the Grid.
Fixed charge per month.		R346.9114	R 363.5205	R 407.8526	17.6%	Fixed charge per serviced stand per month.



5. Scale 7: Time of Use MV						5. Scale 7: Time of Use MV
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand normally exceeding 50kVA, supplied at MV, including municipal supplies.
Surcharge on all charges	12%	12%	Zero	Zero		Surcharge on all charges
Basic Charge: R/m per point of supply (meter)	R 990.62	R 1,140.21	R 792.79	R 1,291.00	13.2%	Basic Charge: R/m per point of supply (meter)
			R 79.6280	R 30.7152	New	Access charge: Highest of notified or actual MD
Demand Charges KVA (Peak & Standard only)	R131.52	R151.38	R96.07	R167.86	10.9%	Demand Charges KVA (Peak & Standard only)
Energy Charge: R/kWh (low season)						Energy Charge: R/kWh (low season)
Peak	R 1.7724	R 2.0401	R 2.2875	R 2.6451	29.7%	Peak
Standard	R 1.0933	R 1.2584	R 1.7075	R 1.7460	38.7%	Standard
Off-Peak	R 0.7787	R 0.8962	R 1.2390	R 1.2523	39.7%	Off-Peak
Energy Charge: R/kWh (High season - June to August)						Energy Charge: R/kWh (High season - June to August)
Peak	R 6.2121	R 7.1501	R 6.1314	R 8.5431	19.5%	Peak
Standard	R 1.6400	R 1.8876	R 2.1548	R 2.4622	30.4%	Standard
Off-Peak	R 1.3087	R 1.5064	R 1.3654	R 1.8283	21.4%	Off-Peak
			R 0.2511	R 0.0969	New	Reactive Energy Charge: R/kWh: R/kvarh (>85% PF per hour (Peak & Standard))
6. Scale 8: Time of Use Small: < 50 kVA						6. Scale 8: Time of Use Small: < 50 kVA
Applicable to consumers with a demand normally exceeding 50kVA						Applicable to consumers with a demand not exceeding 50kVA. Compulsary for SSEG consumers <50 kVA.
Surcharge on all charges			Zero			Surcharge on all charges
Basic Charge: R/m per point of supply (meter)			R 397.95	R 460.51	New	Basic Charge: R/m per point of supply (meter)
Capacity charge: R.Amp/phase			R 6.31	R 7.30	New	Capacity charge: R.Amp/phase
Energy Charge: R/kWh (low season)				R -		Energy Charge: R/kWh (low season)
Peak			R 2.3189	R 2.6834	New	Peak
Standard			R 1.7389	R 2.0122	New	Standard
Off-Peak			R 1.2704	R 1.4701	New	Off-Peak
Energy Charge: R/kWh (High season - June to August)				R -		Energy Charge: R/kWh (High season - June to August)
Peak			R 6.1628	R 7.1316	New	Peak
Standard			R 2.1862	R 2.5298	New	Standard
Off-Peak			R 1.3968	R 1.6163	New	Off-Peak
7. Scale 9: SSEG FEEDIN						7. Scale 9: SSEG FEEDIN
Applicable to all SSEG consumers consumers irrespective of size.						Applicable to all SSEG consumers consumers irrespective of size.
Additional Basic Charge: R/m per point of supply (meter)			R 100.00	R 115.7200	New	Additional Basic Charge: R/m per point of supply (meter)
Energy Credits (low season)						Energy Credits (low season)
Peak			-R 1.6054	-R 1.6054	New	Peak
Standard			-R 1.1414	-R 1.1414	New	Standard
Off-Peak			-R 0.7666	-R 0.7666	New	Off-Peak
Energy Credist (High season - June to August)						Energy Credist (High season - June to August)
Peak			-R 4.6805	-R 4.6805	New	Peak
Standard			-R 1.4992	-R 1.4992	New	Standard
Off-Peak			-R 0.8677	-R 0.8677	New	Off-Peak
8. Scale 10: Public lighting						8. Scale 10: Public lighting
Applicable to non-domestic consumers with a demand not exceeding 55kVA.						Applicable to non-domestic consumers with a demand not exceeding 55kVA.
Maintenance charge:R/luminaire/month			R 218.16	R 252.45	New	Maintenance charge:R/luminaire/month
Energy Charge: R/kWh			R 2.9920	R 3.4623	New	Energy Charge: R/kWh
9. Scale 11: Municipal usage						9. Scale 11: Municipal usage
All municipal supplies< 50 kVA						All municipal supplies< 50 kVA
Basic Charge: R/m per point of supply (meter)			R 78.15	R 90.43		Basic Charge: R/m per point of supply (meter)
Capacity charge: R/Amp/phase/month/month			R 22.53	R 26.08		Capacity charge: R/Amp/phase/month/month
Energy Charge: R/kWh			R 2.2462	R 2.5993		Energy Charge: R/kWh
10. Scale 12: Availability.						10. Scale 12: Availability.
Applicable to serviced stands that is not connected. This includes SSEG consumers who have gone off the Grid.						Applicable to serviced stands that is not connected. This includes SSEG consumers who have gone off the Grid.
Fixed charge per month.		R346.9114	R 363.5205	R 407.8526	17.6%	Fixed charge per month.



Property Rates Per Categories as per the amendments of the MPRA 6 of 2004.

Category	Cent amount in the Rand rate determined for the relevant property category 2023/2024	Cent amount in the Rand rate determined for the relevant property category 2024/2025	Ratio tariff in relation to residential tariff 2024/2025	Percentage decrease or increase in tariff from 2023/2024 to 2024/2025
Residential	0.0125	0.0110	1:1	-14%
Vacant Land Vacant Residential	0.0125	0.0119	1:1.08	-5%
Business & Commercial	0.0139	0.0122	1:1:11	-14%
Vacant Land Vacant Business & Commercial	0.0139	0.0131	1:1.19	-6%
Industrial	0.0139	0.0122	1:1.11	-14%
Vacant Land Vacant Industrial	0.0139	0.0131	1:1.19	-6%
Agricultural Properties	0.0031	0.0028	1:0.25	-11%
Mining	0.0139	0.0122	1:1.11	-14%
Public Service Purposes	0.0139	0.0139	1:1.26	0%

Below find the revised pensioner rebate criteria:

RETIRED AND DISABLED OWNERS ON RESIDENTIAL PROPERTY WITH RATEABLE VALUE OF LESS THAN R3 000 000		
Category/Description	Proposed rebate	Based on:
Owner with income up to R 9 000 per month	45.0%	Residential rate
Owner with income between R 9 001 and R12 000	35.0%	Residential rate
Owner with income between R12 001 and R15 000	25.0%	Residential rate

2.5 BUDGET RELATED POLICIES

The Municipal Finance Management Act and Reporting Regulations require that all budget and budget related policies be reviewed, and where applicable, be updated on an annual basis.

The table below outlines the budget related policies that are amended for implementation in 2024/25 financial year.

Policy	Policy Amended			Amendment Date
	Yes	No	New	
Rates Policy			Yes	
Indigent Policy		No		
Budget Policy		No		
Creditors, Staff and Councilors Payment Policy		No		
Credit Control and Debt Collection Policy		No		
Funding and Reserve Policy		No		



Virement Policy		No		
Subsistence and Travel Policy		No		
Policy and Procedures for Irregular and Fruitless Expenditure		No		
Fixed Asset Policy		No		
Supply Chain Management Policy		No		
Write-off of Irrecoverable Debt Policy		No		
Loans Policy		No		
Tariff Policy		No		
Management of Accumulated Surplus and Bad Debt Policy		No		
Loss Control Policy		No		
Fuel Card Policy		No		
Internship Programme Policy		No		
Costs Containment Policy		No		
Overtime Policy		No		
Banking and Investment Policy		No		
Imprest / Petty Cash Policy		No		
Entertainment Policy		No		
Unforeseen and Unavoidable Expenditure Policy		No		

All the above policies can be viewed on the Ndlambe Municipality website www.ndlambe.gov.za



2.6 OVERVIEW OF BUDGET ASSUMPTIONS

2.6.1 Collection Rates

The municipality projected the average collection rate of 89% on property rates and service charges billed and all direct income are projected at 100% across outer years.

2.6.2 General inflation outlook and its impact on the municipal activities

The inflation outlook for South Africa is indicated below and has been taken into consideration in the compilation of the 2024/25 MTREF.

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.6%

Source: Medium Term Budget Policy Statement 2023.

2.6.3 Revenue Services

The projected operating revenue for property rates is based on the new valuation roll.

All services except electricity have increased by 6%% and a new tariff structure for electricity tariff is developed and effected in the budget. The revenue is based on the current financial year billing.

2.6.4 Operating Costs

I.The depreciation is calculated based on the depreciation rates as per the fixed asset register and the accounting policies. The municipality has no intention of changing the estimates therefore the cost model will remain in use across all the MTREF. At the beginning of the financial year, it is the municipality's norm to revise useful lives.

- Bulk water purchase was projected at 23.7% to recover the under provision made in 2023/2024 financial year comparing the cost paid to bulk water in 2022/23. The increase for the outer years is reduced to reflect 6.1% in 2025/2026 and 6.5% in 2026/2027
- The increase in Bulk electricity was projected at 14.2% for 2024/25, 6% for 2025/26 and 6.5% for 2026/27 budget years.
- Salaries and wages were based on the current notching applying 6.3% increase. Forecasting 6.3% for 2025/26 and 6.3% for 2026/27. The increase in 2024/25 accommodates the notching and the job evaluation outcomes.
- Long service expense is based on the actuarial valuation of 2022/23 financial year projected expense.
- The budgeted expenditure excludes Value Added Tax throughout the MTREF excluding exempted and zero- rated items. Supplies of goods and services are charged at a standard rate of 15% for VAT, excluding zero-rated and exempted supplies reference to VAT guide 419 and other legislations.
- The retention percentage for the projects that are under construction is projected at 5% of the total cost.

2.6.5 Financial Position and other

I.Opening balance budget were based on 2023 opening balances plus extrapolated movements of 2024 and followed the same principle for the two outer years.



2.7 OVERVIEW OF BUDGET FUNDING

It must be noted that the unlimited wants from Ndlambe Community were prioritized considering the availability of resources and they were allocated over the 2024/2025 MTREF, this simply means others will be addressed in 2025/2026 and 2026/2027 budget years.

The 2024/2025 MTREF is funded by various funding sources such as property rates, service charges and the equitable share. Conditional grants are approved by National government and other spheres of government to fund authorized expenditure to achieve a specific objective outlined in DORA or in an approved business plan.

Revenue Collections by Service

The table below outlines the receipts from Trading services and property rates that are mainly funding the budget: Opening cash and cash equivalent of R58,417,000, 2026-R36,923,000 and 2027- R121,997,000

Description	2024/25 Medium Term Revenue & Expenditure Framework		
	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand			
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Property rates	166,622	176,620	187,217
Service charges	215,690	228,847	219,490
Other revenue	27,511	29,189	31,086
Transfers and Subsidies - Operational	145,303	150,768	155,445
Transfers and Subsidies - Capital	123,172	59,182	65,407
Interest	10,858	11,520	12,269
Dividends	-	-	-

The collection rate is anticipated to increase to around 89% due to the reduction in water losses strategy that Ndlambe is currently working on for implementation in the 2024/2025 financial year. The collection percentage is reduced significantly because of high-water billing due to leaks. The prepaid water meter installations will start from the beginning of May 2024 which will provide the municipality with leverage to collect the rates and service from consumers in the Eskom electricity area.

Agricultural rates will be billed at 0.25 of the residential tariffs as aligned to the MPRA which will remove the process where farms had to apply for the rebate of 75% this will motivate farmers to pay their rates. This will further result in the monthly billing on Agricultural rates reducing by 0.75 the portion of the rates which in the past was not paid due to farmers having to apply for the rebate.



2.8 EXPENDITURE ON ALLOCATIONS AND GRANTS PROGRAMS

EC105 Ndlambe - Supporting Table SA18 Transfers and grant receipts

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		3,995	4,083	4,186	4,248	4,248	4,248	4,062	4,131	4,458
Expanded Public Works Programme Integrated Grant		1,195	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		2,800	2,650	2,650	2,650	2,650	2,650	2,500	2,500	2,700
Municipal Infrastructure Grant		-	1,433	1,536	1,598	1,598	1,598	1,562	1,631	1,758
Provincial Government:		2,750	2,640	2,400	2,750	49,971	70,443	2,750	2,750	2,750
EC Human Settlement		-	-	-	-	47,221	67,693	-	-	-
Library and Achieves - DESRAC		2,750	2,640	2,400	2,750	2,750	2,750	2,750	2,750	2,750
District Municipality:		(487)	-	994	-	-	(1,800)	1,855	1,948	2,045
Public Safety		(487)	-	994	-	-	(1,800)	-	-	-
Environmental Health Subsidy		-	-	-	-	-	-	1,855	1,948	2,045
Other grant providers:		5	-	-	-	31,622	4,809	-	-	-
Unspecified		5	-	-	-	-	-	-	-	-
Housing Development Agency		-	-	-	-	31,622	4,809	-	-	-
Total Operating Transfers and Grants	5	6,263	6,723	7,580	6,998	85,842	77,701	8,667	8,828	9,253
Capital Transfers and Grants										
National Government:		29,531	80,951	115,585	30,358	74,004	68,089	64,461	59,182	65,407
Municipal Disaster Relief Grant		-	-	-	-	-	11,250	-	-	-
Municipal Infrastructure Grant		14,531	27,230	29,191	30,358	28,221	28,221	31,861	32,980	33,407
Integrated National Electrification Programme Grant		-	15,000	1,394	-	-	-	-	5,940	7,000
Regional Bulk Infrastructure Grant		-	18,721	-	-	18,821	1,656	-	-	-
Water Services Infrastructure Grant		15,000	20,000	85,000	-	26,962	26,962	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	32,600	20,262	25,000
Provincial Government:		-	15,339	20,234	-	122,175	113,211	57,394	-	-
Water Infrastructure Grant OTP		-	-	3,376	-	-	-	-	-	-
Department of Water and Sanitation		-	-	16,508	-	-	-	-	-	-
EC Human Settlement		-	-	-	-	122,175	113,211	57,394	-	-
Library and Achieves - DESRAC		-	110	350	-	-	-	-	-	-
COGTA Disaster Grant		-	15,229	-	-	-	-	-	-	-
District Municipality:		-	-	-	31,800	1,800	2,882	-	-	-
Public Safety		-	-	-	-	1,800	1,800	-	-	-
Public Safety		-	-	-	31,800	-	1,082	-	-	-
Other grant providers:		-	1,144	1,730	1,486	1,486	1,486	1,317	-	-
Extended Public Works Programme		-	1,144	1,730	1,486	1,486	1,486	1,317	-	-
Total Capital Transfers and Grants	5	29,531	97,433	137,548	63,644	199,465	185,668	123,172	59,182	65,407
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	35,794	104,157	145,129	70,642	285,307	263,368	131,839	68,011	74,660

2.9 ALLOCATIONS AND GRANTS MADE BY NDLAMBE MUNICIPALITY

Description	Ref	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Non-Cash Grants to Organisations								
Child Programmes : Donations	4	100	50	50	50	100	105	110
Community Development Initiatives: Donations		400	300	300	300	290	305	320
Disability: Casual Day		-	-	-	-	10	10	11
Entrepreneurial Support System: SMME Support		771	721	721	721	750	788	827
Feeding/Nutritional Scheme: Support for Soup Kitchen		200	250	250	250	240	252	265



Gender Development: Gender Based Violence	100	100	100	100	100	105	110
Gender Development: Men's Forum	–	–	–	–	10	10	11
Bursaries for non-employees	300	350	650	650	500	525	551
Municipal Games: Mayoral Cup	–	–	–	–	60	63	66
LED Project Implementation	620	620	620	620	400	420	441
Protecting the Poor: Mayoral Assistance	140	140	140	140	140	140	140
Public Security in Ndlambe Area (Anti-Crime)	350	350	350	350	230	242	254
Sport Development and Sponsorships (Internal)	200	200	200	200	200	210	221
Tourism Development	320	900	900	900	900	945	992
Youth Development	10	10	10	10	50	53	55
Total Non-Cash Grants To Organisations	3 511	3 991	4 291	4 291	3 980	4 172	4 374

The table above are the only allocations and grants budgeted for by the municipality. During the financial year, Council may resolve to make further allocations or grants based on the merits of the applicant. The grants/ donations are eligible to the non-profit organizations, SMME's and Matriculants who obtained grade 12 certificates, that resides within the jurisdiction of Ndlambe municipality. The applications to be considered for the donations / grants are made through the office of the Local Economic development, Special Programme Unit and Human Resources. Each individual application will be evaluated and assessed based on its merits and authorized by the Municipal Manager.



2.10 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS

Summary of Employee and Councillor remuneration	### #	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue Framework	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26
		R thousand							
		A	B	C	D	E	F	G	H
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	1	4,934	5,140	4,993	5,623	6,142	6,142	5,663	6,020
Pension and UIF Contributions		347	280	345	393	411	411	395	419
Medical Aid Contributions		69	91	157	152	152	152	151	164
Motor Vehicle Allowance		1,382	1,367	1,360	1,438	1,486	1,486	1,446	1,537
Cellphone Allowance		816	829	816	857	893	893	918	976
Housing Allowances		-	-	-	-	-	-	-	-
Other benefits and allowances		-	106	-	-	-	-	-	-
Sub Total - Councillors		7,548	7,813	7,671	8,464	9,084	9,084	8,573	9,117
% increase	4		3.5%	(1.8%)	10.3%	7.3%	-	(5.6%)	6.3%
Senior Managers of the Municipality									
Basic Salaries and Wages	2	5,224	5,073	5,197	5,791	5,791	5,791	6,960	7,349
Pension and UIF Contributions		911	755	779	783	933	933	1,157	1,230
Medical Aid Contributions		218	210	249	307	307	307	312	326
Overtime		-	-	-	-	-	-	-	-
Performance Bonus		417	838	831	450	472	472	515	547
Motor Vehicle Allowance	3	907	902	942	972	988	988	972	972
Cellphone Allowance	3	114	112	117	96	123	123	130	139
Housing Allowances	3	123	114	130	138	138	138	140	149
Other benefits and allowances	3	1	26	58	91	91	91	64	68
Payments in lieu of leave		406	319	425	-	25	25	515	547
Long service awards		-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		70	100	102	-	-	-	85	91
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8,391	8,449	8,830	8,628	8,867	8,867	10,850	11,418
% increase	4		0.7%	4.5%	(2.3%)	2.8%	-	22.4%	5.2%
Other Municipal Staff									
Basic Salaries and Wages		89,103	90,529	96,547	120,847	117,360	117,360	122,279	129,554
Pension and UIF Contributions		16,107	16,590	17,949	22,595	22,416	22,416	22,716	24,282
Medical Aid Contributions		11,869	12,142	13,376	17,647	17,324	17,324	17,595	18,379
Overtime		9,987	10,871	14,596	5,460	7,691	7,691	7,843	8,042
Performance Bonus		7,511	7,469	8,080	9,400	9,008	9,008	10,357	11,024
Motor Vehicle Allowance	3	3,687	4,108	4,579	4,659	5,000	5,000	4,823	4,907
Cellphone Allowance	3	222	232	248	271	280	280	313	583
Housing Allowances	3	607	597	504	614	628	628	501	523
Other benefits and allowances	3	2,243	7,053	4,388	3,665	3,825	3,825	3,191	3,191
Payments in lieu of leave		574	784	404	-	562	562	245	260
Long service awards		1,175	(4,974)	1,794	1,027	1,060	1,060	18	18
Post-retirement benefit obligations	6	10,754	9,348	9,969	2,101	2,101	2,101	-	-
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		1,119	1,473	1,101	40	455	455	897	953
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		154,958	156,222	173,534	188,329	187,711	187,711	190,776	201,717
% increase	4		0.8%	11.1%	8.5%	(0.3%)	-	1.6%	5.7%
Total Parent Municipality		170,896	172,483	190,036	205,420	205,662	205,662	210,199	222,252
			0.9%	10.2%	8.1%	0.1%	-	2.2%	5.7%



2.11 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

The monthly targets for the cash flow for the budget year 2024/25 MTREF.

From the information provided it is clear to note that expenditure can only be incurred if the revenue is available in our bank account. The municipality has always been prudent in Cash flow management.

Description	###	Budget Year 2024/25											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	Ma y	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue																
Exchange Revenue																
Service charges - Electricity		9,126	9,392	9,392	9,392	9,392	9,392	9,392	9,392	9,392	9,392	9,392	9,392	112,432	119,291	102,812
Service charges - Water		53,970	41	41	41	41	41	41	41	41	41	41	41	54,426	57,746	61,500
Service charges - Waste Water Management		20,135	-	-	-	-	-	-	-	-	-	-	-	20,135	21,364	22,752
Service charges - Waste Management		23,562	-	-	-	-	-	-	-	-	-	-	-	23,562	24,999	26,624
Sale of Goods and Rendering of Services		3,483	24	24	24	24	24	24	24	24	24	24	24	3,743	3,972	4,230
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		8,011	110	110	110	110	110	110	110	110	110	110	110	9,222	9,785	10,421
Interest earned from Current and Non Current Assets		10,858	-	-	-	-	-	-	-	-	-	-	-	10,858	11,520	12,269
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1,150	-	-	-	-	-	-	-	-	-	-	-	1,150	1,220	1,300
Licence and permits		4,323	-	-	-	-	-	-	-	-	-	-	-	4,323	4,587	4,885
Operational Revenue		1,442	1	1	1	1	1	1	1	1	1	1	1	1,448	1,536	1,636
Non-Exchange Revenue																
Property rates		14,833	14,833	14,833	14,833	14,833	14,833	14,833	14,833	14,833	14,833	14,833	14,833	177,996	188,676	199,997
Surcharges and Taxes		8,823	-	-	-	-	-	-	-	-	-	-	-	8,823	9,362	9,970
Fines, penalties and forfeits		287	12	12	12	12	12	12	12	12	12	12	12	418	443	472
Licences or permits		1,991	-	-	-	-	-	-	-	-	-	-	-	1,991	2,113	2,250
Transfer and subsidies - Operational		124,226	4,020	3,375	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	145,303	150,768	155,445	
Interest		7,437	-	-	-	-	-	-	-	-	-	-	-	7,437	7,891	8,404
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contrib		293,657	28,432	27,787	25,932	25,932	25,932	25,932	25,932	25,932	25,932	25,932	25,932	583,268	615,272	624,966
Expenditure																
Employee related costs		16,806	16,802	16,802	16,802	16,802	16,802	16,802	16,802	16,802	16,802	16,802	16,802	201,627	213,135	224,907
Remuneration of councillors		714	714	714	714	714	714	714	714	714	714	714	714	8,573	9,117	9,696
Bulk purchases - electricity		7,414	7,414	7,414	7,414	7,414	7,414	7,414	7,414	7,414	7,414	7,414	7,414	88,969	94,314	100,532
Inventory consumed		6,131	3,289	3,650	3,431	3,708	3,466	5,166	3,344	3,480	3,577	3,492	3,277	46,012	49,368	52,572
Debt impairment		-	-	655	-	-	-	-	-	-	655	-	-	5,006	6,317	7,215
Depreciation and amortisation		4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213	50,555	50,555	50,555



Ndlambe Municipality

Draft Budget 2024/25 MTREF

Interest		-	-	59	-	-	-	-	-	30	-	-	9,413	9,501	11,483	14,010
Contracted services		6,970	6,465	11,303	7,640	7,742	7,435	8,125	10,615	7,393	6,036	5,844	10,145	95,714	99,734	106,753
Transfers and subsidies		441	434	486	416	517	406	839	334	421	304	372	338	5,308	5,198	5,171
Irrecoverable debts written off		41	41	3,432	41	41	41	41	41	3,432	41	41	27,165	34,398	36,118	38,288
Operational costs		9,954	4,165	4,898	5,557	7,304	7,130	5,377	4,183	5,194	4,537	4,990	4,463	67,752	70,379	74,963
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		52,684	43,537	53,625	46,228	48,455	47,622	48,691	47,661	49,749	43,638	43,883	88,950	614,725	646,114	684,660
Surplus/(Deficit)		240,973	(15,105)	(25,838)	(20,296)	(22,523)	(21,690)	(22,759)	(21,729)	(23,816)	(17,706)	(17,950)	(63,018)	(31,456)	(30,842)	(59,694)
Transfers and subsidies - capital (monetary allocations)		52,090	11,256	7,845	8,966	7,012	5,376	5,117	4,665	4,665	4,665	4,665	4,665	120,987	57,182	65,407
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		293,063	(3,849)	(17,994)	(11,329)	(15,511)	(16,314)	(17,642)	(17,063)	(19,151)	(13,041)	(13,285)	(58,353)	89,531	26,340	5,713
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		293,063	(3,849)	(17,994)	(11,329)	(15,511)	(16,314)	(17,642)	(17,063)	(19,151)	(13,041)	(13,285)	(58,353)	89,531	26,340	5,713
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		293,063	(3,849)	(17,994)	(11,329)	(15,511)	(16,314)	(17,642)	(17,063)	(19,151)	(13,041)	(13,285)	(58,353)	89,531	26,340	5,713
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	293,063	(3,849)	(17,994)	(11,329)	(15,511)	(16,314)	(17,642)	(17,063)	(19,151)	(13,041)	(13,285)	(58,353)	89,531	26,340	5,713



2.12 ANNUAL BUDGETS AND SERVICES DELIVERY AND BUDGET IMPLEMENTATION PLANS PER DIRECTORATE

The service delivery budget implementation plan for 2024/2025 is tabled as the at the Council meeting adopting the IDP and the Budget.

**2.13 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS**

The contracts that are outlined in the table below are the current contracts that the municipality has entered for more than a year.

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Nu Water	Yrs	5	Bulk Water Supply	04-Oct-26	13 251 732.96
Umhlaba Consulting	Yrs	3	Software License and Support	30-Jun-24	822 518.45
CDR (Monthly Fixed)	Yrs	10	Equipment	30-May-30	15 205 062.18
Netcoveision	Yrs	3	Security Services	30-Oct-24	1 379 503.20
Multi Security	Yrs	3	Security Services	30-Oct-24	300 240.00
NJH Group	Yrs	3	Security Services	31-Oct-24	3 230 342.52
Revenue Consulting	Yrs	4	Debt Collection	31-Mar-25	3 564 304.56
Mphele Engineers and Project Man.	Yrs	3	Operation, Maintenance & Management of Landfill Sites	30-Jun-24	5 338 668.00
RUMAS	Yrs	4	Consulting	31-Oct-25	785 778.52
Munsoft (Pty)Ltd	Yrs	2.5	Financial System	30-Jun-25	9,930,134.43



2.14 CAPITAL EXPENDITURE DETAILS

See table SA34a, SA34b, SA34c, SA34d and sa34e in Appendix A of this document. The tables are long, and they paste outside the margins.

2.15 LEGISLATION COMPLIANCE STATUS

The Ndlambe Municipal Councilors and staff are committed to comply fully with all legislation impacting on local government. Section 195(1) of the Constitution sets the basic values and principles that local government must adhere to. To comply fully with all legislation, the municipality must also adhere to circulars issued in line with the legislation and all regulations promulgated to give effect to certain legislation.

The main pieces of legislation that Ndlambe Municipality needs to comply with are.

- The Constitution of the Republic of South Africa
- Local Government: Municipal Structures Act, Act 117 of 1998 with all amendments to date
- Local Government: Municipal Systems Act, Act 32 of 2000 with all amendments to date
- Local Government: Municipal Finance Management Act, Act 56 of 2004 with all amendments to date
- Local Government: Property Rates Act, Act 6 of 2004 with all amendments to date
- Electricity Act of 1987
- Labour Relations Act of 1995
- Financial and Fiscal Commission Act of 1997
- Intergovernmental Fiscal Relations Act of 1997
- Water Services Act of 1997
- Municipal Demarcation Act of 1998
- National Environmental Management Act of 1998
- Remuneration of Political Office Bearers Act of 1998
- Skills Development Act
- Preferential Procurement Policy Framework Act of 2000
- Intergovernmental Relations Framework Act of 2005
- Division of Revenue Act
- Fuel Card User Policy

Circulars and regulations are published from time to time to give effect to the stipulations of the legislation and these also need to be complied with. Certain circulars are however only to be complied with if adopted by Council.

At present the Ndlambe Municipality does not comply with all the existing legislation and the aim is to ensure that by the end of the 2023/24 financial year all legislation is complied with. This matter has been pointed out in the report of the Auditor-General for the prior years and is in the process of been addressed.



2.16 SERVICE DELIVERY STANDARDS

The reporting on service delivery standards is an initiative by Ndlambe Municipality to make a commitment to the community and advise the community on the service delivery that they can expect from the municipality from the budget that is available. By documenting service delivery standards, the community will have realistic expectations about the nature of the services being delivered. The community will know how often a service will be provided, how long it will take to receive a service, what level of service can be expected, how much the service will cost and be able to monitor performance against the set standards. It must be mentioned that the service delivery standards represent an ideal service to be provided, the aging infrastructure and fleet are key mechanisms to deliver the promised standards. In the event of being failed by these mechanisms, Ndlambe municipality will communicate with the community while finding alternatives to minimize service interruption.

EC105 (Ndlambe Local Municipality) Schedule of Service Delivery Standards 2024/2025	
Description	
Standard	2024/2025 Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	Once a week
Premise based removal (Business Frequency)	Twice a week
Bulk Removal (Frequency)	Once a week
Removal Bags provided (Yes/No)	No
Garden refuse removal Included (Yes/No)	Yes (limit to 2 bags)
Street Cleaning Frequency in CBD	Daily
Street Cleaning Frequency in areas excluding CBD	Weekly
How soon are public areas cleaned after events (24hours/48hours/longer)	24 hrs
Clearing of illegal dumping (24hours/48hours/longer)	Longer
Recycling or environmentally friendly practices (Yes/No)	Yes (privately run; Blue Flag beaches - polytimber)
Licenced landfill site (Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/N0 drop)	Blue Drop
Is free water available to all? (All/only to the indigent consumers)	Only indigents
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)	Averages based on past 6 months
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	Average only if access to meter is restricted



Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	
One service connection affected (number of hours)	(25mm HDPE) 45 minutes
Up to 5 service connection affected (number of hours)	(50mm PVC) at least 2 hours
Up to 20 service connection affected (number of hours)	(75mm PVC) 2 and half up to 2 hours
Feeder pipe larger than 800mm (number of hours)	(350mm) on the PVC pipe it takes at least 8 hours
What is the average minimum water flow in your municipality?	Residential 2 bars
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)	Bulk meters 10 days Residential 4 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
Electricity Service	
What is your electricity availability percentage on average per month?	1
Do your municipality have a ripple control in place that is operational? (Yes/No)	Yes
How much do you estimate the cost saving in utilizing the ripple control system?	1 MEGA WATT
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)	Averages based on past 6 months
On average for how long does the municipality use estimates before reverting to actual readings? (months)	Average only if access to meter is restricted
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	Immediately
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)	2 hrs
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	Yes



How effective is the action plan in curbing line losses? (Good/Bad)	Finance needed urgently
How soon does the municipality provide a quotation to a customer upon a written request? (days)	6 hrs
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (Working days)	7 Days
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (Working days)	2 Weeks
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (Working days)	No high voltage consumers
Sewerage Service	
Are your purification system effective enough to put water back into the system after purification?	
To what extend do you subsidize your indigent consumers?	100% on Rates and availabilities. Water 6kl and Electricity 50 kwh
How long does it take to restore sewerage breakages on average	
Severe overflow? (hours)	Within 24 hours
Sewer blocked pipes: large pipes? (Hours)	Less than 6 hours
Sewer blocked pipes: small pipes? (Hours)	Within 1 hour
Spillage clean-up? (hours)	Within 30 minutes
Replacement of manhole covers? (Hours)	Average 1 month due to procurement procedures
Road Infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	1 and half hour
Time taken to repair a single pothole on a minor road? (Hours)	2 and half hour
Time taken to repair a road following an open trench service crossing? (Hours)	16 Hours
Time taken to repair walkways? (Hours)	8 hours but depends on damage
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)	Yes



Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease by 50%
Is the financial statement outsourced? (Yes/No)	No
Are there Council adopted business process structuring the flow and management of documentation feeding to Trial Balance?	Process to be developed
How long does it take for a Tax/Invoice to be paid from the date it has been received?	30 Days from date received by finance
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	Supply Chain decentralised
Administration	
Reaction time on enquiries and requests?	This varies from day to day also depending on the medium used.
Time to respond to a verbal customer enquiry or request? (working days)	Same day but not longer than 3 days
Time to respond to a written customer enquiry or request? (working days)	Same day but not longer than 3 days
Time to resolve a customer enquiry or request? (working days)	Same day but not longer than 3 days
What percentage of calls are not answered? (5%,10% or more)	Not recorded
How long does it take to respond to voice mails? (hours)	We do not use voice mails
Does the municipality have control over locked enquiries? (Yes/No)	Yes there is a system used by the Customer Relations Officer
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)	Same day but not longer than 3 days or as soon as the deeds office reflect the registration
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?	As and when required
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	15 minutes
How long does it take to renew a vehicle license? (minutes)	10 min
How long does it take to issue a duplicate registration	10 min submit the application; DoT take 31 days



certificate vehicle? (minutes)	maximum to return to Ndlambe Traffic department
How long does it take to de-register a vehicle? (minutes)	15 minutes
How long does it take to renew a driver's license? (minutes)	30 min
What is the average reaction time of the fire service to an incident? (minutes)	5 min (urban and residential subject to the distance the incident is in relation to where the fire station is situated ie 5min in Port Alfred as the Fire department otherwise longer pending the town)
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	Ndlambe does not have an ambulance service on its books, its either private companies or Department of Health
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	Ndlambe does not have an ambulance service on its books, its either private companies or Department of Health
Economic Development	
Did your municipality participate in the Sub-National Doing Business Survey, and have the results been analysed to design interventions to promote the ease of doing business in your municipality? (Yes/No)	No
Does the municipality have a consolidated spatial view of its key business districts and the interventions required to unlock or promote economic growth in these areas, and is this information considered in the City's infrastructure planning – including the Built Environment Performance Plan? (Yes/No)	Yes
How many job opportunities have been created through the municipality's EPWP and/or Community Work Programme in the last financial year?	1705through EPWP and 30 through CWP
How many projects does the municipality drive to support small business growth and entrepreneurship?	190 Informal traders
How many economic development projects does the municipality drive?	13 SMME's
Does the municipality have an active partnership with academic institutions in the region to grow the local skills base? (Yes/No)	No
Does the municipality have an internship and/or apprenticeship programme to support skills development? (Yes/No)	Yes, Nelson Mandela Metro, Dept of Tourism
Does the municipality have active programmes to promote its business sectors and attract investments? (Yes/No)	Yes



Does the municipality have any incentive plans in place to create a conducive environment for economic development? (Yes/No)	No, municipality is heavily reliant on donor funding
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)	Yes, through indigent registration and Mayoral Imbizo
Are customers treated in a professional and humanly manner? (Yes/No)	Yes



2.17 MUNICIPAL MANAGERS' QUALITY CERTIFICATION



QUALITY CERTIFICATE

I **Rolly Dumezweni**, Municipal Manager of **Ndlambe Municipality**, hereby certify that the budget and the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and the annual budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Rolly Dumezweni

Municipal Manager of Ndlambe Municipality (EC105)


R. Dumezweni
MUNICIPAL MANAGER

27/03/2024

DATE