



ANNUAL BUDGET OF BUFFALO CITY METROPOLITAN MUNICIPALITY

2022/2023 to 2024/2025

**DRAFT MEDIUM TERM REVENUE AND
EXPENDITURE FRAMEWORK (MTREF) BUDGET**



30 MARCH 2022

TABLE OF CONTENTS

LIST OF TABLES.....	II
LIST OF FIGURES.....	V
ABBREVIATIONS AND ACRONYMS	VI
PART 1 – ANNUAL BUDGET	8
1.1 EXECUTIVE MAYOR’S REPORT	8
1.2 COUNCIL RESOLUTIONS.....	15
1.3 EXECUTIVE SUMMARY	19
1.4 OPERATING REVENUE FRAMEWORK	22
1.5 OPERATING EXPENDITURE FRAMEWORK	39
1.6 CAPITAL EXPENDITURE FRAMEWORK.....	48
1.7 ANNUAL BUDGET TABLES – CONSOLIDATED MUNICIPALITY	51
PART 2 – SUPPORTING DOCUMENTATION	80
2.1 OVERVIEW OF ANNUAL BUDGET PROCESS.....	80
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP	88
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS.....	95
2.4 OVERVIEW OF BUDGET-RELATED POLICIES	106
2.5 OVERVIEW OF BUDGET ASSUMPTIONS.....	112
2.6 OVERVIEW OF BUDGET FUNDING	116
2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS.....	129
2.8 COUNCILLOR AND EMPLOYEE BENEFITS.....	131
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW	135
2.10 ANNUAL BUDGET AND SDBIP’S – INTERNAL DEPARTMENTS.....	141
2.11 ANNUAL BUDGET AND SDBIPS – MUNICIPAL ENTITIES.....	155
2.12 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS	161
2.13 CAPITAL EXPENDITURE DETAILS	161
2.14 LEGISLATION COMPLIANCE STATUS	186
2.15 OTHER SUPPORTING DOCUMENTS	189
2.16 BUDGET TABLES OF THE PARENT MUNICIPALITY.....	206
2.17 CITY MANAGER’S QUALITY CERTIFICATE.....	221
ANNEXURES:.....	222

LIST OF TABLES

Table 1: Consolidated Overview of the Draft 2022/2023 MTREF Budget	21
Table 2: Summary revenue classified by revenue source	24
Table 3: Percentage growth in revenue by main revenue source	24
Table 4: Table SA18 - Operating Transfers and Grant Receipts	27
Table 5: Comparison of proposed rates to be levied for the 2022/2023 financial year	30
Table 6: Proposed water tariffs	33
Table 7: Comparison between current water charges and increases (Domestic)	33
Table 8: Comparison between current electricity charges and increases (Domestic)	34
Table 9: Comparison between current annual sanitation charges and increases, single dwelling- houses	35
Table 10: Comparison between current refuse removal fees and increases	36
Table 11: SA14 – Household bills	38
Table 12: Table A4 - Summary of operating expenditure classification by type	40
Table 13: Operational repairs and maintenance	43
Table 14: Table SA34c – Repairs and Maintenance expenditure by asset type	44
Table 15: Basic social services package per indigent household.....	47
Table 16: Consolidated Draft 2022/2023 Medium-Term Capital Budget Per Funding Source.....	48
Table 17: Consolidated Capital Budget Per Service	50
Table 18: MBRR Table A1 – Consolidated Budget Summary	52
Table 19: MBRR Table A2 – Consolidated Budgeted Financial Performance (revenue and expenditure by function classification).....	56
Table 20: MBRR Table A3 – Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote).....	58
Table 21: MBRR Table A4 – Consolidated Budgeted Financial Performance (revenue and expenditure by source and type)	59
Table 22: MBRR Table A5 - Consolidated Budgeted Capital Expenditure by vote, functional classification and funding source	63
Table 23: MBRR Table A6 - Consolidated Budgeted Financial Position	66
Table 24: MBRR Table A7 - Consolidated Budgeted Cash Flow Statement	69
Table 25: MBRR Table A8 – Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation.....	71
Table 26: MBRR Table A9 – Consolidated Asset Management.....	73
Table 27: MBRR Table A10 – Consolidated Basic Service Delivery Measurement .	78
Table 28: Key activities in the compilation of the 2021/2026 IDP and MTREF Budget	82
Table 29: IDP’S Five Strategic Objectives.....	88
Table 30: Alignment of BCMM Strategic Objectives with National and Provincial Priorities	89
Table 31: MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue	92
Table 32: MBRR Table SA5 - Reconciliation between the IDP Strategic Objectives and budgeted operating expenditure.....	93
Table 33: MBRR Table SA6 – Reconciliation between the IDP Strategic Objectives and budgeted Capital Expenditure	94
Table 34: MBRR Table SA7 - Measurable performance objectives	96
Table 35: MBRR Table SA8 - Performance indicators and benchmarks.....	97
Table 36: Macroeconomic performance and projections, 2021 - 2025.....	112

Table 37: Credit rating outlook	113
Table 38: Breakdown of the operating revenue over the medium-term.....	117
Table 39:Tariff increases 2021/2022 to 2024/2025 MTREF	119
Table 40: MBRR Table SA15 – Detail Investment Information.....	120
Table 41: MBRR Table SA16 – Investment particulars by maturity.....	121
Table 42: MBRR Table A5 - Sources of capital revenue over the MTREF	122
Table 43: MBRR Table SA17 - Details of borrowings.....	123
Table 44: MBRR Table SA 18 - Transfers and grant receipts	124
Table 45: MBRR Table A7 – Budgeted cash flow	125
Table 46: MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation.....	126
Table 47: MBRR Table SA10 – Funding compliance measurement	127
Table 48: MBRR Table SA19 - Expenditure on transfers and grant programmes..	129
Table 49: MBRR Table SA20 - Reconciliation between of transfers, grant receipts and unspent funds.....	130
Table 50: MBRR Table SA22 - Summary of councillor and staff benefits	131
Table 51: MBRR Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)	133
Table 52: MBRR Table SA24 – summary of personnel numbers.....	133
Table 53: MBRR Table SA25 - Budgeted Monthly Revenue and expenditure (Source and Type).....	135
Table 54: MBRR Table SA26 - Budgeted Monthly Revenue and expenditure (Municipal Vote)	136
Table 55: MBRR Table SA27 - Budgeted Monthly Revenue and expenditure (Functional Classification)	137
Table 56: MBRR Table SA28 - Budgeted monthly capital expenditure (municipal vote)	138
Table 57: MBRR Table SA29 - Budgeted monthly capital expenditure (Functional classification).....	139
Table 58: MBRR Table SA30 - Budgeted monthly cash flow	140
Table 59: Executive Support Services - operating revenue by source, expenditure by type and total capital transfers	142
Table 60: City Manager - operating revenue by source, expenditure by type and total capital transfers.....	144
Table 61: Human Settlements - operating revenue by source, expenditure by type and total capital transfers	145
Table 62: Finance Directorate - operating revenue by source, expenditure by type and total capital transfers	147
Table 63: Corporate Services - operating revenue by source, expenditure by type and total capital transfers	148
Table 64: Infrastructure Services - operating revenue by source, expenditure by type and total capital transfers	149
Table 65: Spatial Planning & Development - operating revenue by source, expenditure by type and total capital transfers	150
Table 66: Health, Public Safety & Emergency Services - operating revenue by source, expenditure by type and total capital transfers	151
Table 67: Economic Development & Agencies - operating revenue by source, expenditure by type and total capital transfers	152
Table 68: Solid Waste, Environmental & Health Management - operating revenue by source, expenditure by type and total capital transfers	153
Table 69: Sport, Recreation & Community Development - operating revenue by source, expenditure by type and total capital transfers	154

Table 70: MBRR Table D1 – Budget Summary – (BCMDA)	156
Table 71: MBRR Table D2 – Budgeted Financial Performance (revenue and expenditure) – (BCMDA)	157
Table 72: MBRR Table D3 – Capital Budget by asset class and funding – (BCMDA)	158
Table 73: MBRR Table D4 – Budgeted Financial Position – (BCMDA).....	159
Table 74: MBRR Table D5 – Budgeted Cash Flow – (BCMDA).....	160
Table 75: MBRR Table SA34a – Capital expenditure on new assets by asset class	162
Table 76: MBRR Table SA34b – Capital expenditure on renewal of existing assets by asset class.....	164
Table 77: MBRR Table SA34e – Capital expenditure on the upgrading of existing assets by asset class	165
Table 78: MBRR Table SA34c – Repairs and maintenance expenditure by asset class.....	167
Table 79: MBRR Table SA34d – Depreciation by Asset Class	169
Table 80: MBRR Table SA35 – Future financial implications of the capital budget	171
Table 81: MBRR SA36 - Detailed capital budget per municipal vote	172
Table 82: MBRR SA37 - Projects delayed from previous financial year.....	185
Table 83: MBRR Table SA1 – Supporting detail to consolidated budgeted financial performance	189
Table 84: MBRR Table SA2 – Matrix consolidated financial performance budget (revenue source/expenditure type and department).....	191
Table 85: MBRR Table SA3 – Supporting detail to consolidated Statement of Financial Position	192
Table 86: MBRR Table SA9 – Social, Economic and Demographic Statistics and Assumptions.....	195
Table 87: MBRR Table SA13(a) – Service Tariffs by Category.....	199
Table 88: MBRR Table SA13(b) – Service Tariffs by Category – Explanatory.....	200
Table 89: MBRR Table SA25 – Consolidated Budgeted Monthly Revenue and expenditure (Source and Type).....	201
Table 90: MBRR Table SA26 – Consolidated Budgeted Monthly Revenue and expenditure (Municipal Vote).....	202
Table 91: MBRR Table SA27 – Consolidated Budgeted Monthly Revenue and expenditure (Functional Classification).....	203
Table 92: MBRR Table SA31 – Aggregated Entity Budget	204
Table 93: MBRR Table SA32 – List of External Mechanisms	205
Table 94: MBRR Table A1 – Budget Summary	206
Table 95: MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by function classification).....	208
Table 96: MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote).....	209
Table 97: MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure by source and type)	210
Table 98: MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source	211
Table 99: MBRR Table A6 - Budgeted Financial Position	213
Table 100: MBRR Table A7 - Budgeted Cash Flow Statement.....	214
Table 101: MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation	215
Table 102: MBRR Table A9 – Asset Management.....	216
Table 103: MBRR Table A10 – Basic Service Delivery Measurement	219

LIST OF FIGURES

Figure 1: Main Operating Revenue categories for the 2022/2023 financial year.....	25
Figure 2: Main operational expenditure categories for the 2022/2023 financial year	40
Figure 3: Capital Infrastructure Programme	51
Figure 4: Revenue by source	61
Figure 5: Expenditure by type	62
Figure 6: Breakdown of operating revenue for the 2022/2023 financial year	117
Figure 7: Sources of capital revenue for the 2022/2023 financial year	122

ABBREVIATIONS AND ACRONYMS

AMR	Automated Meter Reading	KPA	Key Performance Area
ASGISA	Accelerated and Shared Growth Initiative South Africa	KPI	Key Performance Indicator
BCMM	Buffalo City Metropolitan Municipality	kWh	Kilowatt hour
BCDA	Buffalo City Development Agency	ℓ	Litre
BSC	Budget Steering Committee	LED	Local Economic Development
CBD	Central Business District	MBRR	Municipal Budgeting and Reporting Regulations
CFO	Chief Financial Officer	MDGS	Metro Growth and Development Strategy
CM	City Manager	MEC	Member of the Executive Committee
CoGTA	Cooperative Government & Traditional Affairs	MFMA	Municipal Finance Management Act
CPI	Consumer Price Index	MIG	Municipal Infrastructure Grant
CRRF	Capital Replacement Reserve Fund	MMC	Member of Mayoral Committee
DBSA	Development Bank South Africa	MPRA	Municipal Property Rates Act
DoRA	Division of Revenue Act	MSA	Municipal Systems Act
DWA	Department of Water Affairs	MTEF	Medium-term Expenditure Framework
EE	Employment Equity	MTREF	Medium-term Revenue and Expenditure Framework
EEDSM	Energy Efficiency Demand Side Management	NDPG	Neighbourhood Development Partnership Grant
EM	Executive Mayor	NERSA	National Electricity Regulator South Africa
EPWP	Expanded Public Works Programme	NGO	Non-Governmental Organisations
FBS	Free Basic Services	NKPIs	National Key Performance Indicators
FMG	Finance Management Grant	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PMS	Performance Management System
GDP	Gross Domestic Product	PPE	Property, Plant and Equipment
GFS	Government Financial Statistics	PPP	Public Private Partnership
GRAP	Generally Recognized Accounting Practice	PTIS	Public Transport Infrastructure System
HR	Human Resources	SALGA	South African Local Government Association
HSDG	Human Settlement Development Grant	SANS	South African National Standard
HSRC	Human Science Research Council	SDBIP	Service Delivery Budget Implementation Plan
IDP	Integrated Development Plan	SMME	Small Micro and Medium Enterprises
ELIDZ	East London Industrial Development Zone	ISUPG	Informal Settlement Upgrading & Partnership Grant
		USDG	Urban Settlement Development Grant

IT Information Technology

kℓ Kilolitre

Km Kilometre

VAT Value Added Tax

WSA Waster Services Authority

WSDP Water Services Development Plan

PART 1 – ANNUAL BUDGET

1.1 EXECUTIVE MAYOR’S REPORT

The City is tabling a total budget of R11.03 billion consisting of the operating expenditure budget of R8.94 billion and the capital budget of R2.09 billion for 2022/2023 budget year. This budget increases to R11.22 billion in the 2023/2024 financial year, made up of R9.41 billion for operating expenditure budget and R1.81 billion for capital budget. It further increases to R11.29 billion in 2024/2025 financial year made up of R10 billion for operating expenditure and R1.29 billion for capital budget.

The proposed annual budget for 2022/2023 to 2024/2025 outlines the funded commitments of the City to deliver on its Integrated Development Plan (IDP) and set strategies whilst effectively improving and supporting our communities.

After the 1 November 2021 local government elections, BCMM inaugurated 100 councillors into a new Council for 2021/2026 term of office. Out of 100 councillors, 50 are ward councillors and 50 are proportional representatives. These councillors are currently hard at work and continue to implement the IDP and MTREF Budget adopted by the previous Council.

The 2022/2023 MTREF is prepared amidst the ongoing Covid-19 pandemic which has resulted in many different economic challenges on the Buffalo City community. Rising unemployment rates and economic contraction has affected business and residents' ability to pay their accounts, including municipal accounts. The City had to adjust its spending levels downwards and keep the rates and tariff increases as low as possible to counteract the projected decline in revenue collections.

Through the District Development Model and work with the Presidency Infrastructure and Investment Unit, the City is working toward elevating its position as a future competitiveness node (as envisaged in the NDP).

The various waves of the pandemic brought about new dynamics and a further strain in terms of mitigation measures. Intensified protection measures have costed the City and businesses more. Resurgence resulted in the country adjusting Alert Levels, with closure and/or decline of other economic activities. The following key impacts occurred as a result thereof on local economy and strategic investments:

- Delayed or suspended investment decisions (both public and private sectors) – e.g. Airports Company South Africa (ACSA) expansion of the East London Airport, Berlin Solar Farm, Greenhouse/Tunnel and Agro-processing Ventures, Real Estate investments (BCMDA), Transnet National Ports Authority
- Further business closures
- Bleeding Tourism & Hospitality Industry (lowest occupancy rates ever)
- Retrenchments or downsizing
- Low uptake of the Loan Guarantee Scheme
- Ballooning Debtor's Book (Business & Residents)
- Global value chains affected, reduced demand for local products

A priority for the City is to implement its Economic Recovery Plan which requires a tight implementation plan with clear interventions for the automotive sector, agro-processing, the digital economy, the green economy, infrastructure and the property economy, revitalizing tourism (with an initial focus on domestic tourism) and the creative industries.

The Economic Recovery Plan was consolidated based on the following:

- National Treasury's economic and fiscal outlook
- Economic situation analysis that was undertaken in 2019 and in early 2020
- Input from consultation sessions held with local businesses across different industries in the Metro
- The SA COVID-19 Modelling Consortium
- The Eastern Cape Department of Health's Daily Epidemiological Reports
- Financial Performance of BCMM during 2020

The plan is aligned with the National Economic Reconstruction and Recovery Plan.

On 8 March 2022, the Honourable MEC for Finance in our Province tabled the provincial budget speech premised upon the following principles:

- Increase investment on projects that will grow the economy;
- Improve fiscal recovery through discipline and governance;
- Job creation through economic reconstruction and recovery plan;
- Protect and grow critical socio-economic infrastructure; and
- Good governance and accountability.

The above principles as set up by our Honourable MEC for Finance in our province are equally applicable to our City. The City remains committed in being the engine of economic growth within the province through:

- a) Proper planning and infrastructural development;
- b) Spreading of funds across social and economic infrastructure to ensure that the poor and the vulnerable remain a priority whilst also focussing on stimulating economic growth;
- c) Review of structures, processes, technology and skill development to improve revenue management;
- d) Evaluation of all our functions' effectiveness, efficiency and implementation of cost containment measures;
- e) Review of compliance and efficiencies across supply chain management in support of service delivery;
- f) Real and sustainable service delivery through improved implementation and productivity of performance management; and
- g) Improved execution of anti-fraud and corruption strategies, frameworks, policies, procedures and whistle blowing.
- h) Exploring innovative and sustainable alternative revenue sources by unlocking the potential in existing assets.

This budget is compiled underpinning our **key priorities of Water and Sanitation, Roads and Storm Water, Human Settlements Development, Transport Planning, Electricity** and related **critical infrastructure and maintenance**.

Our City will continue to increase capacity to **water supply infrastructure whilst also attending to aging infrastructure** for the service. We will continue with the roll-out of our **sanitation programme** in rural areas and informal settlements, as well as expanding the capacity of infrastructure **in our urban area to accommodate and open opportunities for further developments**. The City's rural sanitation backlog currently stands at approximately 6,450 and requires significant resource injection in order to completely eliminate it without losing sight of toilets that have already reached their useful life and need to be emptied and serviced in order to preserve human dignity of our rural communities.

Our four largest capital projects for **water services** are:

- **Augmentation of Water Treatment capacity** - Design and construction of additional sedimentation tank, augmentation of bulk water mains upgrading of BRPS and Mdantsane pump station;
- **Bulk Water Supply to Coastal areas** - Construction of bulk water supply, reservoirs and village reticulation to eradicate backlogs and augment water supply to coastal towns. A bulk water line connecting villages from Chalumna side to Umzonyana scheme is underway;
- **Amahleke Water Supply** - Design and construction of additional storage reservoir to provide a storage capacity of 36hrs to augment water supply to accommodate village extensions; and
- **Bulk Water Provision** - Replacement of existing infrastructure - Replacement of aging infrastructure to reduce bursts and installation of water meters (bulk & domestic) to reduce water losses.

Our largest capital projects for **sanitation services** are:

- **Provision of Sewer Diversion Tunnel** for unlocking development in the Amalinda Junction, Wilsonia, Fort Jackson and Reeston area.
- **Upgrading of Eastern Beach Sewer** - Provision of a parallel 1m diameter pipeline from Esplanade Street to City Pump Station in Bats Caves.
- **Provision of Ablution Facilities in Informal Settlements** - Provision of waterborne ablution facilities in informal settlements in the urban areas.
- **Upgrading of Hood Point Marine Discharge** - Upgrading of existing screening station, provision of primary sludge treatment facilities, and construction of a 1.4 km long deep-sea marine discharge outfall sewer.

Our **Transport Planning** working together with our **Roads and Stormwater** division continue to improve our Roads and Stormwater networks in order to ease traffic **congestions and improve mobility** within the City.

Our projects include:

- Rehabilitation and upgrading of approximately 7.8km of Settlers Way from the airport intersection to Pontoon Rd Robots. Rehabilitation of the existing road surface, construction of an additional lane of traffic in each direction, Construction of a kerb and gutter, stormwater drainage, sidewalks, public transport facilities and reconfiguration of the existing intersections.
- **Military Road** includes the rehabilitation and widening of approximately 2.2 km of Road between Settlers Way and Bank St, including turning lanes, kerbing, stormwater drainage, sidewalks, and intersection upgrades including the reconfiguration of intersections.
- **The Mdantsane Roads Upgrade** project is for the upgrade of existing gravel roads in Mdantsane to surfaced standards. It is a multi-year multi-phase project aimed at eradicating gravel roads in the residential area of Mdantsane. Phase 3 is complete.

Our **Human Settlements** directorate will continue with the development of new human settlements and **upgrading of informal settlements** to restore dignity to those that do not have shelter. In the financial year 2020/2021, the City had completed 468 top structures, 414 internal services and 1 714 beneficiaries were registered in the National Housing Needs Register (NHNR). This has a major impact on the programme of moving from dense & health hazardous informal settlements where there are currently sharing ablution facilities and further expose people to numerous opportunistic diseases. The relocation of people to individual serviced sites also helps in reduction of fire disasters that leave people destitute having lost lives and their belongings. It further creates space for construction of permanent houses in the areas where people were evacuated.

Our **Electricity and Energy** department provides formal electrification of 40-amps service connections to all RDP dwellings which is above the national minimum standard of 20-amps required by the Department of Energy. In respect of informal electrification, 900 informal dwellings have been electrified. In order to effectively reduce electricity losses and other effects of illegal connections, this program needs to increase in numbers. BCMM has a growing population of informal dwellings due to migration of people from rural areas in search of employment opportunities.

BCMM continues to investigate potential alternative sources of energy to ensure a more sustainable energy mix by 2030. Several sustainable energy initiatives have been planned for implementation by the municipality. Energy-efficient municipal operations will provide a way to cut running costs while reducing negative impact on the natural capital.

As part of the long-term plan on human capital development, the City continues to allocate funding for internship programmes and internal capacity building and bursaries for BCMM communities. The Directorate of Economic Development & Agencies is running various programmes in a bid to reduce unemployment and indigent rate in our City.

The economic slowdown has emphasized the need for further infrastructure investment especially in industrial and business districts in order to stimulate economic growth and employment generation.

The City is acutely aware of the need to create and maintain an attractive ambience through City beautification and good green deeds. Not only do these create employment but a clean green city is attractive to tourists and investors. It also adds towards improving the quality of life of our citizens. The City's partnership with the local business chambers, big corporates and Buffalo City Metropolitan Development Agency is in the right path towards achieving this. A lot of investment, awareness raising and education on the communities is still required to change the mindset and culture.

BCMM is focused on re-prioritising the budget, projects and resources where they are needed most and where they will have the most significant impact. The presented budget attests that BCMM is a City hard at work and will continue to build a stronger social compact with business, labour and communities to accelerate development in the 2022/2023 MTREF period.

Yours in Public Service,

Cllr Xola Pakati

BCMM Executive Mayor

1.2 COUNCIL RESOLUTIONS

On 30 March 2022 the Council of Buffalo City Metropolitan Municipality convenes to consider the Draft Revised 2022/2023 Integrated Development Plan (IDP), Draft 2022/2023 Medium Term Revenue and Expenditure Framework (MTREF) and Draft Built Environment Performance Plan (BEPP). It is recommended that the Council approves and adopts the following resolutions:

1. The Council of Buffalo City Metropolitan Municipality, acting in terms of Section 34 of the Municipal Systems Act, 32 of 2000 **approves** and **adopts** the Draft Revised 2022/2023 Integrated Development Plan (IDP).
2. The Council of Buffalo City Metropolitan Municipality, acting in terms of Division of Revenue Act (DoRA), **approves** and **adopts** the Draft 2022/2023 Built Environment Performance Plan (BEPP).
3. The Council of Buffalo City Metropolitan Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) **approves** and **adopts**:
 - 3.1. The Consolidated Draft Annual Budget of the municipality for the 2022/2023 MTREF and the multi-year and single-year capital appropriations as set out in the following tables:
 - 3.1.1. Budgeted Financial Performance (revenue and expenditure by functional classification) as contained on **{Table 19}**;
 - 3.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained on **{Table 20}**;
 - 3.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained on **{Table 21}**; and
 - 3.1.4. Multi-year and single-year capital appropriations by municipal vote and functional classification and associated funding by source as contained on **{Table 22}**.
 - 3.1.5. Financial Position as contained on **{Table 23}**;

- 3.1.6. Budgeted Cash Flows as contained on **{Table 24}**;
- 3.1.7. Reserves and accumulated surplus reconciliation as contained on **{Table 25}**;
- 3.1.8. Asset management as contained on **{Table 26}**; and
- 3.1.9. Basic service delivery measurement as contained on **{Table 27}**.

3.2. The Draft Annual Budget of the parent municipality for the 2022/2023 MTREF and the multi-year and single-year capital appropriations as set out in the following tables:

- 3.2.1. Budgeted Financial Performance (revenue and expenditure by functional classification) as contained on **{Table 95}**;
- 3.2.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained on **{Table 96}**;
- 3.2.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained on **{Table 97}**; and
- 3.2.4. Multi-year and single-year capital appropriations by municipal vote and functional classification and associated funding by source as contained on **{Table 98}**.
- 3.2.5. Budgeted Financial Position as contained on **{Table 99}**;
- 3.2.6. Budgeted Cash Flows as contained on **{Table 100}**;
- 3.2.7. Reserves and accumulated surplus reconciliation as contained on **{Table 101}**;
- 3.2.8. Asset management as contained on **{Table 102}**; and
- 3.2.9. Basic service delivery measurement as contained on **{Table 103}**.

3.3. The Draft Annual Budget of the municipal entity (BCMDA) for the 2022/2023 MTREF as set out in the following tables:

- 3.3.1. Budgeted Financial Performance (revenue by source and expenditure by type) as contained on **{Table 71}**;
- 3.3.2. Budgeted Financial Position as contained on **{Table 73}**;
- 3.3.3. Budgeted Cash Flows as contained on **{Table 74}**;

3.3.4. Budgeted Capital by asset class and Funding as contained on **{Table 72}**

4. The Council of Buffalo City Metropolitan Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **approves** and **adopts** tariffs (percentage increase) contained on **{Table 39}** effective from 1 July 2022:
 - 4.1. Property rates – as set out in Annexure F
 - 4.2. Electricity charges– as set out in Annexure F
 - 4.3. Water charges – as set out in Annexure F
 - 4.4. Sanitation services – as set out in Annexure F
 - 4.5. Solid waste services – as set out in Annexure F
 - 4.6. Other services as set out in Annexure F

5. To give proper effect to the Consolidated Draft Annual Budget, the Council of Buffalo City Metropolitan Municipality **approves**:
 - 5.1. That an indigent subsidy be granted to registered indigents in terms of Council's Indigent Policy.
 - 5.2. That an indigent consumer be given an average social subsidy package on his/her account per month, which includes a maximum of 50kwh for electricity and 6kl for water as contained on table 15.

6. The Buffalo City Metropolitan Municipality Council, **approves** and **adopts** the revised budget related policies:
 - 6.1. Supply Chain Management Policy – as set out in Annexure I
 - 6.2. Immovable Asset Policy – as set out in Annexure J
 - 6.3. Movable Asset Policy – as set out in Annexure K
 - 6.4. Budget Virement Policy – as set out in Annexure L
 - 6.5. Credit Control Policy – as set out in Annexure N
 - 6.6. Indigent Support Policy – as set out in Annexure O
 - 6.7. Long-Term Borrowing Policy – as set out in Annexure P
 - 6.8. Investment & Cash Management Policy – as set out in Annexure T

7. That Council **notes** the budget-related policies adopted in the previous financial years and where no amendments have been made after review, as listed in Section 2.4.1 of this report and are available on BCMM's website at www.buffalocity.gov.za .
8. That in terms of Section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium-term revenue and expenditure framework as set out in Supporting Table SA7 **{Table 34}** be **approved**.
9. That in terms of Section 24(2)(c)(iv) of the Municipal Finance Management Act, 56 2003, the Draft Integrated Development Plan be **approved**.
10. Council **notes** that the Consolidated Draft 2022/2023 MTREF Budget tabled for adoption is structured in terms of the Buffalo City Metropolitan Municipality votes and functions.
11. MFMA Circular 112 and 115 for the Draft 2022/2023 MTREF attached as Annexure W be **noted** by Council.

X. PAKATI
EXECUTIVE MAYOR
BUFFALO CITY METROPOLITAN MUNICIPALITY

1.3 EXECUTIVE SUMMARY

Our priorities as a City are framed by our 2030 Metro Growth and Development Plan. The coronavirus continues to place restrictions and uncertainty on our plans for economic recovery. Financial stability and sustainability remain a key focus for our 2022/2023 MTREF together with looking after the needs and inclusivity of all our residents.

The City has seen itself through two extremes of climate change. Whereas a year ago the region was facing a relentless drought, in January 2022 it witnessed a flash flood along its coastal region which saw unprecedented volumes of water infiltrating the City's infrastructure, causing damages to infrastructure and fatalities to the City's dwellers along the way. This resulted into dams filling up from 25 per cent total storage to above 50 per cent within a short space of time. The City saw itself finally able to ease punitive tariffs to consumers from stage 3 to stage 2, which will be a welcome relief to the pockets of consumers. The dams are slowly filling up and the situation of our raw water resources is monitored jointly with the Department of Water and Sanitation in the province.

Water and electricity losses remain unacceptably high. Electricity losses increased from 19.4 per cent in 2019/2020 to 22.8 per cent in 2020/2021 and water losses remained steady at 36.3 per cent in the same years. The impact that rural to urban migration has on electricity losses cannot be ignored. The increasing unemployment rate in rural communities leave those communities with no option but to look for employment in urban centres; Buffalo City is not immune from this. Electricity theft has increased over the past years and the areas that contribute mostly in electricity theft are the informal settlements. In order to address the above challenge, informal settlements are being electrified in suitable areas, to offer those living in these areas' legal connections.

The City believes that the smart meter intervention will bring a meaningful change in both water and electricity losses as smart meters allow early detection of spikes in consumption and meter tampering. Furthermore, the City wishes to investigate the piloting of prepaid water meters to its high-end users, and hopefully roll this new technology out to more water users in order to manage water wastage and enhance

revenue collection. This is being conceptualised at this stage and hopefully opportunities in this field will present win-win situations for both the City and its citizens.

Our economic recovery and investment plan include:

- Automotive consolidation and value chain localization (retain MBSA, build on ELIDZ supplier park, establish automotive incubator, shift to auto digital hub)
- Diversification towards a future fit economy (digital, green, agro-industry, creative economy, tourism)
- Inclusivity (township economy, small enterprise support, local procurement, incubator programmes, public employment programmes, future skills hub)
- Enabling infrastructure (port, roads, water and sanitation, digital)
- Investment retention and promotion (red-tape reduction, becoming the cheapest metro to do business by 2026, investment centre with automated property application process)
- Eco-system co-ordination and partnerships (leveraging rest of government and state through DDM, partnerships with Border Kei Business Chamber around Invest Buffalo City, Business Intelligence Desk)

The Revenue base has remained stagnant only increasing by the increase in the annual tariffs. In order for the City to grow there needs to be growth in the Revenue base from new investments and expansion of current investments. Revenue enhancement strategies to enhance the revenue base of the City include:

- Optimisation of investment property usage;
- Introduction of new revenue streams;
- Centralisation and automation of cash collection points;
- Densification of our City through development of vacant land parcels in line with the City's SDF.

In order to achieve the long-term financial stability, stronger controls within BCMM is critical and several interventions have already been implemented in a bid to achieve more accurate billing, revenue collection as well as reducing the backlog of queries. Increased

review and reconciliation are some of the internal control measures that are underway in order to provide reasonable steps to prevent or significantly reduce these instances. The City is strengthening financial management, driving operational efficiency and enforcing good governance and financial accountability.

The consolidated draft budget for the 2022/2023 MTREF period is R11.03 billion (2022/2023), R11.22 billion (2023/2024) and R11.29 billion (2024/2025) with the table below summarising the consolidated overview of the draft 2022/2023 MTREF Budget.

Table 1: Consolidated Overview of the Draft 2022/2023 MTREF Budget

DESCRIPTION	2021/2022 ADJUSTMENT BUDGET	2022/2023 DRAFT BUDGET	INCREASE OR (DECREASE) %	2023/2024 DRAFT BUDGET	2024/2025 DRAFT BUDGET
Total Operating Revenue	8 302 727 546	8 946 203 822	7,75	9 413 856 832	10 003 970 200
Total Operating Expenditure	8 300 360 632	8 944 989 376	7,77	9 412 744 645	10 002 833 536
Surplus/(Deficit) for the year	2 366 914	1 214 446		1 112 187	1 136 664
Total Capital Expenditure	1 827 549 883	2 085 362 240	14,11	1 810 183 298	1 286 461 225
Total Opex and Capex Budget	10 127 910 515	11 030 351 616		11 222 927 943	11 289 294 761

The following budget principles informed the compilation of the draft 2022/2023 MTREF:

- Consumer Price Inflation (CPI), 4.8% in 2022/2023, 4.4% in 2023/2024 and 4.5% in 2024/2025 financial year;
- High unemployment rate resulting in high bad debts, the revenue collection rate has been projected at 80.5% throughout the 2022/2023 MTREF period;
- The National Energy Regulator of South Africa (NERSA) has approved an increase of 9.61% in Electricity Bulk purchases, the same increase of 9.61% will be applied in electricity tariffs for 2022/2023 and 9% has been projected for the outer years;
- The guidance provided on MFMA Circular No. 115 as well as the existing Salary and Wage Collective Agreement has been followed in projecting salary and wage increases of 4.8% in 2022/2023, 4.4% in 2023/2024 and 4.5% in 2024/2025;

- e) Amatola Water Board has approved an increase in bulk water tariffs of 9.64% from 01 July 2022, therefore, the water service tariff increase is projected at 9.64% in 2022/2023 and an increase of 9% is projected for both 2023/2024 and 2024/2025.

Considering the above indicators, the City's consolidated operating revenue increased by 7.75% for the 2022/2023 financial year when compared to the 2021/2022 adjustment budget. The operating revenue increase is mainly attributable to tariff increases. For the two outer years, operational revenue will increase by 5.23% and 6.27% respectively.

The consolidated operating expenditure increase is 7.77% from 2021/2022 adjustment budget to the 2022/2023 budget year. The operating expenditure increase is mainly attributable to debt impairment, electricity bulk purchases and salary inflation increase.

BCMM is striving to budget for a surplus over the MTREF, with the intention of building cash reserves to increase investment in economic and social capital expenditure, thereby reducing reliance on grant funding. The funding mix of the capital budget is being optimised by increasing the borrowings.

1.4 OPERATING REVENUE FRAMEWORK

In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality which is critical in terms of achieving the City's service delivery and economic objectives. The reality is that the City is faced with development backlogs that emanate from the historical background. Furthermore, economic circumstances, such as increasing rates of unemployment and poverty impact the ability of households to pay their accounts.

The City will focus on ensuring that all billable revenue is correctly charged and adequately collected. Improved revenue generation allows for the City to deliver quality services and thereby improving quality of life of communities.

Cost containment measures are being implemented by the City in an effort to achieve operational efficiency and avoid budget deficit. The implementation of these initiatives over the MTREF period will ensure the financial sustainability of the municipality.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the City and continued economic development;
- Efficient revenue management, which aims to ensure an annual collection rate for property rates and other key service charges for the 2022/2023 financial year that is within the National Treasury acceptable norms;
- Implement electricity tariff increases that are in line with the National Electricity Regulator of South Africa (NERSA) Guidelines and approval;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- Perform regular Supplementary Valuations;
- Implementation of a General Valuation every four years in terms of the Municipal Property Rates Act;
- Implementation of an automated meter reading as opposed to a manual process where feasible;
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services;
- Creating a conducive environment to attract potential investors; and
- Review of the Spatial Development Framework to allow proper use and densification of land parcels.

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

Table 2: Summary revenue classified by revenue source

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source									
Property rates	1 295 503	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue	1 739 494	1 838 105	1 948 603	2 367 669	2 372 338	2 372 338	2 600 320	2 834 348	3 089 440
Service charges - water revenue	503 580	709 744	1 214 597	795 708	795 708	795 708	872 414	950 932	1 036 515
Service charges - sanitation revenue	328 923	377 249	420 119	447 060	447 060	447 060	468 519	489 134	511 145
Service charges - refuse revenue	251 916	335 843	354 026	367 954	367 954	367 954	385 616	402 583	420 699
Rental of facilities and equipment	20 704	22 652	24 222	20 959	20 959	20 959	21 965	22 932	23 964
Interest earned - external investments	98 251	70 650	40 801	36 490	30 654	30 654	30 876	31 206	31 505
Interest earned - outstanding debtors	67 093	122 587	119 421	109 696	115 696	115 696	121 249	126 584	132 280
Fines, penalties and forfeits	24 938	10 864	16 659	21 407	21 407	21 407	22 435	23 422	24 476
Licences and permits	14 300	12 587	12 411	18 835	18 835	18 835	19 739	20 607	21 535
Agency services	26 198	23 428	25 112	43 070	44 746	44 746	44 713	44 187	44 670
Transfers and subsidies	918 696	987 005	1 202 782	1 301 395	1 370 113	1 370 113	1 447 763	1 438 067	1 479 210
Other revenue	746 286	586 635	747 756	869 105	862 493	862 493	952 379	985 478	1 052 157
Gains	-	4 254	34 411	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	6 035 884	6 569 003	7 750 334	8 234 112	8 302 728	8 302 728	8 946 204	9 413 857	10 003 970

Table 3 below reflect the percentage growth for each revenue source over the MTREF period.

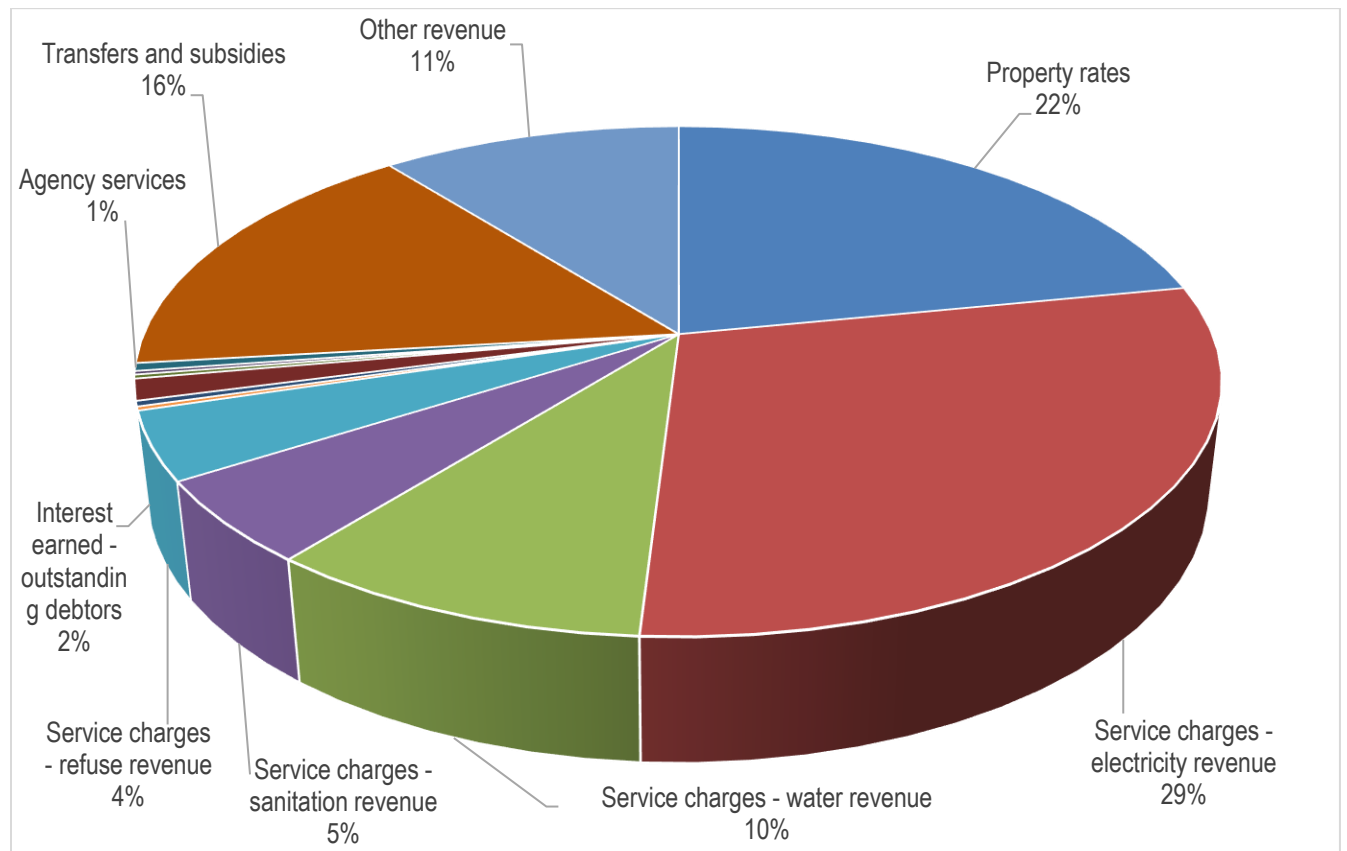
Table 3: Percentage growth in revenue by main revenue source

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework								
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	%	%	Budget Year +1 2023/24	%	%	Budget Year +2 2024/25	%	%
Revenue By Source															
Property rates	1 295 503	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 958 216	4,80	22%	2 044 378	4,40	22%	2 136 375	4,50	21%
Service charges - electricity revenue	1 739 494	1 838 105	1 948 603	2 367 669	2 372 338	2 372 338	2 600 320	9,61	29%	2 834 348	9,00	30%	3 089 440	9,00	31%
Service charges - water revenue	503 580	709 744	1 214 597	795 708	795 708	795 708	872 414	9,64	10%	950 932	9,00	10%	1 036 515	9,00	10%
Service charges - sanitation revenue	328 923	377 249	420 119	447 060	447 060	447 060	468 519	4,80	5%	489 134	4,40	5%	511 145	4,50	5%
Service charges - refuse revenue	251 916	335 843	354 026	367 954	367 954	367 954	385 616	4,80	4%	402 583	4,40	4%	420 699	4,50	4%
Rental of facilities and equipment	20 704	22 652	24 222	20 959	20 959	20 959	21 965	4,80	0%	22 932	4,40	0%	23 964	4,50	0%
Interest earned - external investments	98 251	70 650	40 801	36 490	30 654	30 654	30 876	0,72	0%	31 206	1,07	0%	31 505	0,96	0%
Interest earned - outstanding debtors	67 093	122 587	119 421	109 696	115 696	115 696	121 249	4,80	2%	126 584	4,40	1%	132 280	4,50	1%
Fines, penalties and forfeits	24 938	10 864	16 659	21 407	21 407	21 407	22 435	4,80	0%	23 422	4,40	0%	24 476	4,50	0%
Licences and permits	14 300	12 587	12 411	18 835	18 835	18 835	19 739	4,80	0%	20 607	4,40	0%	21 535	4,50	0%
Agency services	26 198	23 428	25 112	43 070	44 746	44 746	44 713	-0,07	1%	44 187	-1,18	0%	44 670	1,09	0%
Transfers and subsidies	918 696	987 005	1 202 782	1 301 395	1 370 113	1 370 113	1 447 763	5,67	16%	1 438 067	-0,67	15%	1 479 210	2,86	15%
Other revenue	746 286	586 635	747 756	869 105	862 493	862 493	952 379	10,42	11%	985 478	3,48	10%	1 052 157	6,77	11%
Gains	-	4 254	34 411	-	-	-	-	-	0%	-	-	0%	-	-	0%
Total Revenue (excluding capital transfers and contributions)	6 035 884	6 569 003	7 750 334	8 234 112	8 302 728	8 302 728	8 946 204	7,75	100%	9 413 857	5,23	100%	10 003 970	6,27	100%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement.

The following graph gives a breakdown of the main revenue categories for the 2022/2023 financial year:

Figure 1: Main Operating Revenue categories for the 2022/2023 financial year



In 2022/2023 the City's own revenue generated property rates and service charges is 70% of the total revenue totalling to R6.28 billion, slightly increases to 71% (R6.72 billion) and 72% (R7.19 billion) in 2023/2024 and 2024/2025 financial years respectively.

Electricity service remains the largest contributor to the total revenue mix as it contributes 29% of revenue in the 2022/2023 financial year. Electricity revenue increases from R2.60

billion in 2022/2023 to R2.83 billion and R3.09 billion respectively in the two outer years of the 2022/2023 MTREF period.

Property rates are the second largest own revenue source with 22% contribution in the 2022/2023 financial year. Property rates increases from R1.96 billion in 2022/2023 to R2.04 billion and R2.14 billion respectively in the two outer years of the 2022/2023 MTREF period.

The revenue for water services is increasing from R0.872 billion in 2022/2023 to R0.951 billion in 2023/2024 and further increases to R1.04 billion in 2024/2025 financial year.

Transfers and subsidies (Transfers recognised - operational) contribute 16% to the operating revenue in the 2022/2023 financial year. Transfers and subsidies totals R1.45 billion in the 2022/2023 financial year and slightly increases to R1.48 billion by 2024/2025. This revenue component reflects a slight increase over the MTREF as a result of reduction in allocations by Provincial and National Government.

The following table gives a breakdown of the various operating grants and subsidies allocated to the Metro over the 2022/2023 MTREF period.

Table 4: Table SA18 - Operating Transfers and Grant Receipts

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:									
Operating Transfers and Grants									
National Government:	889 343	950 255	1 179 103	1 007 225	1 036 960	1 036 960	1 167 696	1 248 095	1 308 228
Local Government Equitable Share	778 048	847 431	1 053 614	936 811	936 811	936 811	1 045 448	1 118 513	1 196 538
Expanded Public Works Programme Integrated Grant	4 050	9 956	8 449	7 300	7 300	7 300	10 728	–	–
Infrastructure Skills Development Grant	9 587	7 097	7 173	10 500	10 350	10 350	11 600	11 850	13 350
Local Government Financial Management Grant	1 086	940	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Metro Informal Settlement partnership grant	–	–	–	6 873	8 300	8 300	19 359	15 908	17 168
Neighbourhood Development Partnership Grant	–	–	–	–	19 617	19 617	21 000	21 000	–
Programme & Project Preparation Support Grant	–	–	–	–	8 941	8 941	13 776	14 383	13 934
Urban Settlement Development Grant	93 164	82 355	108 134	–	44 641	44 641	44 785	65 441	66 238
Public Transport Network Grant	3 407	2 476	733	44 741	–	–	–	–	–
Provincial Government:	25 371	15 870	16 873	114 952	195 430	195 430	115 983	115 983	116 696
Library Service	15 870	15 870	15 870	15 870	15 870	15 870	15 870	15 870	16 583
Capacity Building	752	–	–	–	–	–	–	–	–
Office of the Premier	–	–	1 003	–	–	–	–	–	–
Emergency Housing Grant	8 749	–	–	–	–	–	–	–	–
Human Settlement Development	–	–	–	99 082	179 560	179 560	100 113	100 113	100 113
District Municipality:	–	–	–	–	–	–	–	–	–
<i>Programme & Project Preparation Support Grant</i>	–	–	–	–	–	–	–	–	–
Other grant providers:	3 982	20 880	92 321	164 819	137 723	137 723	164 085	73 990	54 286
<i>European Union</i>	–	–	2 569	30 960	15 505	15 505	31 598	–	–
<i>Local Government Water and Related Service SETA</i>	3 572	–	2 929	–	–	–	–	–	–
<i>Salaida / Gavle</i>	410	74	442	–	381	381	–	–	–
<i>City of Oldenburg</i>	–	–	–	–	–	–	–	–	–
<i>Other operational transfers/grants</i>	–	20 806	–	–	–	–	–	–	–
<i>OTHER - BCMDA</i>	–	–	86 381	133 859	121 837	121 837	132 487	73 990	54 286
Total Operating Transfers and Grants	918 696	987 005	1 288 298	1 286 996	1 370 113	1 370 113	1 447 764	1 438 068	1 479 210
Capital Transfers and Grants									
National Government:	1 120 289	1 102 789	1 173 080	733 699	736 196	736 196	733 875	750 972	795 828
Energy Efficiency and Demand Side Management Grant	–	–	–	–	9 000	9 000	–	–	–
Integrated City Development Grant	10 002	10 382	2 887	–	–	–	–	–	–
Integrated National Electrification Programme Grant	5 213	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant	–	–	–	–	150	150	150	150	150
Metro Informal Settlements Partnership Grant	–	–	–	259 385	257 958	257 958	262 763	278 648	290 617
Neighbourhood Development Partnership Grant	5 993	1 945	9 981	9 000	13 536	13 536	19 581	19 581	30 000
Public Transport Network Grant	136 091	156 095	78 217	–	–	–	–	–	–
Rural Road Asset Management Systems Grant	–	–	–	10 350	487	487	–	–	–
Urban Settlement Development Grant	962 990	934 367	1 081 995	454 964	455 064	455 064	451 381	452 593	475 061
Provincial Government:	–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
Other grant providers:	–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	1 120 289	1 102 789	1 173 080	733 699	736 196	736 196	733 875	750 972	795 828
TOTAL RECEIPTS OF TRANSFERS & GRANTS	2 038 985	2 089 794	2 461 378	2 020 695	2 106 309	2 106 309	2 181 639	2 189 040	2 275 038

Breakdown of major components for the 2022/2023 Revenue Sources:

1.4.1 Property Rates

Property rates are a major source of revenue income for the City and contribute to cover the cost of the provision of general services. The property rates are to be levied in accordance with Council policies, the Local Government Municipal Property Rates Act 2004 (MPRA), the MPRA Regulations, the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003.

Property rates are based on values indicated in the General Valuation (GV) Roll 2017, which was implemented from 01 July 2018 and is valid up until 30 June 2022. BCMM applied for an extension of the validity of the valuation roll to five (5) financial years in terms of section 32 (2)(b)(i) of the Municipal Property Rates Act (MPRA). The application for extension was approved and therefore the current roll is valid up until 30 June 2023. The valuation roll is being updated for properties affected by land sub-divisions, alterations to buildings, demolitions and improvements through Supplementary Valuations (SV). Accordingly, the rates levied per individual property will depend on that property's value compared with the valuation of all the rate-able properties in the municipal area. Rebates and concessions are granted to certain categories of property usage and/or property owner.

The Local Government: Municipal Property Rates Amendment Act 29 of 2014 amended the principal Act (MPRA 6 of 2004). In terms of Section 8(2) of the amendment Act, a municipality must determine the following categories of rateable property, provided that such property category exists within the municipal jurisdiction:

- a. Residential properties
- b. Industrial properties
- c. Business and Commercial properties
- d. Agricultural properties
- e. Mining properties
- f. Properties owned by an organ of state and used for public service purpose

- g. Public service infrastructure properties
- h. Properties owned by public benefit organisations and used for specified public benefit activities
- i. Properties used for multiple purposes, subject to Section 9; or
- j. Any other category of property, including vacant land as may be determined by the Minister, with the concurrence of the Minister of Finance, by notice in the Gazette

The following stipulations in the Property Rates Policy are highlighted:

- i. The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- ii. For pensioners, physically and mentally disabled persons including medically boarded persons, a rebate of up to 100% will be granted to owners of rate-able property according to their income levels if the total gross income of the applicant and/or his/her spouse, if any, does not exceed R15 000 per month. In this regard the following stipulations are relevant:
 - a. The rateable property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - b. The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, a letter from SASSA confirming that the individual received disability grant, proof also proof of the annual income from a social pension;
 - c. The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - d. The property must be categorized as residential.
- iii. The Municipality may award a 100% rebate on the assessment rates of rateable properties of certain classes of Public benefit organisations and not for gain institutions such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply annually to the Chief Financial Officer in the prescribed format for such a rebate.

The categories of rateable properties for purposes of levying rates and the proposed rates tariffs for the 2022/2023 financial year increase by 4.8% (4.4% increase in 2023/2024 and 4.5% increase in 2024/2025) as indicated by the table below:

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

CATEGORY	Existing tariff (from 1 July 2021)	New tariff (from 1 July 2022)
	Cents	Cents
Residential Property (incl. farms or smallholdings used for Residential purposes)	0,013615	0,014269
Agricultural Property (used for Bona-fide Farming)	0,003404	0,003567
Public Service Infrastructure	0,003404	0,003567
Business, Commercial & Industrial Property (incl. farms used for Game- / Eco Tourism)	0,034038	0,035672
Mining / Quarry Property	0,034038	0,035672
Vacant Land	0,040846	0,042806
Public Benefit Organisations	0,003404	0,003567
Public Service Purposes	0,021785	0,022831

1.4.2 Sale of Water and Impact of Tariff Increases

An analysis was undertaken to determine what tariff requirements would be needed to achieve a break-even position. The affordability of consumers' needs to be taken into consideration in order to limit a significant annual impact. The analysis should also assess if the tariff is cost reflective. This analysis suggests an impact of 9.64% increase in 2022/2023 financial year, and the main cost driver is above the CPI increase that is charged by Amatola Water Board on bulk purchases. For the two outer years, the proposed increase is 9%. It needs to further be recognised that the institution purchases most of its untreated water from the Amatola Water Board. The tariff increases address essential operational requirements, maintenance of existing infrastructure, new infrastructure provision and to ensure the financial sustainability of the service.

The water tariff structure of the 2022/2023 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption at a higher rate, steadily

increasing to a rate of R42.8258 per kilolitre for consumption in excess of 30kℓ per 30-day period from a rate of R20.3264 for the consumption that does not exceed 6kl per 30-day period (refer to table 6 below). Amatola Water has proposed an increase of 9.64% in its bulk water tariffs from 01 July 2022. The 6 kℓ water per 30-day period will again be granted free of charge to all indigent residents.

There continues to be ongoing concerns with regard to water:

- i. The City's water quality was at the helm of the local papers and radio shortly after the flash floods. The City was able to adequately address the challenge of water turbidity and was able to assure its citizens as soon as the water became SANS 241 compliant again and is safe to drink.
- ii. Water losses continue to be high. The primary reason for this is vandalism of infrastructure by criminals looking for copper to sell, and secondarily, a combination of the ageing infrastructure, illegal connections, illegal car washes across all informal areas, indigent consumers using water in excess of that allowed for in the Indigent Policy.
- iii. An analysis of the Amatola Water Board costs suggests the majority are salary related which the Municipality is funding in duplicate through direct costs of individuals employed by the City and then through the tariff paid to Amatola Water Board.
- iv. The fact that BCMM is having a high number of rural areas has a negative impact to the water service as no revenue is generated on water supplied to rural areas and informal settlements.

South Africa faces similar challenges with regard to water supply as it does with electricity, since demand growth outstrips supply. The drought that is currently experienced by the country is negatively affecting the cost of providing water service. National Treasury has always been encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

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

The City is implementing the following projects to reduce water losses:

- i. Pipe and water meter replacement programme is implemented to reduce water losses that are due to ageing infrastructure, which frequently bursts.
- ii. Installation of bulk water meters on communal standpipes, ablution blocks, reservoir supply zone, flat rated areas to account for all the water that is provided free of charge, non-metering of this water is often construed as physical water losses.
- iii. Installation of pressure reducing valves helps to reduce the number of pipe bursts and the volume of water lost when there is a break down
- v. Conducting feasibility studies aimed at digitising its water network from uMzonyana Water Treatment Plant by installing the latest available technologies in telemetry. This will extend to other areas of the Metro on advice of this study.
- iv. Installation of data loggers is used for monitor night flows, which is an indicator of water leaks in a particular supply zone.
- v. Indigent leak repair programme, indigent consumers with high consumptions are identified and assisted with internal repairs to reduce water losses. Consumers are also encouraged to use low volume toilet or waterless and composting toilets.
- vi. Water loss awareness campaigns is done in order to educate communities about water saving and helps to reduce vandalism of water infrastructure.

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

Table 6: Proposed water tariffs

CATEGORY	CURRENT TARIFFS 2021/2022 Rand per kℓ	NEW TARIFFS 2022/2023 Rand per kℓ
RESIDENTIAL		
0 to 6 kℓ per 30-day period (Indigent)	0,0000	0,0000
0 to 6 kℓ per 30-day period (Non-Indigent)	18,5393	20,3264
7 to 10 kℓ per 30-day period	18,9028	20,7250
11 to 20 kℓ per 30-day period	26,2535	28,7844
21 to 30 kℓ per 30-day period	34,0324	37,3131
More than 30 kℓ per 30-day period:	42,7087	46,8258
NON-RESIDENTIAL		
From the 1 st kℓ per 30-day period	29,8928	32,7745

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

Table 7: Comparison between current water charges and increases (Domestic)

Monthly Consumption kℓ	Current amount Payable R	New amount payable R	Difference (Increase) R	% change
10	186,85	204,86	18,01	9,64%
20	449,38	492,70	43,32	9,64%
30	789,71	865,83	76,13	9,64%
50	1 643,88	1 802,35	158,47	9,64%
75	2 711,60	2 973,00	261,40	9,64%
100	3 779,32	4 143,64	364,33	9,64%

1.4.3 Sale of Electricity and Impact of Tariff Increases

For purposes of the MTREF Budget, the electricity tariff structure has been left unchanged. The City is still in the process of investigating the implementation of change in the electricity tariff structure through the National Treasury guidelines for possible

implementation of stepped tariff. The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the City. Most of the suburbs and inner-city reticulation network was designed or strengthened in the early 1980's with an expected 20-25-year life-expectancy. The upgrading of the City's electricity network has therefore become a strategic priority, especially the substations and transmission lines. NERSA issued a guideline to all municipalities detailing the increase of bulk purchases and approved tariff increase that the municipalities must apply which is to be effective from 1 July 2022.

The approved increase as communicated in the NERSA guideline is 9.61% for bulk purchases and the Metro is applying the same increase for electricity tariff in the 2022/2023 financial year. Registered indigents will again in the 2022/2023 MTREF be subsidized for the first 50 kWh per 30-day period free of charge, while the discounted Life-Line tariff for the second 50 kWh per 30-day period is available to all registered indigents and pensioners. The budget for the Electricity Division can only be utilised for certain committed upgrading projects and to strengthen critical infrastructure (e.g. substations without back-up supply).

Table 8: Comparison between current electricity charges and increases (Domestic)

Monthly Consumption	Current amount Payable	New amount payable	Difference (Increase)	% change
kWh	R	R	R	
100	233,55	255,99	22,44	9,61%
250	583,86	639,97	56,11	9,61%
500	1 167,73	1 279,95	112,22	9,61%
750	1 751,59	1 919,92	168,33	9,61%
1,000	2 335,46	2 559,90	224,44	9,61%
2,000	4 670,92	5 119,79	448,88	9,61%

1.4.4 Sanitation and Impact of Tariff Increases

The tariff will increase by 4.8% for sanitation from 1 July 2022. The sanitation charges are calculated according to the relative size of the erf on which the property is located for domestic consumers, for business consumers the tariff also consider the number of pans that are in the property structure.

Tariff increases are required to ensure the financial sustainability of the service. Ageing infrastructure is expected to impact on the amount of maintenance expenditure required. The input costs associated with salaries are proposed to increase by 4.8%.

The expansion of the City through continued investment in new infrastructure for future demand places additional pressure on the existing customer base in order to allow for the replacement of the infrastructure in the future. It is imperative that expansion be adequately planned to allow for maximum connection of new customers and reduced impact on tariffs in the long run.

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

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

Category	Current amount Payable	New amount Payable	Difference (Increase)	% change
	R	R	R	
Erf: 0 – 300m ²	1 224,35	1 283,48	59,13	4,8%
Erf: 301 – 400m ²	1 945,22	2 038,26	93,04	4,8%
Flat: Complex	3 084,35	3 232,17	147,83	4,8%
Flat: Ordinary	3 407,83	3 571,30	163,48	4,8%
Flat: Semi	3 407,83	3 571,30	163,48	4,8%
Cluster/Town Houses	4 218,26	4 420,87	202,61	4,8%
Erf: 401 – 800m ²	5 068,70	5 312,17	243,48	4,8%
Erf: 801 – 1200m ²	5 468,70	5 731,30	262,61	4,8%
Erf: > 1200m ²	5 959,13	6 245,22	286,09	4,8%

1.4.5 Refuse Removal and Impact of Tariff Increases

It is widely accepted that the rendering of this service should at least break even, which continues to prove difficult to achieve considering affordability for consumers. The Solid Waste tariffs are levied to recover amongst other costs of services provided directly to customers and include refuse collection fees, disposal fees, weighbridge fees and other ad hoc services.

Efficiencies of staff performing the function continue to be a contributing factor as there is an increase in the cost of remuneration however this does not appear to be converting to refuse collection efficiencies. There has been a greater focus by management in an attempt to improve staff management and create efficiencies in this process. There is further investigation to develop a transfer station(s) to reduce the costs of running the transport fleet. An increase of 4.8% in the refuse removal tariff is proposed from 01 July 2022. For the two outer years, the proposed increase is 4.4% and 4.5% respectively. The following table compares current and proposed amounts payable from 01 July 2022:

Table 10: Comparison between current refuse removal fees and increases

Category	Current amount Payable R	New amount Payable R	Difference (Increase) R	% Change
85ℓ Bins – Twice weekly	647,83	679,13	31,30	4,8%
240ℓ Bins – Once weekly	913,04	956,52	43,48	4,8%
240ℓ Bins – Twice weekly	1 823,48	1 911,30	87,83	4,8%
420ℓ Bins – Once weekly	1 594,78	1 671,30	76,52	4,8%
420ℓ Bins – Twice weekly	3 185,22	3 338,26	153,04	4,8%
1.1m ³ Sprico – Once weekly	1 093,91	1 146,09	52,17	4,8%
1.1m ³ Sprico – Twice weekly	2 179,13	2 283,48	104,35	4,8%
1.1m ³ Sprico – Three x a week	3 273,91	3 431,30	157,39	4,8%
1.1m ³ Sprico – Four x a week	4 357,39	4 566,96	209,57	4,8%
1.1m ³ Sprico – Five x a week	5 446,96	5 708,70	261,74	4,8%

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services. The categories of rateable properties for purposes of levying rates and the proposed rates for the 2022/2023 financial year is based on the market value, the impact of increase in market value is contained below:

Table 11: SA14 – Household bills

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23 % incr.	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Rand/cent										
<u>Monthly Account for Household - 'Middle Income Range'</u>										
Rates and services charges:										
Property rates	621,81	677,78	735,41	794,24	794,24	794,24	4,8%	832,36	868,99	908,09
Electricity : Basic levy	–	–	–	–	–	–	–	–	–	–
Electricity : Consumption	1 800,80	1 948,50	2 106,33	2 335,46	2 335,46	2 335,46	9,6%	2 559,90	2 790,29	3 041,41
Water: Basic levy	–	–	–	–	–	–	–	–	–	–
Water: Consumption	605,90	662,85	723,84	789,71	789,71	789,71	9,6%	865,83	943,76	1 028,70
Sanitation	323,17	352,26	385,37	422,39	422,39	422,39	4,8%	442,66	462,14	482,94
Refuse removal	202,63	220,87	264,35	286,96	286,96	286,96	4,8%	300,73	313,97	328,09
Other	42,98	46,96	55,65	60,00	60,00	60,00	4,8%	62,88	65,65	68,60
sub-total	3 597,29	3 909,22	4 270,94	4 688,76	4 688,76	4 688,76	8,0%	5 064,37	5 444,79	5 857,84
VAT on Services	446,32	484,72	530,33	584,18	584,18	584,18	4,8%	634,80	686,37	742,46
Total large household bill:	4 043,61	4 393,93	4 801,27	5 272,93	5 272,93	5 272,93	8,1%	5 699,18	6 131,16	6 600,30
% increase/-decrease		8,7%	9,3%	9,8%	–	–	8,1%	7,6%	7,7%	
<u>Monthly Account for Household - 'Affordable Range'</u>										
Rates and services charges:										
Property rates	444,15	484,13	525,29	567,29	567,29	567,29	4,8%	594,52	620,68	648,61
Electricity : Basic levy	–	–	–	–	–	–	–	–	–	–
Electricity : Consumption	900,40	974,25	1 053,16	1 167,73	1 167,73	1 167,73	9,6%	1 279,95	1 395,14	1 520,71
Water: Basic levy	–	–	–	–	–	–	–	–	–	–
Water: Consumption	475,34	520,03	567,87	619,54	619,54	619,54	9,6%	679,27	740,40	807,04
Sanitation	115,00	125,35	137,13	162,10	162,10	162,10	4,8%	169,88	177,36	185,34
Refuse removal	202,63	220,87	264,35	286,96	286,96	286,96	4,8%	300,73	313,97	328,09
Other	42,98	46,96	55,65	60,00	60,00	60,00	4,8%	62,88	65,65	68,60
sub-total	2 180,51	2 371,58	2 603,46	2 863,62	2 863,62	2 863,62	7,8%	3 087,23	3 313,19	3 558,39
VAT on Services	260,45	283,12	311,72	344,45	344,45	344,45	4,8%	373,91	403,88	436,47
Total small household bill:	2 440,96	2 654,70	2 915,18	3 208,07	3 208,07	3 208,07	7,9%	3 461,14	3 717,07	3 994,85
% increase/-decrease		8,8%	9,8%	10,0%	–	–	7,9%	7,4%	7,5%	
<u>Monthly Account for Household - 'Indigent Household receiving free basic services'</u>										
Rates and services charges:										
Property rates	266,49	290,48	315,18	135,89	135,89	135,89	4,8%	142,41	148,68	155,37
Electricity : Basic levy	–	–	–	–	–	–	–	–	–	–
Electricity : Consumption	64,17	70,77	76,50	86,14	86,14	86,14	9,6%	94,42	102,92	112,18
Water: Basic levy	–	–	–	–	–	–	–	–	–	–
Water: Consumption	85,35	93,37	101,96	111,24	111,24	111,24	9,6%	121,96	132,93	144,90
Sanitation	105,07	114,53	86,16	102,03	102,03	102,03	4,8%	106,93	111,63	116,66
Refuse removal	202,63	220,87	264,35	286,96	286,96	286,96	4,8%	300,73	313,97	328,09
Other	42,98	46,96	55,65	60,00	60,00	60,00	4,8%	62,88	65,65	68,60
sub-total	766,68	836,97	899,79	782,26	782,26	782,26	6,0%	829,33	875,77	925,80
VAT on Services	75,03	81,97	87,69	96,95	96,95	96,95	4,8%	103,04	109,06	115,56
Total small household bill:	841,71	918,94	987,49	879,21	879,21	879,21	6,0%	932,37	984,84	1 041,36
% increase/-decrease		9,2%	7,5%	(11,0%)	–	–	6,0%	5,6%	5,7%	

1.5 OPERATING EXPENDITURE FRAMEWORK

The City's expenditure framework for the draft 2022/2023 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Funding allocation made for depreciation renewal and upgrading of existing assets;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of no project plan no budget. If there is no business plan no funding allocation can be made.

The draft 2022/2023 MTREF has also been developed along with the following principles namely cost containment, wasteful expenditure elimination, and reprioritised spending. The operating expenditure equates to R8.94 billion in the 2022/2023 financial year and escalates to R10 billion in the 2024/2025 financial year. Total operating expenditure has increased by 7.77% against the 2021/2022 Adjustments Budget.

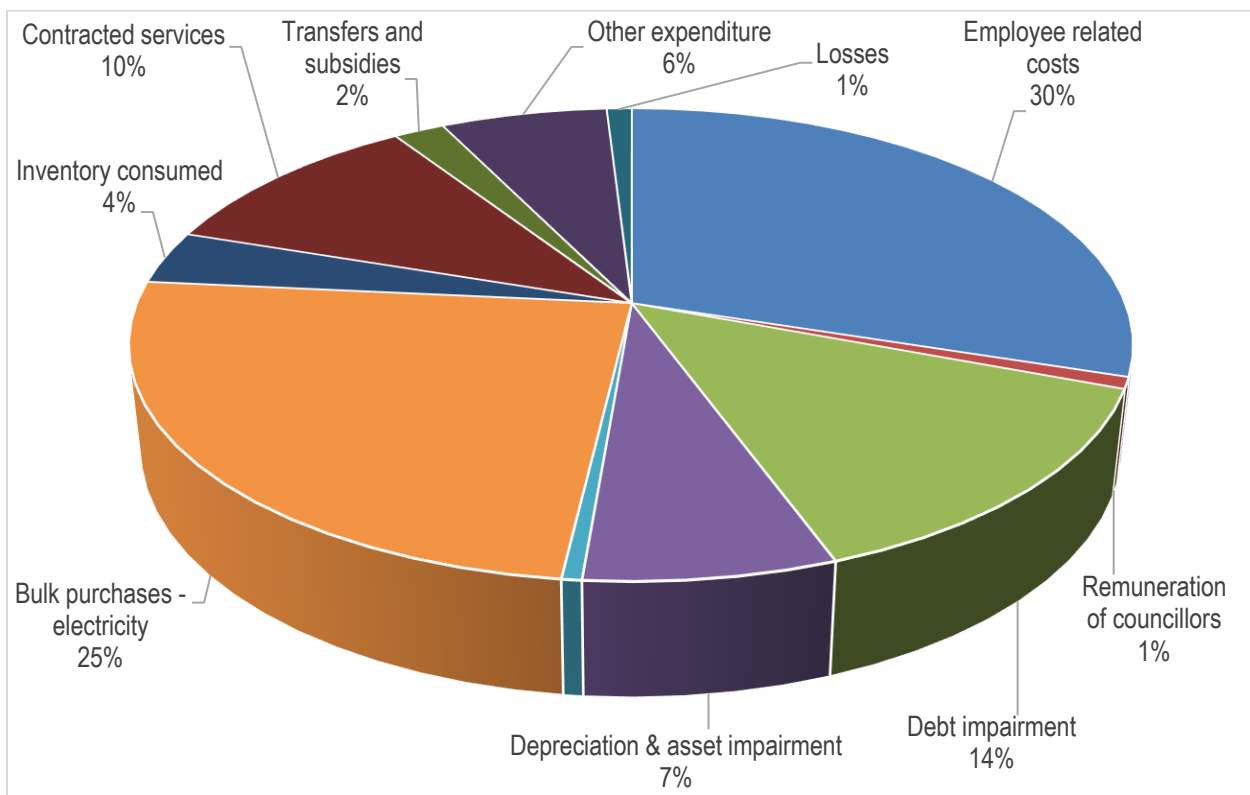
The following table is a high-level summary of the operating expenditure budget of the draft 2022/2023 MTREF (classified per main type of operating expenditure):

Table 12: Table A4 - Summary of operating expenditure classification by type

Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Expenditure By Type									
Employee related costs	2 031 924	2 206 010	2 472 782	2 536 210	2 560 136	2 560 136	2 677 479	2 796 845	2 922 276
Remuneration of councillors	62 316	64 687	63 813	76 550	67 045	67 045	70 263	73 354	76 655
Debt impairment	373 183	601 842	926 950	871 973	966 894	966 894	1 225 592	1 310 668	1 402 864
Depreciation & asset impairment	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	617 397	644 445	731 545
Finance charges	38 467	32 564	25 757	59 936	23 235	23 235	49 361	153 640	161 565
Bulk purchases - electricity	1 395 329	1 528 586	1 631 905	2 010 261	2 010 261	2 010 261	2 203 447	2 401 757	2 617 915
Inventory consumed	320 137	339 555	284 440	436 115	397 212	397 212	325 089	343 571	368 242
Contracted services	-	682 052	626 011	901 377	934 012	934 012	950 918	879 559	891 838
Transfers and subsidies	77 040	131 019	104 708	161 059	147 983	147 983	173 246	143 688	138 255
Other expenditure	1 125 127	466 217	583 103	529 092	544 264	544 264	566 783	571 820	589 694
Losses	46 325	13 683	22 200	-	-	-	85 417	93 399	101 984
Total Expenditure	6 765 484	7 776 276	8 142 456	8 231 745	8 300 361	8 300 361	8 944 989	9 412 745	10 002 834

The following figure gives a breakdown of the main expenditure categories for the draft 2022/2023 financial year:

Figure 2: Main operational expenditure categories for the 2022/2023 financial year



Employee Costs equates to 29.9% of the total operating expenditure. Though this percentage is within the norm of 25% to 40% as per MFMA Circular 71 guideline, the budget allocation to fund unfunded posts has been put on hold up until the City's revenue base can reflect improvement. The existing Salary and Wage Collective Agreement has been followed in projecting employee costs increases of 4.8% in 2022/2023, 4.4% in 2023/2024 and 4.5% in 2024/2025.

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

The **provision of debt impairment** has been determined based on an annual collection rate of 80.5% over the MTREF. For the 2022/2023 financial year this amounts to R1.23 billion, it increases to R1.31 billion in 2023/2024 and further increases to R1.40 billion in the 2024/2025 financial year. While this expenditure is considered to be a non-cash flow item, it informs the total cost associated with non-payment of municipal bills by consumers as informed by past trends and current economic conditions. Municipalities have been impacted negatively due to a loss of revenue streams as businesses, households and communities reel from the economic fallout caused by COVID-19.

Provision for depreciation and asset impairment is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R617 million for the 2022//2023 financial year and equates to 7% of the total operating expenditure. Infrastructure assets are by far the most significant value of the Statement of Financial Position of the institution and is where the most significant amount of the institutions resources is expended. All new infrastructure commitments are made in line with the Metro Growth and Development Strategy.

The City has adopted the revaluation accounting approach for all infrastructure assets to ensure the future viability of the institution by allowing for the future replacement of these

significant long-term assets. The above figure relates to the cost component of the depreciation. Inclusion of the revaluation component cost would result to high and unaffordable tariffs and or deficit budget.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.5% (R49 million) of operating expenditure excluding annual redemption for 2022/2023.

Electricity bulk purchases equate to 25% of total operating expenditure and is directly informed by the purchase of electricity from Eskom and from consumer behaviour. The annual price increase has been factored into the budget appropriations and directly inform the revenue provisions. The expenditure includes distribution losses.

Inventory consumed equates to 4% of total operating expenditure, this includes water inventory consumed.

Contracted services equate to 11% of the total operating budget, this includes provisions for repairs and maintenance. Additional information on repairs and maintenance is detailed under section 1.5.1 below.

Other expenditure comprises of various line items relating to the daily operations of the municipality. In order to comply with the provisions of MFMA Circular 112 and 115 guiding principles as issued by National Treasury, the institution undertook a line by line analysis of expenditure in an attempt to improve efficiencies.

1.5.1 Repairs and Maintenance

Aligned to the priority being given to preserving and maintaining the City's current infrastructure, the draft 2022/2023 MTREF provides for extensive growth in the asset maintenance area as informed by the City's asset renewal strategy and repairs & maintenance plan.

Repairs and maintenance budget is currently 5% of the total Operating Expenditure Budget. The City is striving towards a 10% repairs and maintenance of its total operating

budget owing to the ageing of the City's infrastructure and historic deferred maintenance. The City has embarked on a programme to replace existing infrastructure assets which have almost reached and/or exceeded their useful lives and will be funded from own funds.

An amount of R1.39 billion has been provided for repairs and maintenance over the 2022/2023 MTREF. Expenditure levels are projected at R444 million in 2022/2023 escalating to R490 million by 2024/2025. It should however be noted that this figure is mainly contracted component of the repairs and maintenance work. The salaries component of the repairs and maintenance work that is undertaken by internal staff is not included under this expenditure type but under employee related costs. This should also be noted that the City is complementing its repairs and maintenance program with the capital expenditure program of renewing existing assets. Table 14 below breaks down repairs and maintenance by asset type.

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 13: Operational repairs and maintenance

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Repairs and Maintenance										
Employee related costs										
Inventory Consumed (Project Maintenance)	652	372	320	16 241	16 897	16 897	16 897	17 150	17 493	18 893
Contracted Services	391 666	382 176	384 200	379 420	385 363	385 363	385 363	414 905	423 205	457 059
Other Expenditure	-	-	-	12 290	12 290	12 290	12 290	12 474	12 724	13 742
Total Repairs and Maintenance Expenditure	392 318	382 548	384 520	407 950	414 549	414 549	414 549	444 530	453 422	489 693

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

MBRR Table 14: SA34c – Repairs and maintenance expenditure by asset class (Continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Repairs and maintenance expenditure by Asset Class/Sub-class									
Investment properties	-	-	-	-	250	250	15	16	16
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	250	250	15	16	16
<i>Improved Property</i>				-	250	250	15	16	16
Other assets	23 151	24 849	26 692	29 582	29 352	29 352	34 292	34 978	37 776
Operational Buildings	23 151	24 849	26 692	29 582	29 352	29 352	34 292	34 978	37 776
<i>Municipal Offices</i>	19 424	20 780	22 811	25 281	25 051	25 051	25 426	25 935	28 010
<i>Pay/Enquiry Points</i>	3 533	3 741	3 650	3 945	3 945	3 945	8 504	8 674	9 368
<i>Workshops</i>	194	328	231	357	357	357	362	369	399
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	653	653	653	663	676	731
Licences and Rights	-	-	-	653	653	653	663	676	731
<i>Computer Software and Applications</i>	-	-	-	653	653	653	663	676	731
Computer Equipment	1 233	672	604	1 181	1 181	1 181	1 198	1 222	1 320
Computer Equipment	1 233	672	604	1 181	1 181	1 181	1 198	1 222	1 320
Furniture and Office Equipment	7 651	5 146	6 831	7 826	7 821	7 821	7 939	8 097	8 745
Furniture and Office Equipment	7 651	5 146	6 831	7 826	7 821	7 821	7 939	8 097	8 745
Machinery and Equipment	127 316	132 227	134 004	149 901	154 180	154 180	175 493	179 004	193 323
Machinery and Equipment	127 316	132 227	134 004	149 901	154 180	154 180	175 493	179 004	193 323
Transport Assets	30 770	27 308	26 724	29 287	30 736	30 736	31 698	32 332	34 918
Transport Assets	30 770	27 308	26 724	29 287	30 736	30 736	31 698	32 332	34 918
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	392 318	382 548	384 520	407 950	414 549	414 549	444 530	453 422	489 693

1.5.2 Free Basic Services: Basic Social Services Package

The social welfare package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the City's Indigent Policy. The cost of the social package of the registered indigent households is largely financed by National Government through the Local Government Equitable Share received in terms of the annual Division of Revenue Act.

As at 30 June 2021, the breakdown of the total number of Indigents is as follows:

Electricity - A total of 63,392 Indigents (both urban and rural) had registered for the Free Basic Electricity.

Water - BCMM supplied 6kl of Water Free to approximately 82,878 residents in the informal settlements and rural communities within the boundaries of BCMM.

The target is to register additional 3,000 beneficiaries by the end of 2022/2023 financial year, this includes urban households and rural Free Basic Electricity - this process is reviewed annually. With regards to rural water, the communities are already catered for as there is no registration required at present. The register fluctuates due to new registrations and those who no longer qualify for the indigent subsidy.

Although these targets are driven from a social perspective, the institution is attempting to steer in the direction of economic growth and job creation. The following table provides a breakdown of the average current and proposed total poor relief package per indigent household:

Table 15: Basic social services package per indigent household

SOCIAL WELFARE PACKAGE	Total Per Household 2021/2022	Total Per Household 2022/2023	Total Per Household 2023/2024	Total Per Household 2024/2025
Rates	135,89	142,41	148,68	155,37
Refuse	286,96	300,73	313,97	328,09
Sewerage	102,03	106,93	111,63	116,66
Fire Levy	60,00	62,88	65,65	68,60
Total Monthly Subsidy	584,88	612,95	639,92	668,72
Electricity - 50kwh p.m	86,14	94,42	102,92	112,18
Water - 6kl p.m.	111,24	121,96	132,93	144,90
Total Poor Relief	782,26	829,33	875,77	925,80

1.6 CAPITAL EXPENDITURE FRAMEWORK

The total consolidated draft capital budget amounts to R2.09 billion for the 2022/2023 financial year, R1.81 billion and R1.29 billion for 2023/2024 and for 2024/2025 respectively. The detailed capital budget indicating projects per directorate is attached as Annexure C.

The following table provides a breakdown of budgeted capital expenditure per funding source:

Table 16: Consolidated Draft 2022/2023 Medium-Term Capital Budget Per Funding Source

CAPITAL BUDGET PER FUNDING	2022/2023 DRAFT CAPITAL BUDGET	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET
OWN FUNDING	618 872 520	436 715 618	350 633 196
LOAN	732 614 380	622 495 380	140 000 000
TOTAL OWN FUNDING	1 351 486 900	1 059 210 998	490 633 196
URBAN SETTLEMENT DEVELOPMENT GRANT	451 381 020	452 592 980	475 060 828
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT	262 763 320	278 648 320	290 617 201
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	19 581 000	19 581 000	30 000 000
INFRASTRUCTURE SKILLS DEVELOPMENT GRANT	150 000	150 000	150 000
TOTAL GRANTS	733 875 340	750 972 300	795 828 029
TOTAL CONSOLIDATED CAPITAL BUDGET	2 085 362 240	1 810 183 298	1 286 461 225

Own Funding (Internally Generated Funds)

Funding from internally generated funds represents 30% of the 2022/2023 capital funding. The City will continue to make funding available in support of priorities in 2022/2023, which are not limited to the following:

- Economic Development programmes amounting to R64.8 million – this includes R47 million for the East London Beachfront and Water World Project
- Smart Metering for both electricity and water amounting to R65.6 million

- Acquire ERP System (Asset Management System & Procurement System) – R6 million
- Qumza Highway Phase 7 - Phase 1 & 2 – R6.2 million
- Taxi Rank Infrastructure – R7 million
- Procurement of Fire Engines amounting to R7 million
- Construction on New Fire Station at Berlin amounting to R4 million
- Upgrading of Bulk Electricity Infrastructure amounting to R104 million
- Rehabilitation of Settlers Way amounting to R184.6 million
- Roads Provision Programme amounting to R30 million
- East Beach Gravity Sewer Upgrade amounting to R4 million
- Pipe and Water Meter Replacement Programme amounting to R5 million
- Procurement of Fleet amounting to R13 million
- Transfer Stations/ Landfill Sites – R5.7 million
- Development, Upgrade & Refurbishment of Community Halls amounting to R8 million
- Upgrading of Resorts – R5 million

Furthermore, Annexure C contains a detailed breakdown of the draft capital budget over the MTREF.

Borrowings

Borrowings amount to R733 million and represent 35% of the total 2022/2023 capital funding requirement.

- Funding of R400 million is for the Sanitation Tunnel Project that will unlock development in the Amalinda Junction, Wilsonia and Reeston areas.
- Funding of R120 million is for the Upgrading of Zwelitsha Wastewater Treatment Works.
- Funding of R163 million is for Water and Electricity Smart Metering Project.
- Funding of R50 million is for Umzonyana Dam and East Coast Water Supply Upgrade.

Grants Funding

Grant funding represents 35% of the 2022/2023 capital funding and consists of National Government allocations. For purposes of the 2022/2023 budget compilation, National Allocations are based on the 2022 Division of Revenue Bill (DoRB).

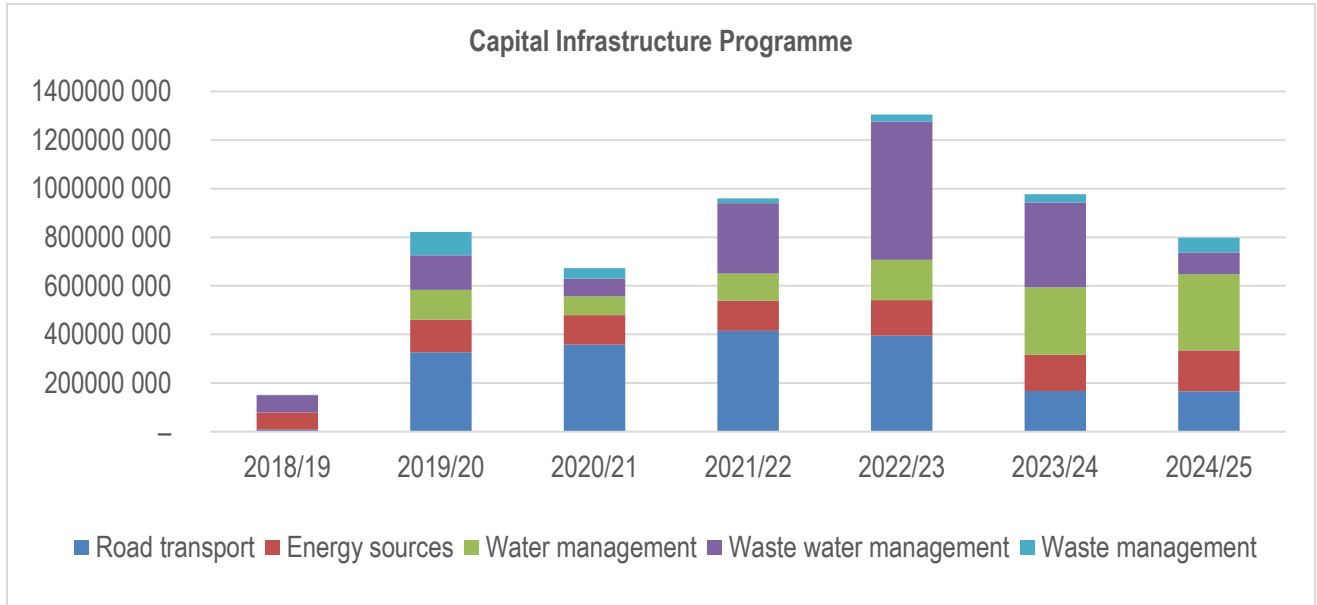
The following table indicates the draft 2022/2023 Medium-Term Capital Budget per service. It depicts that for 2022/2023 financial year an amount of R145 million has been appropriated for Electricity, R241 million for Human Settlements, R103 million for Local Economic Development, R395 million for Roads and Storm Water, R567 million for Waste Water Infrastructure and R166 million for Water Infrastructure.

Table 17: Consolidated Capital Budget Per Service

SERVICE	2022/2023 DRAFT CAPITAL BUDGET	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET
AMENITIES	40 420 000	36 150 000	32 270 000
ELECTRICITY	145 012 787	148 373 938	167 333 500
HUMAN SETTLEMENTS	241 492 070	314 798 320	268 444 032
LOCAL ECONOMIC DEVELOPMENT	103 060 922	78 600 000	42 638 554
OTHER (FLEET)	5 000 000	0	10 000 000
PUBLIC SAFETY	26 400 000	30 187 900	23 500 000
ROADS & STORMWATER	395 228 118	167 836 625	166 231 681
SPATIAL PLANNING	26 000 000	30 000 000	17 500 000
SUPPORT SERVICES	265 434 239	245 509 690	30 979 696
TRANSPORT PLANNING	75 840 632	101 116 510	65 457 810
WASTE MANAGEMENT	26 968 987	31 000 000	59 800 000
WASTE WATER	567 524 000	344 405 000	83 278 348
WATER	166 980 485	282 205 315	319 027 604
TOTAL CAPITAL BUDGET PER SERVICE	2 085 362 240	1 810 183 298	1 286 461 225

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

Figure 3: Capital Infrastructure Programme



1.7 ANNUAL BUDGET TABLES – CONSOLIDATED MUNICIPALITY

The following pages present the ten main budget tables as required in terms of section 9 of the Municipal Budget and Reporting Regulations. The consolidated tables include the City and entity's MTREF.

Table 18: MBRR Table A1 – Consolidated Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Financial Performance										
Property rates	1 295 503	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges	2 823 913	3 260 941	3 937 345	3 978 391	3 983 060	3 983 060	3 983 060	4 326 869	4 676 997	5 057 799
Investment revenue	98 251	70 650	40 801	36 490	30 654	30 654	30 654	30 876	31 206	31 505
Transfers recognised - operational	918 696	987 005	1 202 782	1 301 395	1 370 113	1 370 113	1 370 113	1 447 763	1 438 067	1 479 210
Other own revenue	899 521	783 007	979 992	1 083 071	1 084 136	1 084 136	1 084 136	1 182 480	1 223 209	1 299 082
Total Revenue (excluding capital transfers and contributions)	6 035 884	6 569 003	7 750 334	8 234 112	8 302 728	8 302 728	8 302 728	8 946 204	9 413 857	10 003 970
Employee costs	2 031 924	2 206 010	2 472 782	2 536 210	2 560 136	2 560 136	2 560 136	2 677 479	2 796 845	2 922 276
Remuneration of councillors	62 316	64 687	63 813	76 550	67 045	67 045	67 045	70 263	73 354	76 655
Depreciation & asset impairment	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	649 319	617 397	644 445	731 545
Finance charges	38 467	32 564	25 757	59 936	23 235	23 235	23 235	49 361	153 640	161 565
Inventory consumed and bulk purchases	1 715 466	1 868 140	1 916 345	2 446 376	2 407 473	2 407 473	2 407 473	2 528 535	2 745 328	2 986 157
Transfers and grants	77 040	131 019	104 708	161 059	147 983	147 983	147 983	173 246	143 688	138 255
Other expenditure	1 544 635	1 763 793	2 158 264	2 302 442	2 445 170	2 445 170	2 445 170	2 828 709	2 855 445	2 986 380
Total Expenditure	6 765 484	7 776 276	8 142 456	8 231 745	8 300 361	8 300 361	8 300 361	8 944 989	9 412 745	10 002 834
Surplus/(Deficit)	(729 599)	(1 207 273)	(392 122)	2 367	2 367	2 367	2 367	1 214	1 112	1 137
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	997 754	1 010 413	1 069 736	733 699	737 748	737 748	737 748	735 015	752 204	797 158
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	279 067	13 811	11 214	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	547 221	(183 049)		736 066	740 115	740 115	740 115	736 230	753 316	798 294
Share of surplus/ (deficit) of associate	-	105 684	(26 628)	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	547 221	(77 365)	(26 628)	736 066	740 115	740 115	740 115	736 230	753 316	798 294

MBRR Table A1 – Consolidated Budget Summary (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands										
Capital expenditure & funds sources										
Capital expenditure	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461
Transfers recognised - capital	894 057	905 526	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Borrowing	–	–	3 079	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Internally generated funds	865 958	642 141	616 049	701 379	855 691	855 691	855 691	618 873	436 716	350 633
Total sources of capital funds	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461
Financial position										
Total current assets	2 766 496	3 272 148	3 549 476	3 462 562	3 408 696	3 408 696	3 408 696	3 522 335	3 633 839	3 912 647
Total non current assets	20 790 656	20 376 146	22 692 272	22 639 951	22 663 909	22 663 909	22 663 909	24 118 354	24 549 092	24 829 821
Total current liabilities	1 615 404	2 368 707	2 073 262	1 710 942	1 714 398	1 714 398	1 714 398	1 862 363	1 947 462	2 030 919
Total non current liabilities	978 302	877 972	1 002 593	1 245 728	1 162 389	1 162 389	1 162 389	2 254 276	2 349 032	2 326 099
Community wealth/Equity	20 963 446	20 401 615	23 165 893	23 145 843	23 195 819	23 195 819	23 195 819	23 524 050	23 886 438	24 385 449
Cash flows										
Net cash from (used) operating	1 139 685	1 890 315	1 451 404	1 422 081	1 521 198	1 521 198	1 521 198	1 126 281	1 167 215	1 290 628
Net cash from (used) investing	(1 744 597)	(1 642 409)	(1 628 508)	(1 803 592)	(1 827 550)	(1 827 550)	(1 827 550)	(2 085 362)	(1 810 183)	(1 286 461)
Net cash from (used) financing	(52 572)	(57 974)	(54 396)	318 822	189 799	189 799	189 799	677 964	569 059	82 435
Cash/cash equivalents at the year end	1 167 646	1 357 578	1 126 078	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Cash backing/surplus reconciliation										
Cash and investments available	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Application of cash and investments	89 735	523 523	151 786	(236 559)	(297 631)	(297 631)	(297 631)	(393 699)	(465 974)	(558 134)
Balance - surplus (shortfall)	1 081 897	850 188	993 622	1 547 476	1 554 683	1 554 683	1 554 683	1 284 029	1 282 395	1 461 157
Asset management										
Asset register summary (WDV)	16 178 273	15 437 296	17 450 359	20 697 634	20 240 493	20 240 493	20 240 493	16 736 219	17 403 884	18 316 402
Depreciation	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	649 319	617 397	644 445	731 545
Renewal and Upgrading of Existing Assets	576 650	637 015	706 277	986 483	1 081 848	1 081 848	1 081 848	1 379 030	1 040 287	627 079
Repairs and Maintenance	392 318	382 548	384 520	407 950	414 549	414 549	414 549	444 530	453 422	489 693
Free services										
Cost of Free Basic Services provided	601 293	623 586	645 381	753 354	753 354	753 354	827 945	827 945	892 593	963 039
Revenue cost of free services provided	109 517	107 071	110 082	233 527	233 527	233 527	249 239	249 239	260 206	271 915
Households below minimum service level										
Water:	5	5	3	3	3	3	3	3	2	1
Sanitation/sewerage:	2	15	11	11	11	11	10	10	9	5
Energy:	39	38	38	37	37	37	37	37	37	36
Refuse:	41	41	45	41	41	41	41	41	41	41

Explanatory notes to MBRR Table A1 – Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the City's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasise the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF. The 2022/2023 financial year indicates an operating surplus excluding capital transfers of R1.21 million, it also reflects a surplus of R1.11 million and R1.14 million for the two outer years respectively.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget.
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses and depreciation from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive indicates that the necessary cash resources are available to fund the Capital Budget.

4. The municipality's budget is fully funded and cash-backed and will be generating a surplus in the two outer years of the MTREF period to ensure a more balanced funding mix for capital projects.

5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The municipality continues to make progress in addressing service delivery backlogs.

Table 19: MBRR Table A2 – Consolidated Budgeted Financial Performance (revenue and expenditure by function classification)

Functional Classification Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional									
<i>Governance and administration</i>	2 699 524	2 674 764	3 016 488	3 121 485	3 130 035	3 130 035	3 405 058	3 542 202	3 735 375
Executive and council	22 482	32 555	31 399	30 377	30 377	30 377	32 158	20 457	20 543
Finance and administration	2 677 042	2 642 208	2 985 088	3 091 108	3 099 658	3 099 658	3 372 900	3 521 746	3 714 832
Internal audit	–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>	380 585	472 593	679 485	642 764	719 742	719 742	630 598	712 178	665 472
Community and social services	24 784	24 613	26 858	33 233	33 233	33 233	44 067	46 868	41 435
Sport and recreation	3 525	4 363	1 100	10 782	10 782	10 782	12 799	13 097	14 127
Public safety	166 093	153 127	182 627	206 645	206 645	206 645	218 646	228 316	231 961
Housing	185 279	290 187	468 827	392 070	469 048	469 048	355 050	423 861	377 908
Health	903	304	73	35	35	35	36	38	39
<i>Economic and environmental services</i>	534 708	498 342	553 660	392 121	379 817	379 817	420 899	297 332	319 632
Planning and development	250 955	292 360	287 160	225 123	211 918	211 918	239 954	203 948	184 210
Road transport	282 681	205 143	266 257	166 998	167 898	167 898	180 945	93 384	135 422
Environmental protection	1 071	839	243	–	–	–	–	–	–
<i>Trading services</i>	3 672 469	4 017 504	4 530 385	4 703 226	4 715 036	4 715 036	5 106 902	5 519 454	5 996 113
Energy sources	1 848 938	1 924 621	1 904 683	2 467 771	2 467 771	2 467 771	2 695 672	2 928 657	3 201 039
Water management	796 939	921 274	1 457 580	1 077 420	1 077 420	1 077 420	1 186 857	1 299 731	1 409 591
Waste water management	602 556	603 286	654 124	623 622	623 622	623 622	642 008	678 000	758 464
Waste management	424 035	568 323	513 998	534 413	546 223	546 223	582 365	613 066	627 020
<i>Other</i>	25 418	35 708	51 266	108 213	95 846	95 846	117 762	94 894	84 536
Total Revenue - Functional	7 312 705	7 698 911	8 831 284	8 967 810	9 040 476	9 040 476	9 681 219	10 166 060	10 801 128
Expenditure - Functional									
<i>Governance and administration</i>	1 183 760	1 313 645	1 579 913	1 667 677	1 700 957	1 700 957	1 853 296	1 883 985	1 951 270
Executive and council	420 679	437 806	416 534	422 139	413 906	413 906	431 889	433 722	443 711
Finance and administration	754 038	866 396	1 153 811	1 231 507	1 273 989	1 273 989	1 407 889	1 436 350	1 493 063
Internal audit	9 043	9 442	9 568	14 031	13 062	13 062	13 517	13 913	14 496
<i>Community and public safety</i>	1 012 343	1 005 038	1 077 077	1 258 280	1 310 237	1 310 237	1 291 542	1 334 102	1 401 934
Community and social services	116 150	137 194	166 950	166 543	161 398	161 398	167 357	176 138	184 399
Sport and recreation	316 607	353 214	351 805	439 276	408 334	408 334	417 902	436 157	463 822
Public safety	480 926	425 979	468 151	461 918	458 823	458 823	488 119	506 662	530 203
Housing	57 397	45 567	45 592	147 616	231 216	231 216	165 264	161 587	164 239
Health	41 263	43 084	44 579	42 927	50 465	50 465	52 899	53 559	59 271
<i>Economic and environmental services</i>	1 276 459	1 578 877	1 199 305	851 646	815 453	815 453	846 990	844 896	902 615
Planning and development	448 726	573 903	364 556	334 190	310 732	310 732	343 058	293 543	298 671
Road transport	803 240	977 756	804 804	517 456	504 720	504 720	503 932	551 353	603 944
Environmental protection	24 493	27 218	29 945	–	–	–	–	–	–
<i>Trading services</i>	3 206 055	3 758 164	4 206 014	4 303 537	4 330 235	4 330 235	4 786 311	5 192 085	5 597 023
Energy sources	1 914 433	2 178 224	2 125 416	2 809 519	2 836 947	2 836 947	3 138 510	3 404 172	3 705 403
Water management	599 887	654 320	1 207 117	725 390	716 357	716 357	813 203	893 941	963 445
Waste water management	301 628	377 346	410 269	352 025	350 287	350 287	375 770	424 668	445 971
Waste management	390 107	548 274	463 213	416 603	426 645	426 645	458 828	469 303	482 204
<i>Other</i>	86 867	120 552	106 775	150 605	143 479	143 479	166 852	157 677	149 991
Total Expenditure - Functional	6 765 484	7 776 276	8 169 084	8 231 745	8 300 361	8 300 361	8 944 989	9 412 745	10 002 834
Surplus/(Deficit) for the year	547 221	(77 365)	662 200	736 066	740 115	740 115	736 230	753 316	798 294

Explanatory notes to MBRR Table A2 – Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

1. Table A2 above is an overview of the budgeted financial performance in relation to revenue and expenditure per functional classification.
2. Total Revenue on this table includes capital revenues (Transfers recognised – capital).
3. The surplus of R736 million reflected in the 2022/2023 financial year includes Transfers recognised - capital (Capital Grants and Donations received), while the expenditure category excludes these transfers.
4. As a general principle the revenues for the Trading Services should exceed their expenditures. The City is undertaking a detailed study of the functions that are operating at a deficit to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.

Table 20: MBRR Table A3 – Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote									
Vote 01 - Directorate - Executive Support Services	419	90	442	–	381	381	–	–	–
Vote 02 - Directorate - Municipal Manager	22 544	32 547	31 520	29 673	29 673	29 673	31 421	19 687	19 738
Vote 03 - Directorate - Human Settlement	185 279	290 187	468 827	392 070	469 048	469 048	355 050	423 861	377 908
Vote 04 - Directorate - Chief Financial Officer	2 632 032	2 610 630	2 915 858	3 046 979	3 051 648	3 051 648	3 334 426	3 482 572	3 674 178
Vote 05 - Directorate - Corporate Services	14 021	10 957	11 216	11 205	11 205	11 205	12 489	12 771	14 306
Vote 06 - Directorate - Infrastructure Services	3 531 115	3 654 323	4 282 644	4 335 812	4 336 712	4 336 712	4 705 482	4 999 772	5 504 015
Vote 07 - Directorate - Spatial Planning And Development	247 553	249 564	210 464	110 826	117 914	117 914	113 984	134 066	125 853
Vote 08 - Directorate - Health / Public Safety & Emergency Services	166 997	153 431	182 700	206 645	206 645	206 645	218 646	228 316	231 961
Vote 09 - Directorate - Municipal Services	453 416	598 138	542 199	–	–	–	–	–	–
Vote 10 - Directorate - Economic Development & Agencies	59 330	99 044	185 414	256 138	226 979	226 979	270 455	191 949	170 046
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	–	–	–	534 448	546 258	546 258	582 401	613 104	627 559
Vote 12 - Directorate - Sport, Recreation & Community Development	–	–	–	44 015	44 015	44 015	56 866	59 964	55 563
Total Revenue by Vote	7 312 705	7 698 911	8 831 284	8 967 810	9 040 476	9 040 476	9 681 219	10 166 060	10 801 128
Expenditure by Vote to be appropriated									
Vote 01 - Directorate - Executive Support Services	294 524	310 518	281 388	284 844	275 617	275 617	283 118	290 825	301 247
Vote 02 - Directorate - Municipal Manager	199 632	134 884	136 201	147 650	149 579	149 579	162 297	152 550	157 599
Vote 03 - Directorate - Human Settlement	57 397	45 567	45 592	147 616	231 216	231 216	165 264	161 587	164 239
Vote 04 - Directorate - Chief Financial Officer	383 293	434 456	679 917	831 804	861 405	861 405	997 883	1 005 674	1 035 253
Vote 05 - Directorate - Corporate Services	154 396	224 517	245 516	225 588	241 069	241 069	236 040	248 095	254 177
Vote 06 - Directorate - Infrastructure Services	3 687 857	4 289 097	4 656 218	4 486 420	4 490 206	4 490 206	4 914 341	5 367 320	5 817 989
Vote 07 - Directorate - Spatial Planning And Development	500 010	627 806	361 243	283 225	272 191	272 191	282 537	291 375	318 260
Vote 08 - Directorate - Health / Public Safety & Emergency Services	526 944	474 180	517 919	467 715	465 313	465 313	495 195	514 838	538 762
Vote 09 - Directorate - Municipal Services	842 602	1 060 783	1 006 724	55 193	–	–	–	–	–
Vote 10 - Directorate - Economic Development & Agencies	118 830	174 468	238 365	297 331	273 412	273 412	318 404	253 501	234 171
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	–	–	–	536 456	611 768	611 768	652 507	670 497	700 466
Vote 12 - Directorate - Sport, Recreation & Community Development	–	–	–	467 902	428 586	428 586	437 403	456 483	480 671
Total Expenditure by Vote	6 765 484	7 776 276	8 169 084	8 231 745	8 300 361	8 300 361	8 944 989	9 412 745	10 002 834
Surplus/(Deficit) for the year	547 221	(77 365)	662 200	736 066	740 115	740 115	736 230	753 316	798 294

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

1. Table A3 above is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the City. This indicates the operating surplus or deficit of a vote.

Table 21: MBRR Table A4 – Consolidated Budgeted Financial Performance (revenue and expenditure by source and type)

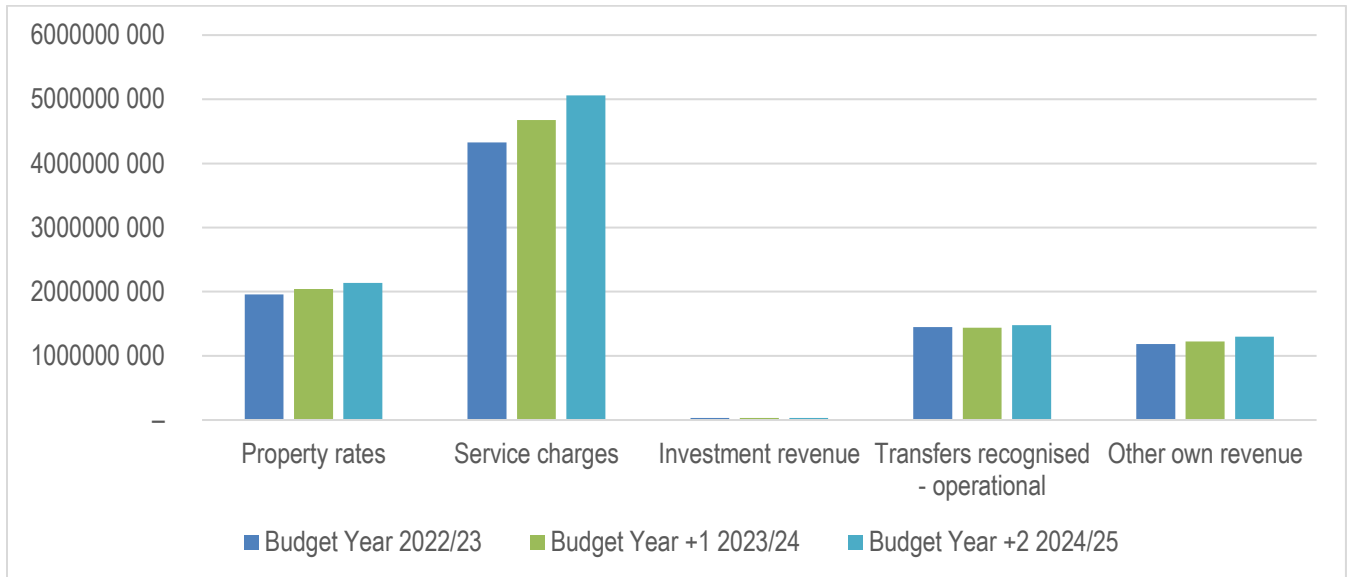
Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	1 295 503	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue	1 739 494	1 838 105	1 948 603	2 367 669	2 372 338	2 372 338	2 372 338	2 600 320	2 834 348	3 089 440
Service charges - water revenue	503 580	709 744	1 214 597	795 708	795 708	795 708	795 708	872 414	950 932	1 036 515
Service charges - sanitation revenue	328 923	377 249	420 119	447 060	447 060	447 060	447 060	468 519	489 134	511 145
Service charges - refuse revenue	251 916	335 843	354 026	367 954	367 954	367 954	367 954	385 616	402 583	420 699
Rental of facilities and equipment	20 704	22 652	24 222	20 959	20 959	20 959	20 959	21 965	22 932	23 964
Interest earned - external investments	98 251	70 650	40 801	36 490	30 654	30 654	30 654	30 876	31 206	31 505
Interest earned - outstanding debtors	67 093	122 587	119 421	109 696	115 696	115 696	115 696	121 249	126 584	132 280
Dividends received										
Fines, penalties and forfeits	24 938	10 864	16 659	21 407	21 407	21 407	21 407	22 435	23 422	24 476
Licences and permits	14 300	12 587	12 411	18 835	18 835	18 835	18 835	19 739	20 607	21 535
Agency services	26 198	23 428	25 112	43 070	44 746	44 746	44 746	44 713	44 187	44 670
Transfers and subsidies	918 696	987 005	1 202 782	1 301 395	1 370 113	1 370 113	1 370 113	1 447 763	1 438 067	1 479 210
Other revenue	746 286	586 635	747 756	869 105	862 493	862 493	862 493	952 379	985 478	1 052 157
Gains	-	4 254	34 411	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	6 035 884	6 569 003	7 750 334	8 234 112	8 302 728	8 302 728	8 302 728	8 946 204	9 413 857	10 003 970
Expenditure By Type										
Employee related costs	2 031 924	2 206 010	2 472 782	2 536 210	2 560 136	2 560 136	2 560 136	2 677 479	2 796 845	2 922 276
Remuneration of councillors	62 316	64 687	63 813	76 550	67 045	67 045	67 045	70 263	73 354	76 655
Debt impairment	373 183	601 842	926 950	871 973	966 894	966 894	966 894	1 225 592	1 310 668	1 402 864
Depreciation & asset impairment	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	649 319	617 397	644 445	731 545
Finance charges	38 467	32 564	25 757	59 936	23 235	23 235	23 235	49 361	153 640	161 565
Bulk purchases - electricity	1 395 329	1 528 586	1 631 905	2 010 261	2 010 261	2 010 261	2 010 261	2 203 447	2 401 757	2 617 915
Inventory consumed	320 137	339 555	284 440	436 115	397 212	397 212	397 212	325 089	343 571	368 242
Contracted services	-	682 052	626 011	901 377	934 012	934 012	934 012	950 918	879 559	891 838
Transfers and subsidies	77 040	131 019	104 708	161 059	147 983	147 983	147 983	173 246	143 688	138 255
Other expenditure	1 125 127	466 217	583 103	529 092	544 264	544 264	544 264	566 783	571 820	589 694
Losses	46 325	13 683	22 200	-	-	-	-	85 417	93 399	101 984
Total Expenditure	6 765 484	7 776 276	8 142 456	8 231 745	8 300 361	8 300 361	8 300 361	8 944 989	9 412 745	10 002 834
Surplus/(Deficit)	(729 599)	(1 207 273)	(392 122)	2 367	2 367	2 367	2 367	1 214	1 112	1 137
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	997 754	1 010 413	1 069 736	733 699	737 748	737 748	737 748	735 015	752 204	797 158
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		13 811	1 178	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	279 067	-	10 036	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	547 221	(183 049)	688 828	736 066	740 115	740 115	740 115	736 230	753 316	798 294
Taxation										
Surplus/(Deficit) after taxation	547 221	(183 049)	688 828	736 066	740 115	740 115	740 115	736 230	753 316	798 294
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	547 221	(183 049)	688 828	736 066	740 115	740 115	740 115	736 230	753 316	798 294
Share of surplus/ (deficit) of associate	-	105 684	(26 628)	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	547 221	(77 365)	662 200	736 066	740 115	740 115	740 115	736 230	753 316	798 294

Explanatory notes to MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure by source and type)

1. Total operating revenue is R8.95 billion in 2022/2023 and escalates to R9.41 billion and R10 billion by 2023/2024 and 2024/2025 respectively. This represents a year-on-year increase of 7.75% for 2022/2023 financial year, 5.23% for 2023/2024 financial year and remains at 6.27% for the 2024/2025 financial year.
2. Revenue to be generated from property rates is R1.96 billion in the 2022/2023 financial year and increases to R2.04 billion in 2023/2024 and further increases to R2.14 billion in 2024/2025. The property rates represent 22% of the operating revenue base of the City and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term. The projected tariff is 4.8% in 2022/2023 financial year, 4.4% in 2023/2024 and to 4.5% in 2024/2025.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the City totalling R4.33 billion for the 2022/2023 financial year and increasing to R5.06 billion by 2024/2025. For the 2022/2023 financial year, service charges amount to 48% of the total revenue base and it slightly increases to 51% in 2024/2025.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. Transfers & Subsidies slightly increases from R1.45 billion in 2022/2023 to R1.48 billion in 2024/2025.

The graph below provides a view of the main sources of revenue over the MTREF.

Figure 4: Revenue by source



5. Electricity Bulk Purchases have increased from 2022/2023 financial year as a result of an annual increase, escalating from R2.2 billion to R2.62 billion in 2024/2025.
6. Employee Related Costs are one of the main cost drivers within the City's operating expenditure budget increasing from R2.68 billion in 2022/2023 to R2.92 billion in 2024/2025. The existing Salary and Wage Collective Agreement has been followed in projecting employee costs increases of 4.8% in 2022/2023, 4.4% in 2023/2024 and 4.5% in 2024/2025.
7. Employee Related Costs and Electricity Bulk Purchases are the main cost drivers within the municipality. Ongoing operational gains and efficiencies are continuously identified to lessen the impact of wage and bulk tariff increases in future years.
8. Depreciation & Asset Impairment totals R617 million for the 2022/2023 financial year. The calculation of depreciation on new capital expenditure is based on variables such

as asset class and lifespan depending on the nature of the asset. This figure represents the cost component of the depreciation.

- Contracted Services decreases from R951 million in 2022/2023 to R892 million in 2024/2025 and includes budgetary provision for repairs and maintenance.

The graph below provides a view of the main expenditure types over the MTREF.

Figure 5: Expenditure by type

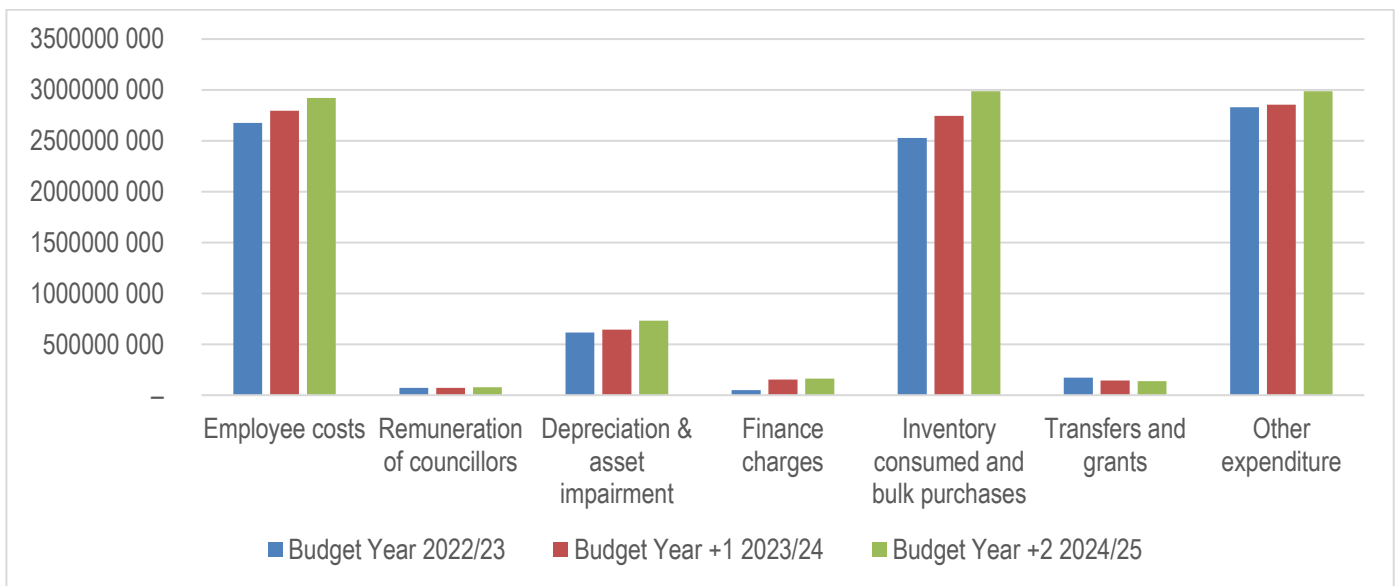


Table 22: MBRR Table A5 - Consolidated Budgeted Capital Expenditure by vote, functional classification and funding source

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote										
Multi-year expenditure to be appropriated										
Vote 01 - Directorate - Executive Support Services	2 699	2 783	480	3 800	6 387	6 387	6 387	500	500	500
Vote 02 - Directorate - Municipal Manager	138 443	777	89	4 969	3 907	3 907	3 907	600	600	500
Vote 03 - Directorate - Human Settlement	154 871	268 249	433 952	292 385	285 885	285 885	285 885	241 992	315 298	268 944
Vote 04 - Directorate - Chief Financial Officer	23 152	69 252	112 064	254 515	185 382	185 382	185 382	254 714	235 028	13 500
Vote 05 - Directorate - Corporate Services	655	30 114	10 638	12 082	16 691	16 691	16 691	4 980	4 650	11 650
Vote 06 - Directorate - Infrastructure Services	1 020 173	737 607	663 463	932 660	954 744	954 744	954 744	1 280 245	943 321	746 371
Vote 07 - Directorate - Spatial Planning And Development	229 832	232 207	143 363	110 118	130 389	130 389	130 389	102 341	131 617	83 458
Vote 08 - Directorate - Health / Public Safety & Emergency Services	34 533	8 257	22 932	22 000	30 299	30 299	30 299	22 900	27 188	15 500
Vote 09 - Directorate - Municipal Services	120 108	137 421	76 063	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	35 549	60 999	127 070	123 700	142 793	142 793	142 793	104 701	80 331	44 468
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	23 862	27 390	27 390	27 390	32 819	36 000	72 020
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	23 500	43 683	43 683	43 683	39 570	35 650	29 550
Capital multi-year expenditure sub-total	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461
Single-year expenditure to be appropriated										
Vote 01 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-	-
Vote 02 - Directorate - Municipal Manager	-	-	-	-	-	-	-	-	-	-
Vote 03 - Directorate - Human Settlement	-	-	-	-	-	-	-	-	-	-
Vote 04 - Directorate - Chief Financial Officer	-	-	-	-	-	-	-	-	-	-
Vote 05 - Directorate - Corporate Services	-	-	-	-	-	-	-	-	-	-
Vote 06 - Directorate - Infrastructure Services	-	-	-	-	-	-	-	-	-	-
Vote 07 - Directorate - Spatial Planning And Development	-	-	-	-	-	-	-	-	-	-
Vote 08 - Directorate - Health / Public Safety & Emergency Services	-	-	-	-	-	-	-	-	-	-
Vote 09 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	-	-	-	-	-	-	-	-	-
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	-	-	-	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461

MBRR Table A5 - Consolidated Budgeted Capital Expenditure by vote, functional classification and funding source (continued)

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional										
Governance and administration	252 178	133 207	170 418	328 367	266 805	266 805	266 805	287 794	265 278	51 650
Executive and council	137 947	32 649	9 500	10 930	21 913	21 913	21 913	4 830	1 000	8 000
Finance and administration	111 036	100 558	160 919	317 437	244 891	244 891	244 891	282 964	264 278	43 650
Internal audit	3 196									
Community and public safety	248 314	316 498	488 865	343 900	367 510	367 510	367 510	307 812	380 136	323 714
Community and social services	22 562	12 081	20 665	14 800	15 313	15 313	15 313	26 400	24 950	17 450
Sport and recreation	37 560	27 961	16 687	10 900	34 129	34 129	34 129	16 520	13 200	16 820
Public safety	31 692	7 107	17 180	20 700	26 840	26 840	26 840	20 900	25 688	14 000
Housing	154 871	268 249	433 952	292 385	285 885	285 885	285 885	241 992	315 298	268 944
Health	1 628	1 102	380	5 115	5 343	5 343	5 343	2 000	1 000	6 500
Economic and environmental services	708 798	542 865	489 013	421 608	507 741	507 741	507 741	476 709	276 184	235 519
Planning and development	215 787	213 624	130 682	83 318	92 151	92 151	92 151	81 481	108 348	69 288
Road transport	491 793	327 124	358 331	338 290	415 590	415 590	415 590	395 228	167 837	166 232
Environmental protection	1 218	2 117	-	-	-	-	-	-	-	-
Trading services	516 918	494 097	314 748	587 217	543 902	543 902	543 902	909 486	809 484	632 439
Energy sources	143 106	133 475	120 908	123 420	122 870	122 870	122 870	145 513	148 874	167 834
Water management	166 997	122 702	78 202	121 543	111 543	111 543	111 543	166 980	277 205	314 028
Waste water management	146 835	142 609	71 555	324 406	289 741	289 741	289 741	567 524	349 405	88 778
Waste management	59 981	95 312	44 082	17 847	19 747	19 747	19 747	29 469	34 000	61 800
Other	33 807	60 999	127 070	122 500	141 593	141 593	141 593	103 561	79 100	43 139
Total Capital Expenditure - Functional	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461
Funded by:										
National Government	886 601	903 947	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Provincial Government	7 456	1 579	-	-	-	-	-	-	-	-
District Municipality										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	894 057	905 526	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Borrowing	-	-	3 079	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Internally generated funds	865 958	642 141	616 049	701 379	855 691	855 691	855 691	618 873	436 716	350 633
Total Capital Funding	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461

Explanatory notes to MBRR Table A5 Budgeted Capital Expenditure by vote, functional classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by functional classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2022/2023 R2.09 billion has been allocated, R1.81 billion in 2023/2024 and R1.29 billion in 2024/2025.
3. The capital programme is funded from National Government Grants (Capital Transfers), Internally Generated Funds from prior and current year surpluses and depreciation and Borrowings. For 2022/2023, Capital transfers represent 35% of Capital Expenditure and increases to 62% by 2024/2025.
4. It needs to be noted that the institution has made a strategic decision to utilize own funds to mainly replace existing infrastructure assets in the urban core of the City. The total amount of own funding is R619 million in 2022/2023, it decreases to R437 million and R351 million in 2023/2024 and 2024/2025 respectively.
5. Borrowing has been provided for the 2022/2023 financial year at R733 million, decreasing to R622 million and R140 million in 2023/2024 and 2024/2025 respectively.

Table 23: MBRR Table A6 - Consolidated Budgeted Financial Position

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS										
Current assets										
Cash	247 014	254 844	250 776	80 172	80 172	80 172	80 172	80 172	80 172	80 172
Call investment deposits	924 619	1 118 867	894 632	1 230 745	1 176 880	1 176 880	1 176 880	810 158	736 249	822 851
Consumer debtors	974 079	1 183 825	1 581 451	1 498 419	1 498 419	1 498 419	1 498 419	1 766 723	1 917 850	2 071 082
Other debtors	583 606	680 143	785 592	612 860	612 860	612 860	612 860	827 009	860 795	899 269
Current portion of long-term receivables	–	–	–	–	–	–	–	–	–	–
Inventory	37 178	34 469	37 026	40 366	40 366	40 366	40 366	38 273	38 773	39 273
Total current assets	2 766 496	3 272 148	3 549 476	3 462 562	3 408 696	3 408 696	3 408 696	3 522 335	3 633 839	3 912 647
Non current assets										
Long-term receivables	–	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	401 546	406 526	436 049	419 941	419 941	419 941	419 941	440 098	459 462	480 138
Investment in Associate	597 392	703 076	676 449	755 757	755 757	755 757	755 757	708 919	740 111	773 416
Property, plant and equipment	19 721 301	19 201 056	21 516 486	21 391 504	21 417 087	21 417 087	21 417 087	22 905 099	23 283 408	23 509 495
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	19 903	14 975	12 775	20 266	20 266	20 266	20 266	13 724	15 598	16 259
Other non-current assets	50 513	50 513	50 513	52 483	50 858	50 858	50 858	50 513	50 513	50 513
Total non current assets	20 790 656	20 376 146	22 692 272	22 639 951	22 663 909	22 663 909	22 663 909	24 118 354	24 549 092	24 829 821
TOTAL ASSETS	23 557 152	23 648 294	26 241 748	26 102 513	26 072 606	26 072 606	26 072 606	27 640 689	28 182 931	28 742 467
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	57 974	54 396	45 191	50 892	54 348	54 348	54 348	56 859	61 220	61 085
Consumer deposits	64 109	70 143	74 226	69 607	69 607	69 607	69 607	77 789	81 212	84 866
Trade and other payables	1 198 069	1 865 872	1 573 020	1 271 039	1 271 039	1 271 039	1 271 039	1 329 115	1 388 879	1 450 186
Provisions	295 253	378 296	380 825	319 404	319 404	319 404	319 404	398 601	416 151	434 783
Total current liabilities	1 615 404	2 368 707	2 073 262	1 710 942	1 714 398	1 714 398	1 714 398	1 862 363	1 947 462	2 030 919
Non current liabilities										
Borrowing	287 581	233 185	187 994	451 974	368 635	368 635	368 635	1 422 411	1 501 191	1 440 106
Provisions	690 722	644 787	814 599	793 754	793 754	793 754	793 754	831 865	847 841	885 993
Total non current liabilities	978 302	877 972	1 002 593	1 245 728	1 162 389	1 162 389	1 162 389	2 254 276	2 349 032	2 326 099
TOTAL LIABILITIES	2 593 706	3 246 679	3 075 855	2 956 670	2 876 787	2 876 787	2 876 787	4 116 639	4 296 494	4 357 019
NET ASSETS	20 963 446	20 401 615	23 165 893	23 145 843	23 195 819	23 195 819	23 195 819	23 524 050	23 886 438	24 385 449
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	11 086 346	9 460 565	11 562 643	13 378 003	13 427 979	13 427 979	13 427 979	13 411 407	13 723 795	14 172 806
Reserves	9 877 100	10 941 050	11 603 250	9 767 840	9 767 840	9 767 840	9 767 840	10 112 643	10 162 643	10 212 643
TOTAL COMMUNITY WEALTH/EQUITY	20 963 446	20 401 615	23 165 893	23 145 843	23 195 819	23 195 819	23 195 819	23 524 050	23 886 438	24 385 449

Explanatory notes to MBRR Table A6 - Budgeted Financial Position

1. MBRR table A6 is consistent with international standards of good financial management practice and improves understandability for stakeholders of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets Less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. MBRR table A6 is supported by an extensive table of notes (MBRR table SA3) providing a detailed analysis of the major components of a number of items, including:
 - i. Call investments deposits;
 - ii. Consumer debtors;
 - iii. Property, plant and equipment;
 - iv. Trade and other payables;
 - v. Provisions non-current;
 - vi. Changes in net assets; and
 - vii. Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debts. These

budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 24: MBRR Table A7 - Consolidated Budgeted Cash Flow Statement

Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	1 295 503	1 468 355	1 589 415	1 577 897	1 577 897	1 577 897	1 577 897	1 576 364	1 645 724	1 719 782
Service charges	2 823 913	3 180 242	3 937 345	3 421 416	3 426 085	3 426 085	3 426 085	3 483 129	3 764 982	4 071 528
Other revenue	444 790	78 677	(619 352)	967 444	962 509	962 509	962 509	869 717	899 265	957 886
Transfers and Subsidies - Operational	921 187	979 243	1 202 782	1 301 395	1 370 113	1 370 113	1 370 113	1 447 763	1 438 067	1 479 210
Transfers and Subsidies - Capital	998 245	1 010 413	1 069 736	733 699	737 748	737 748	737 748	735 015	752 204	797 158
Interest	165 784	192 171	160 222	130 828	130 993	130 993	130 993	30 876	31 206	31 505
Dividends				-	-	-	-	-	-	-
Payments										
Suppliers and employees	(5 407 264)	(4 841 629)	(5 753 843)	(6 489 604)	(6 512 929)	(6 512 929)	(6 512 929)	(6 793 978)	(7 066 905)	(7 466 620)
Finance charges	(38 467)	(32 564)	(25 757)	(59 936)	(23 235)	(23 235)	(23 235)	(49 361)	(153 640)	(161 565)
Transfers and Grants	(47 193)	(130 821)	(104 708)	(161 059)	(147 983)	(147 983)	(147 983)	(173 246)	(143 688)	(138 255)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 156 497	1 904 087	1 455 838	1 422 081	1 521 198	1 521 198	1 521 198	1 126 281	1 167 215	1 290 628
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	2 226	10 373	36 769	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables								-	-	-
Decrease (increase) in non-current investments								-	-	-
Payments										
Capital assets	(1 760 015)	(1 654 409)	(1 666 515)	(1 803 592)	(1 827 550)	(1 827 550)	(1 827 550)	(2 085 362)	(1 810 183)	(1 286 461)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 757 789)	(1 644 036)	(1 629 746)	(1 803 592)	(1 827 550)	(1 827 550)	(1 827 550)	(2 085 362)	(1 810 183)	(1 286 461)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-	-	-
Borrowing long term/refinancing	-	-	-	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	8 182	3 423	3 655
Payments										
Repayment of borrowing	(52 572)	(57 974)	(54 396)	(50 892)	(45 512)	(45 512)	(45 512)	(62 833)	(56 859)	(61 220)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(52 572)	(57 974)	(54 396)	318 822	189 799	189 799	189 799	677 964	569 059	82 435
NET INCREASE/ (DECREASE) IN CASH HELD	(653 864)	202 078	(228 303)	(62 689)	(116 554)	(116 554)	(116 554)	(281 117)	(73 909)	86 602
Cash/cash equivalents at the year begin:	1 825 497	1 171 633	1 373 711	1 373 606	1 373 606	1 373 606	1 373 606	1 171 447	890 330	816 422
Cash/cash equivalents at the year end:	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023

Explanatory notes to MBRR Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The cash and cash equivalents decrease from R890 million in the 2022/2023 period to R816 million in the 2023/2024 financial year and increase over the MTREF to R903 million by 2024/2025 financial year. The slight increase can be attributed to tariff increases over the MTREF period.
4. Provision has been made for the repayment of borrowing to the amount of R63 million for the 2022/2023 financial year, based on the capital repayment in terms of the loan agreement.

Table 25: MBRR Table A8 – Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation

Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available										
Cash/cash equivalents at the year end	1 167 646	1 357 578	1 126 078	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Other current investments > 90 days	3 987	16 133	19 329	-	-	-	-	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-	-	-
Cash and investments available:	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Application of cash and investments										
Unspent conditional transfers	210 610	531 507	262 146	352 235	352 235	352 235	352 235	760 966	794 923	830 207
Unspent borrowing	-	-	-	-	-	-	-	-	-	-
Statutory requirements										
Other working capital requirements	(416 951)	(313 366)	(497 339)	(907 919)	(906 320)	(906 320)	(906 320)	(1 491 262)	(1 612 978)	(1 740 422)
Other provisions	296 076	305 382	386 978	319 125	256 453	256 453	256 453	336 597	352 081	352 081
Long term investments committed	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments										
Total Application of cash and investments:	89 735	523 523	151 786	(236 559)	(297 631)	(297 631)	(297 631)	(393 699)	(465 974)	(558 134)
Surplus(shortfall)	1 081 897	850 188	993 622	1 547 476	1 554 683	1 554 683	1 554 683	1 284 029	1 282 395	1 461 157

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2022/2023 to 2024/2025 the surplus increases from R1.28 billion to R1.46 billion.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the draft 2022/2023 MTREF is funded with a surplus.
7. As part of the budgeting and planning guidelines that informed the compilation of the draft 2022/2023 MTREF the end objective of the medium-term framework was to ensure the budget is funded and aligned to section 18 of the MFMA.

MBRR Table A9 – Asset Management (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CAPITAL EXPENDITURE									
Other Assets	23 706	28 793	36 571	10 873	8 458	8 458	5 070	7 000	4 600
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	1 037	-	-	1 500	850	850	1 000	1 000	1 000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	1 995	539	400	400	400	400	600	700
Total Capital Expenditure	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461
Roads Infrastructure	735 592	558 282	570 267	480 264	607 856	607 856	510 044	337 316	281 445
Storm water Infrastructure	16 250	156 443	27 334	28 860	31 925	31 925	20 800	28 710	26 310
Electrical Infrastructure	173 580	163 336	180 913	182 692	167 971	167 971	241 332	234 895	168 834
Water Supply Infrastructure	186 233	149 787	114 957	393 312	270 108	270 108	403 181	522 038	426 903
Sanitation Infrastructure	207 793	168 143	169 425	386 206	343 698	343 698	612 366	416 305	154 324
Solid Waste Infrastructure	49 727	39 919	3 434	-	653	653	-	-	-
Information and Communication Infrastructure	88 336	17 253	2 987	3 000	4 937	4 937	2 500	-	4 500
Infrastructure	1 457 512	1 253 162	1 069 316	1 474 334	1 427 149	1 427 149	1 790 222	1 539 264	1 062 315
Community Facilities	92 049	77 635	51 396	70 144	69 596	69 596	92 900	78 538	72 827
Sport and Recreation Facilities	28 611	16 933	94 735	55 150	77 792	77 792	56 150	26 500	7 620
Community Assets	120 660	94 567	146 131	125 294	147 388	147 388	149 050	105 038	80 447
Heritage Assets	839	5 526	160	2 500	6 315	6 315	2 500	2 000	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	30 238	34 166	40 997	33 173	37 272	37 272	38 539	39 500	22 900
Housing	-	-	176 873	41 000	54 790	54 790	21 200	43 000	5 000
Other Assets	30 238	34 166	217 869	74 173	92 062	92 062	59 739	82 500	27 900
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Licences and Rights	4 506	53 718	27 844	8 300	19 170	19 170	9 300	3 864	3 933
Intangible Assets	4 506	53 718	27 844	8 300	19 170	19 170	9 300	3 864	3 933
Computer Equipment	8 907	2 836	3 750	2 620	4 347	4 347	180	594	1 610
Furniture and Office Equipment	11 792	7 938	5 462	21 159	28 796	28 796	9 810	14 523	15 937
Machinery and Equipment	39 996	46 466	43 908	27 048	31 089	31 089	16 161	19 800	38 119
Transport Assets	85 566	47 292	75 135	46 763	44 761	44 761	33 000	27 000	40 500
Land	-	-	-	21 000	26 073	26 073	15 000	15 000	15 000
Zoo's, Marine and Non-biological Animals	-	1 995	539	400	400	400	400	600	700
TOTAL CAPITAL EXPENDITURE - Asset class	1 760 015	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461

MBRR Table A9 – Asset Management (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand									
ASSET REGISTER SUMMARY - PPE (WDV)	16 178 273	15 437 296	17 450 359	20 697 634	20 240 493	20 240 493	16 736 219	17 403 884	18 316 402
<i>Roads Infrastructure</i>	4 869 820	4 752 462	5 463 769	4 759 078	4 741 488	4 741 488	4 186 472	4 184 831	4 189 831
<i>Storm water Infrastructure</i>	(71 241)	(96 470)	(96 279)	18 162	16 662	16 662	1 000	500	500
<i>Electrical Infrastructure</i>	3 777 319	3 423 469	3 903 095	5 264 436	4 943 461	4 943 461	4 133 767	4 127 331	4 147 790
<i>Water Supply Infrastructure</i>	2 598 080	2 468 644	2 816 347	3 445 354	3 408 449	3 408 449	1 632 674	1 631 125	1 749 969
<i>Sanitation Infrastructure</i>	1 742 648	1 765 574	1 910 251	3 666 801	3 657 301	3 657 301	1 811 416	1 793 416	1 793 416
<i>Solid Waste Infrastructure</i>	(3 069)	107 939	4 839	1 112 962	1 113 616	1 113 616	—	—	—
<i>Rail Infrastructure</i>	(133)	(226)	(293)	—	—	—	—	—	—
<i>Coastal Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>	75	75	(141)	184 474	186 410	186 410	2 500	—	4 500
Infrastructure	12 913 500	12 421 467	14 001 587	18 451 267	18 067 387	18 067 387	11 767 829	11 737 203	11 886 007
Community Assets	1 276 985	1 121 344	1 272 318	347 060	297 633	297 633	11 830	35 830	(550)
Heritage Assets	49 780	50 513	50 513	52 483	55 481	55 481	50 513	50 513	50 513
Investment properties	401 546	406 526	436 049	419 941	419 941	419 941	440 098	459 462	480 138
Other Assets	980 728	916 328	1 101 231	1 626 007	1 602 440	1 602 440	366 882	366 482	374 982
Biological or Cultivated Assets	—	—	—	—	—	—	—	—	—
Intangible Assets	21 140	14 975	12 412	20 266	14 966	14 966	13 724	15 598	16 259
Computer Equipment	541	499	(1 675)	29 406	31 183	31 183	5 228	5 142	6 658
Furniture and Office Equipment	49 206	57 709	126 346	(427 237)	(424 858)	(424 858)	3 897 865	4 553 365	5 299 588
Machinery and Equipment	46 109	38 137	45 833	83 808	84 229	84 229	38 515	42 554	56 574
Transport Assets	356 676	328 140	324 088	94 633	92 091	92 091	143 734	137 734	146 234
Land	81 658	81 658	81 658	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	404	—	—	—	—	—	—	—	—
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	16 178 273	15 437 296	17 450 359	20 697 634	20 240 493	20 240 493	16 736 219	17 403 884	18 316 402
EXPENDITURE OTHER ITEMS	1 687 953	2 092 610	1 785 307	1 057 123	1 063 868	1 063 868	1 061 927	1 097 866	1 221 238
Depreciation	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	617 397	644 445	731 545
Repairs and Maintenance by Asset Class	392 318	382 548	384 520	407 950	414 549	414 549	444 530	453 422	489 693
<i>Roads Infrastructure</i>	112 702	103 553	105 276	104 742	104 728	104 728	106 299	108 425	117 099
<i>Storm water Infrastructure</i>	11 713	10 266	10 047	10 929	10 929	10 929	10 929	11 315	12 220
<i>Electrical Infrastructure</i>	36 743	35 473	35 299	36 306	36 306	36 306	36 851	37 588	40 595
<i>Water Supply Infrastructure</i>	2 162	2 711	2 911	3 270	3 270	3 270	3 320	3 386	3 657
<i>Sanitation Infrastructure</i>	29 232	32 199	25 986	26 546	27 015	27 015	27 421	27 969	30 206
<i>Solid Waste Infrastructure</i>	2 010	1 121	1 201	1 268	1 268	1 268	1 287	1 313	1 418
<i>Rail Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>	—	—	—	—	—	—	—	—	—
Infrastructure	194 562	185 323	180 719	183 062	183 518	183 518	186 271	189 996	205 196
<i>Community Facilities</i>	5 830	5 245	6 857	4 726	5 126	5 126	5 203	5 307	5 732
<i>Sport and Recreation Facilities</i>	1 805	1 769	2 081	1 722	1 722	1 722	1 748	1 783	1 926
Community Assets	7 635	7 014	8 938	6 449	6 849	6 849	6 951	7 090	7 658
Heritage Assets	—	9	9	9	9	9	9	10	10
<i>Revenue Generating</i>	—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>	—	—	—	—	250	250	15	16	16
Investment properties	—	—	—	—	250	250	15	16	16
<i>Operational Buildings</i>	23 151	24 849	26 692	29 582	29 352	29 352	34 292	34 978	37 776
<i>Housing</i>	—	—	—	—	—	—	—	—	—
Other Assets	23 151	24 849	26 692	29 582	29 352	29 352	34 292	34 978	37 776
Biological or Cultivated Assets	—	—	—	—	—	—	—	—	—
<i>Servitudes</i>	—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>	—	—	—	653	653	653	663	676	731
Intangible Assets	—	—	—	653	653	653	663	676	731
Computer Equipment	1 233	672	604	1 181	1 181	1 181	1 198	1 222	1 320
Furniture and Office Equipment	7 651	5 146	6 831	7 826	7 821	7 821	7 939	8 097	8 745
Machinery and Equipment	127 316	132 227	134 004	149 901	154 180	154 180	175 493	179 004	193 323
Transport Assets	30 770	27 308	26 724	29 287	30 736	30 736	31 698	32 332	34 918
Land	—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—	—
TOTAL EXPENDITURE OTHER ITEMS	1 687 953	2 092 610	1 785 307	1 057 123	1 063 868	1 063 868	1 061 927	1 097 866	1 221 238
<i>Renewal and upgrading of Existing Assets as % of total c</i>	32.8%	41.2%	44.4%	54.7%	59.2%	59.2%	66.1%	57.5%	48.7%
<i>Renewal and upgrading of Existing Assets as % of deprec</i>	44.5%	37.3%	50.4%	152.0%	166.6%	166.6%	223.4%	161.4%	85.7%
<i>R&M as a % of PPE</i>	2.0%	2.0%	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	2.1%
<i>Renewal and upgrading and R&M as a % of PPE</i>	6.0%	7.0%	6.0%	7.0%	7.0%	7.0%	11.0%	9.0%	6.0%

Explanatory notes to MBRR Table A9 – Asset Management

1. Table A9 provides an overview of municipal capital allocations to acquiring new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. In the 2022/2023 financial year BCMM has allocated 66.1% of its capital budget towards asset upgrading and renewal and 2% for Repairs and Maintenance as a percentage of PPE, which is at current replacement.
3. National Treasury has recommended that municipalities should allocate at least 40% of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8% of PPE. It should be borne in mind that Buffalo City Metropolitan Municipality has valued its infrastructural assets on the revaluation model and therefore the above percentage allocations should be adjusted accordingly to reflect the increase in asset values due to different valuation methodologies.

Table 27: MBRR Table A10 – Consolidated Basic Service Delivery Measurement

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets									
Water:									
Piped water inside dwelling	40 769	122 000	123 791	124 100	124 100	124 100	124 410	124 721	125 032
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	126 407	126 607	126 739	126 430	126 430	126 430	126 120	126 809	127 498
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	167 176	248 607	250 530	250 530	250 530	250 530	250 530	251 530	252 530
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
<i>Below Minimum Service Level sub-total</i>	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
Total number of households	172 246	253 477	253 477	253 477	253 477	253 477	253 477	253 477	253 477
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	154 125	154 125	154 151	154 151	154 151	154 151	155 151	155 651	156 151
Flush toilet (with septic tank)	5 437	5 437	5 445	5 445	5 445	5 445	5 449	5 451	5 453
Chemical toilet	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544
Pit toilet (ventilated)	43 353	47 087	50 355	50 355	50 355	50 355	56 755	59 955	63 155
Other toilet provisions (> min.service level)	16 444	16 444	16 344	16 344	16 344	16 344	16 344	16 344	16 344
<i>Minimum Service Level and Above sub-total</i>	222 903	226 637	229 839	229 839	229 839	229 839	237 243	240 945	244 647
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
Total number of households	224 692	241 894	240 381	240 381	240 381	240 381	246 850	249 560	249 812
Energy:									
Electricity (at least min.service level)	7 002	5 692	5 598	5 692	5 692	5 692	5 164	5 164	5 164
Electricity - prepaid (min.service level)	121 060	127 623	130 292	131 292	131 292	131 292	131 992	132 492	132 992
<i>Minimum Service Level and Above sub-total</i>	128 062	133 315	135 890	136 984	136 984	136 984	137 156	137 656	138 156
Electricity (< min.service level)	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Total number of households	167 062	170 815	173 390	173 984	173 984	173 984	174 156	174 156	174 156
Refuse:									
Removed at least once a week	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
<i>Minimum Service Level and Above sub-total</i>	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
Removed less frequently than once a week	40 556	40 556	45 000	40 556	40 556	40 556	40 556	40 556	40 556
Using communal refuse dump	2	2	8	6	6	6	2	2	1
Using own refuse dump	1	1	6	4	4	4	4	3	2
Other rubbish disposal	4	4	4	4	4	4	4	3	2
No rubbish disposal	3	3	4	4	4	4	3	2	2
<i>Below Minimum Service Level sub-total</i>	40 566	40 566	45 022	40 574	40 574	40 574	40 569	40 566	40 563
Total number of households	169 110	169 239	181 539	178 374	178 374	178 374	178 569	179 566	179 563

MBRR Table A10 – Consolidated Basic Service Delivery Measurement (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	40 119	40 321	40 321	40 321	40 321	40 321	42 821	45 321	47 821
Sanitation (free minimum level service)	32 576	38 219	38 219	38 219	38 219	38 219	35 076	37 576	40 076
Electricity/other energy (50kwh per household per month)	77 394	81 304	72 569	61 194	61 194	61 194	63 694	66 194	68 694
Refuse (removed at least once a week)	34 619	42 191	42 191	42 191	42 191	42 191	44 691	47 191	49 691
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	182 891	206 416	218 559	193 557	193 557	193 557	212 215	231 315	252 133
Sanitation (free sanitation service to indigent households)	66 845	56 381	61 503	93 799	93 799	93 799	98 301	102 626	107 244
Electricity/other energy (50kwh per indigent household per month)	45 971	49 660	44 962	76 918	76 918	76 918	84 310	91 897	100 168
Refuse (removed once a week for indigent households)	117 687	104 312	110 803	158 955	158 955	158 955	166 585	173 914	181 740
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	187 899	206 816	209 553	230 126	230 126	230 126	266 534	292 840	321 753
Total cost of FBS provided	601 293	623 586	645 381	753 354	753 354	753 354	827 945	892 593	963 039
Highest level of free service provided per household									
Property rates (R value threshold)	120 000	120 000	120 000	120 000	120 000	120 000	120 000	120 000	120 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)	114	86	94	102	102	102	107	112	117
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	170	170	170	170	170	170	170	170	170
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)									
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	109 517	107 071	110 082	233 527	233 527	233 527	249 239	260 206	271 915
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates									
Housing - top structure subsidies									
Other									
Total revenue cost of subsidised services provided	109 517	107 071	110 082	233 527	233 527	233 527	249 239	260 206	271 915

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF ANNUAL BUDGET PROCESS

The Budget Steering Committee has been established in terms Section 53 of the MFMA and Municipal Budget Reporting Regulations.

The Budget Steering Committee consists of the City Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance. The Deputy Executive Mayor, Portfolio MMC for Infrastructure Services, MMC for Spatial Planning & Development and MMC for Human Settlements are also members of the Budget Steering Committee as appointed by the Executive Mayor.

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

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

2.1.1 IDP/Budget Process Overview

Buffalo City's IDP review and Budget development was undertaken through an inclusive, integrated and procedurally consistent manner in line with an approved IDP/Budget/PMS Process Plan and Time Schedule which was compiled in accordance with Section 28 and 29 of the Municipal Systems Act and Section 21(1) of the Municipal Finance Management Act. A revised IDP/Budget/PMS Process Plan and Time Schedule IDP was approved by Council because some planned engagements were rescheduled as a result of challenges experienced due to the COVID-19 Global Pandemic.

The budget process is governed by the Municipal Finance Management Act 56 of 2003 and the Municipal Systems Act 32 of 2000. The objective process is to ensure good governance and accountability and enables the municipality to involve residents and other stakeholders in the budgeting process.

In terms of Section 16 of the Municipal Finance Management Act (MFMA) No 56, 2003:

- 1) “The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year”.
- 2) “In order for a municipality to comply with subsection (1), the mayor of the municipality must table an annual budget at a council meeting at least 90 days before the start of the budget year”.

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 Executive Mayor has established a Budget Steering Committee, which consists of the Portfolio Head for Finance (Chairperson), Portfolio Head for Municipal Services, Portfolio Head for Infrastructure Services, Portfolio Head for Spatial Planning & Development, Portfolio Head for Corporate Services and Senior Managers.

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. 30 August) a time schedule that sets out the process to revise the IDP and prepare the budget.

Section 28 (1) of the Municipal Systems Act requires each municipality to adopt a process in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan. In compliance with this requirement Buffalo City Metropolitan Municipality adopted the plan on 4 September 2020.

Table 28: Key activities in the compilation of the 2021/2026 IDP and MTREF Budget

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
PREPERATION PHASE: JUL – AUG: Preparing for the IDP, Budget and Performance Management Process		
1	Top Management: <ul style="list-style-type: none"> To consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year) 	13 July 2021
2	Portfolio Committee: <ul style="list-style-type: none"> To consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year) 	12 August 2021
3	Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> To consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year) 	13/08/2021
4	Top Management: <ul style="list-style-type: none"> To consider 2021/2022 First Adjustment Budget & the 2020/2021 Fourth Adjustment budget and recommend these being approved by Council 	12/08/2021
5	Council: To approve - <ul style="list-style-type: none"> IDP/Budget/PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year). The 2021/2022 First adjustment budget (to be tabled before 25 August 2021) and the 2020/2021 Fourth Adjustment budget. 	25/08/2021
PHASE 1: SITUATIONAL ANALYSIS: SEPT – OCT: Situational Analysis of the Metro		
6	Technical IDP/Budget/PMS Workstreams: <ul style="list-style-type: none"> Prepare a draft Situational Analysis Report for the Top Management Technical Planning Session; and Assess and identify information from adopted Sector Plans against the backdrop of the SITUATIONAL ANALYSIS, including the LSDFs for integration into the IDP Review document if possible 	11, 12 & 21 October 2021
7	Political IGR Forum: <ul style="list-style-type: none"> It is a Political Structure chaired by the Deputy Executive Mayor with representation from the Mayoral Committee, City Manager, HOD's, Representation 	17 Sept 2021

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
	<p>from Sector Departments, Parastatals, and State-owned Enterprises.</p> <ul style="list-style-type: none"> The purpose is to identify high level and recurring IGR issues hindering service delivery and requiring political intervention for escalation to other levels or structures and for successful resolution. It also receives feedback and progress on resolution and issues requiring escalation from the Technical and Political IGR Roundtable meetings. 	
8	<p>Top Management Technical Planning Session:</p> <ul style="list-style-type: none"> Reflect on progress made with implementation of strategic priorities during preceding financial years; and Review SITUATIONAL ANALYSIS of the metro that inform priority choices 	26 & 27 October 2021
PHASE 2: OCT – DEC: Consolidation of Strategic priorities (between Council, Community and IGR Partners)		
9	<p>IGR Core Group Think Thank Session:</p> <ul style="list-style-type: none"> To Discuss & Align Three Sphere Regulated Activities. To review the annual planning cycles of the Metro and other spheres of Government which impacts on strategic planning, budgeting, monitoring and reporting across spheres. 	15 October 2021
10	<p>Budget Workshops with all directorates to address the following:</p> <ul style="list-style-type: none"> Financial Institutional Performance Cost Containment Measures 2022/2023 Tariff Process Verification of Fleet & Staff Keys IDP Strategic Priorities for 2021/2026 & MTREF Capital Prioritization 2021/2022 Mid-Year Adjustment Budget Reallocation (Capital & Operating Budget) 	17 November – 8 December 2021
11	<p>Technical IGR Forum</p> <ul style="list-style-type: none"> Deliberate on Buffalo City Gap Analysis on BCMM One Plan and IDP 	19 November 2021
12	<p>Council Lekgotla</p> <ul style="list-style-type: none"> To reflect on desired key outcomes over the Council's 5-year term based on its deep understanding of current and emerging City trends and realities as consolidated during Mayoral Lekgotla 	24 – 25 February 2022

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
PHASE 3: JAN – FEB: Programmes and Projects (Identifying, prioritising, costing programmes and projects)		
13	Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> To introduce Councillors to the City's Organisational Procedures, Controls and Protocols used for integrated strategic planning, intergovernmental relations management, budgeting, performance management, ward allocation programme and establishment of ward committees programme 	18 January 2022
14	Mayoral Lekgotla Session: <ul style="list-style-type: none"> To review strategic objectives for service delivery and development 	20 – 21 January 2022
15	National Treasury Mid-year Budget and Performance Assessment Review	15 February 2022
16	BCMM IGR Framework Review Engagement: <ul style="list-style-type: none"> To review the current BCMM IGR Framework with National and Provincial COGTA, Office of the Premier and BCMM departments 	17 – 18 February 2022
17	Council Lekgotla: <ul style="list-style-type: none"> To reflect on desired key outcomes over the Council's 5-year term based on its deep understanding of current and emerging City trends and realities as consolidated during Mayoral Lekgotla. 	24 – 25 February 2022
PHASE 4: FEB: Integration of Programmes and Projects		
18	Budget Steering Committee: <ul style="list-style-type: none"> To consider 2021/2022 Mid-year Adjustment Budget 	2 Feb 2022 (During BCMM Mayoral Committee Induction Session)
19	Three Spheres Planning Session: <ul style="list-style-type: none"> To allow Provincial Sector Departments and State-owned Enterprises to inform BCMM of budgetary allocations and catalytic programmes to be implemented in the BCMM space and identify transversal gaps and challenges. 	22 Feb 2022
20	Council: <ul style="list-style-type: none"> To consider and adopt 2021/2022 Mid-year Adjustments Budget 	28 Feb 2022
PHASE 5: ADOPTION		
21	BCMM Political IGR Forum: To deliberate on the following: <ul style="list-style-type: none"> IGR Framework Act, 2005 Review 	8 March 2022

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
	<ul style="list-style-type: none"> • Process Plan for the Provincial IGR Review • BCMM IDP/One Plan • BCMM IGR Framework and Terms of Reference Review • Three Sphere Session Feedback • Orientation and Progress on the District Developmental Model and One Plan 	
22	Top Management: <ul style="list-style-type: none"> • To consider draft IDP, MTREF Budget and recommend the draft IDP, MTREF Budget and BEPP to Council 	8 March 2022
23	Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> • To consult councillors and traditional leaders on draft IDP, draft MTREF and budget related policies 	16 March 2022
24	External IDP/Budget/PMS Representative Forum: <ul style="list-style-type: none"> • To consult External IDP/Budget/PMS Representative Forum on the Draft IDP, Tabled MTREF Budget and draft policies 	23 March 2022 09h30- 15h00
25	Council: <ul style="list-style-type: none"> • To approve the draft IDP, MTREF Budget, BEPP and draft policies (at least 90 days before the start of the budget year) • To consider the proposed budget of the entity and assess the entity's (BCMDA) priorities and objectives and make recommendations. Board of Directors to consider the recommendations and, if necessary, submit a revised budget. • To consider Draft Revised SDBIP 	30 March 2022 09h00

2.1.2 Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP)

Buffalo City's IDP and Budget development was undertaken through an inclusive, integrated and procedurally consistent manner in line with an approved IDP/Budget/PMS Process Plan and Time Schedule which was compiled in accordance with Section 28 and 29 of the Municipal Systems Act and Section 21(1) of the Municipal Finance Management Act. A revised IDP/Budget/PMS Process Plan and Time Schedule IDP was approved by Council because some planned engagements were rescheduled as a result of challenges experienced due to the COVID-19 Global Pandemic and the Local Government Elections.

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

With the compilation of the draft 2022/2023 MTREF, each function/directorate had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year performance against the 2021/2022 Service Delivery and Budget Implementation Plan. Business planning responds to the Metro's priority needs, reviewed strategic objectives and informs the detail operating budget appropriations and three-year capital programme.

The Final Service Delivery and Budget Implementation Plan (SDBIP) with Final Performance Agreements will be submitted to the Executive Mayor after the approval of the IDP and Budget; and the final SDBIP will be submitted to Council with the Performance Agreements within 28 days after the budget is tabled in Council.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2022/2023 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2022/2023 MTREF:

- City growth
- Policy priorities and strategic objectives
- Economic Recovery Plan
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2021/2022 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy

- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 112 and 115 have been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

In developing its Integrated Development Plan, Buffalo City Metropolitan Municipality takes its tune from residents and the broader public of the Metro who participate in a number of public consultation processes and programmes such as the annual Mayoral Imbizo and IDP/Budget Roadshow. It is through these engagements that residents are able to define and shape their needs and priorities which must be taken into consideration during planning and budgeting. BCMM aims to address identified needs and priorities through the 2021/2026 Integrated Development Plan and Budget as revised annually.

Due to the Local Government Elections, stakeholder participation activities leading to the submission of the Draft Revised IDP had been limited to the following:

- Publication of the Draft IDP/Budget/PMS Process Plan and Time Schedule for public comment;
- IDP/Budget/PMS Workstreams facilitated by the municipality on 11, 12 and 21 October 2021; and
- Various other sector-related webinars, workshops and engagements provided significant platforms for joint planning between the metro, other spheres of government and sector specific stakeholders in civil society and the private sector.

The City is planning an inclusive outreach through the annual IDP/Budget Roadshow, Youth Webinar, Business Leaders Webinar and a Council Open Day through which

external stakeholders will be able to provide comment on the Draft Revised IDP and MTREF Budget before final Council adoption.

2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

BCMM’s IDP is the strategic framework that outlines the City’s priority objectives over a 5-year period which guides the planning and budgeting within the City. During the development process an effort was made to ensure that the IDP is fully aligned with the Metro Growth and Development Strategy. Over the five-year term, the City will concentrate on the 5 strategic outcomes to be achieved by the year 2030. The following table highlights the IDP’s five strategic outcomes which have directly informed the compilation of the draft 2022/2023 MTREF budget:

Table 29: IDP’S Five Strategic Objectives

Strategic Objective 1:	An Innovative and Productive City
<i>To enhance the Quality of Life of the BCMM community with rapid and inclusive economic growth and falling unemployment</i>	
Strategic Objective 2:	A Green City
<i>To promote an environmentally sustainable city with optimal benefits from our natural assets.</i>	
Strategic Objective 3:	A Connected City
<i>To maintain a world class logistics network.</i>	
Strategic Objective 4:	A Spatially Transformed City
<i>To develop and maintain world class infrastructure and utilities.</i>	
Strategic Objective 5:	A Well-Governed City
<i>Promote sound financial and administrative capabilities.</i>	

The IDP process was undertaken within the framework of National, Provincial and District policies and legislation. Some of the key informants that guide the review and refinement of IDP objectives and strategies include the following:

- National Development Plan;
- Medium-Term Strategic Framework (MTSF) 2019/2024;

- Eastern Cape Provincial Development Plan (PDP) 2030;
- Sustainable Development Goals (SDGs);
- 12 Outcomes adopted by National Cabinet in January 2010;
- BCMM Ward priorities;
- Priorities from the Mayoral Lekgotla held on 24 – 25 February 2022.

Table 30: Alignment of BCMM Strategic Objectives with National and Provincial Priorities

BCMM Strategic Outcomes	12 National Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National 10 Point Plan
An Innovative and Productive City	<ul style="list-style-type: none"> • Decent employment through inclusive economic growth. • A skilled and capable workforce to support inclusive growth. • An efficient, competitive and responsive economic infrastructure network. 	<ul style="list-style-type: none"> • A growing, inclusive and equitable economy. • Vibrant and equitably enabled communities. 	<ul style="list-style-type: none"> • Unemployment rate should fall from 27% in 2011 to 14% by 2020 and to 6% by 2030. • Total employment should rise from 13 million to 24 million. 	<ul style="list-style-type: none"> • Ensure access to affordable, reliable, sustainable economic growth, full and productive employment and decent work for all. 	<ul style="list-style-type: none"> • Unlocking the potential of SMMEs, cooperatives, township and rural enterprises. • Operation Phakisa aimed growing the ocean economy and other sectors. • Encouraging private sector investment.
A Green City	<ul style="list-style-type: none"> • Protection and enhancement of environmental assets and natural resources. 	<ul style="list-style-type: none"> • A growing, inclusive and equitable economy. 	<ul style="list-style-type: none"> • Achieve the peak, plateau and decline trajectory for greenhouse gas emissions, with the peak being achieved around 2025. • By 2030, an economy-wide carbon price should be entrenched. 	<ul style="list-style-type: none"> • Take urgent action to combat climate change and its impacts. 	<ul style="list-style-type: none"> • Resolving the energy challenge. • Revitalizing agriculture and the agro-processing value chain.
A Well-Governed City	<ul style="list-style-type: none"> • Improve the quality of 	<ul style="list-style-type: none"> • An educated, empowered, 	<ul style="list-style-type: none"> • All children should have at least two years of pre-school 	<ul style="list-style-type: none"> • Ensure inclusive and equitable 	<ul style="list-style-type: none"> • N/A

BCMM Strategic Outcomes	12 National Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National 10 Point Plan
	basic education.	and innovative citizenry.	education. This implies about 2 million places. <ul style="list-style-type: none"> About 80% of schools and learners achieve 50% and above in literacy, mathematics and science in grades 3, 6, 9. At least 80% of students should complete 12 years of schooling. 	quality education and promote lifelong learning opportunities for all.	
A Well-Governed City	<ul style="list-style-type: none"> A development-orientated public service and inclusive citizenship. 	<ul style="list-style-type: none"> An educated, empowered and innovative citizenry. 	<ul style="list-style-type: none"> A capable and effective state, able to enhance economic opportunities, support the development of capabilities and intervene to ensure a rising floor of social rights for the poor. 	<ul style="list-style-type: none"> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. 	<ul style="list-style-type: none"> Moderating workplace conflict.
A Spatially Transformed City	<ul style="list-style-type: none"> Improve health and life expectancy. 	<ul style="list-style-type: none"> A healthy population. 	<ul style="list-style-type: none"> By 2030, life expectancy should reach at least 70 for both men and women Infant mortality rate should decline from 43 to 20 per 1000 live births and the under-five mortality rate should be less than 30 per 1000, from 104 today. 	<ul style="list-style-type: none"> Ensure healthy lives and promote well-being for all at all ages 	<ul style="list-style-type: none"> N/A
A Spatially Transformed City	<ul style="list-style-type: none"> Sustainable human settlements and improved quality of household life. 	<ul style="list-style-type: none"> Vibrant and equitably enabled communities (Universal access to social infrastructure). 	<ul style="list-style-type: none"> The proportion of people with access to electricity should rise from 70% in 2010 to 95% by 2030, with no grid options available for the rest. 	<ul style="list-style-type: none"> Ensure availability and sustainable management of water and sanitation for all. 	<ul style="list-style-type: none"> State reform and boosting the role of state-owned companies, ICT infrastructure or broadband

BCMM Strategic Outcomes	12 National Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National 10 Point Plan
			<ul style="list-style-type: none"> Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry. 		roll out, water, sanitation and transport infrastructure.

The 2022/2023 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 31: MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	2 389 558	2 654 031	2 958 948	3 086 753	3 091 703	3 091 703	3 377 348	3 514 009	3 707 267
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 198 519	1 390 510	2 051 817	1 700 024	1 781 928	1 781 928	1 834 553	1 974 682	2 110 101
A CONNECTED CITY	To maintain a world class logistics network	1 817 826	1 885 118	2 006 960	2 442 289	2 442 289	2 442 289	2 666 136	2 906 364	3 165 942
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	393 375	528 520	513 765	549 112	560 033	560 033	588 970	614 948	630 626
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	241 435	249 685	352 139	455 934	426 774	426 774	479 198	403 853	390 035
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributi		6 040 712	6 707 864	7 883 628	8 234 112	8 302 728	8 302 728	8 946 204	9 413 857	10 003 970

Table 32: MBRR Table SA5 - Reconciliation between the IDP Strategic Objectives and budgeted operating expenditure

Strategic Objective	Goal	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	1 002 852	1 113 447	1 204 720	1 391 408	1 437 157	1 437 157	1 587 982	1 598 991	1 651 170
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 167 109	1 326 903	1 901 392	1 424 185	1 490 168	1 490 168	1 555 835	1 684 886	1 796 265
A CONNECTED CITY	To maintain a world class logistics network	3 110 117	3 659 239	3 369 664	3 574 596	3 581 551	3 581 551	3 882 422	4 217 120	4 583 306
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural	644 156	827 935	789 500	785 207	796 001	796 001	838 392	863 562	902 889
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	841 249	848 751	877 180	1 056 349	995 484	995 484	1 080 358	1 048 187	1 069 204
Allocations to other priorities										
Total Expenditure		6 765 484	7 776 276	8 142 456	8 231 745	8 300 361	8 300 361	8 944 989	9 412 745	10 002 834

Table 33: MBRR Table SA6 – Reconciliation between the IDP Strategic Objectives and budgeted Capital Expenditure

Strategic Objective	Goal	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	93 345	73 108	116 753	230 456	220 961	220 961	267 951	246 872	38 243
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	885 033	553 650	637 925	749 492	693 113	693 113	1 016 012	986 902	664 634
A CONNECTED CITY	To maintain a world class logistics network	531 982	712 301	710 387	641 681	679 957	679 957	612 449	409 422	434 825
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	41 489	108 816	56 712	75 212	80 544	80 544	80 369	56 500	74 100
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	208 165	99 792	168 325	106 750	152 974	152 974	108 581	110 488	74 659
Allocations to other priorities										
Total Capital Expenditure		1 760 015	1 547 666	1 690 102	1 803 592	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

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

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

Table 34: MBRR Table SA7 - Measurable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
06 - Directorate - Infrastructure Services										
Energy Sources										
Electricity										
<i>Electricity - Prepaid (< Min. Service Level)</i>	Households	-	-	-	-	-	-	-	-	-
<i>Electricity - Prepaid (Min. Service Level)</i>	Households	121 060	127 623	130 292	131 292	131 292	131 292	131 992	132 492	132 992
<i>Electricity (< Min. Service Level)</i>	Households	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
<i>Electricity (At Least Min. Service Level)</i>	Households	7 002	5 692	5 598	5 692	5 692	5 692	5 164	5 164	5 164
<i>Electricity (Kwh Per Household Per Month)</i>	Kwh Per Household Per Month	50	50	-	50	50	50	50	50	-
<i>Formal Settlement Households Receiving</i>	Households	77 394	81 304	72 569	61 194	61 194	61 194	63 694	66 194	68 694
<i>Informal Settlement Households Receiving</i>	Households	3 996	4 036	4 076	4 117	4 117	4 117	4 167	4 208	4 250
<i>Informal Settlements (R000)</i>	Rand Value	2928 908	3160 569	3461 502	4006 434	4006 434	4006 434	4690 875	5179 880	5697 210
Waste Water Management										
Sewerage										
<i>Chemical Toilet</i>	Households	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544
<i>Flush Toilet (Connected To Sewerage)</i>	Households	154 125	154 125	154 151	154 151	154 151	154 151	155 151	155 651	156 151
<i>Flush Toilet (With Septic Tank)</i>	Households	5 437	5 437	5 445	5 445	5 445	5 445	5 449	5 451	5 453
<i>Formal Settlement Households Receiving</i>	Households	32 576	38 219	38 219	38 219	38 219	38 219	35 076	37 576	40 076
<i>Informal Settlement Households Receiving</i>	Households	39 961	41 176	41 176	41 176	41 176	41 176	41 588	42 000	42 412
<i>Informal Settlements (R000)</i>	Rand Value	50384 427	55474 249	42151 884	46191 369	46191 369	46191 369	46191 369	50619 103	55573 354
<i>No Toilet Provisions</i>	Households	-	-	-	-	-	-	-	-	-
<i>Other Toilet Provisions (< Min. Service)</i>	Households	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
<i>Other Toilet Provisions (> Min. Service)</i>	Households	16 444	16 444	16 344	16 344	16 344	16 344	16 344	16 344	16 344
<i>Pit Toilet (Ventilated)</i>	Households	43 353	47 087	50 355	50 355	50 355	50 355	56 755	59 955	63 155
<i>Sanitation (Rand Per Household Per</i>	Rand Per Household Per Month	114	86	-	102	102	102	111	120	-
Water Management										
Water Distribution										
<i>Formal Settlement Households Receiving</i>	Households	40 119	40 321	40 321	40 321	40 321	40 321	42 821	45 321	47 821
<i>Informal Settlement Households Receiving</i>	Households	40 769	41 176	41 176	41 176	41 176	41 176	41 588	42 000	42 412
<i>Informal Settlements (R000)</i>	Rand Value	37542 889	41335 100	45673 934	50328 565	50328 565	50328 565	60565 436	66790 080	73603 481
<i>No Water Supply</i>	Households	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
<i>Piped Water Inside Dwelling</i>	Households	40 769	122 000	123 791	124 100	124 100	124 100	124 410	124 721	125 032
<i>Using Public Tap (At Least Min. Service)</i>	Households	126 407	126 607	126 739	126 430	126 430	126 430	126 120	126 809	127 498
<i>Water (Kilolitres Per Household Per</i>	Kilolitres Per Household Per Month	6	6	-	6	6	6	6	6	-
07 - Directorate - Spatial Planning And Development										
Finance And Administration										
Property Services										
<i>Property Rates (R000 Value Threshold)</i>	Rand Value Threshold	120 000	120 000	-	120 000	120 000	120 000	120 000	120 000	-
09 - Directorate - Municipal Services										
Waste Management										
Solid Waste Disposal (Landfill Sites)										
<i>Formal Settlement Households - Refuse</i>	Households	34 619	42 191	42 191	42 191	42 191	42 191	44 691	47 191	49 691
<i>Informal Settlement Households - Refuse</i>	Households	40 769	41 176	41 176	41 176	41 176	41 176	41 588	42 000	42 412
<i>Informal Settlements (R000)</i>	Rand Value	97042 891	106846 139	118265 977	129599 599	129599 599	129599 599	155086 643	170251 200	186879 147
<i>No Rubbish Disposal</i>	Households	3	3	4	4	4	4	3	2	2
<i>Other Rubbish Disposal</i>	Households	4	4	4	4	4	4	4	3	2
<i>Refuse (Average Litres Per Week)</i>	Average Litres Per Week	170	170	-	170	170	170	170	170	-
<i>Removed At Least Once A Week</i>	Households	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
<i>Removed Less Frequently Than Once A</i>	Households	40 556	40 556	45 000	40 556	40 556	40 556	40 556	40 556	40 556
<i>Using Communal Refuse Dump</i>	Households	2	2	8	6	6	6	2	2	1
<i>Using Own Refuse Dump</i>	Households	1	1	6	4	4	4	4	3	2

Table 35: MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<u>Borrowing Management</u>											
Credit Rating		A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,3%	1,2%	1,0%	1,3%	0,8%	0,8%	0,8%	1,3%	2,2%	2,2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1,8%	1,6%	1,2%	1,6%	1,0%	1,0%	1,0%	1,5%	2,6%	2,6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	34,5%	21,6%	21,6%	21,6%	54,2%	58,8%	28,5%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	2,9%	2,1%	1,6%	4,6%	3,8%	3,8%	3,8%	14,1%	14,8%	14,1%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1,7	1,4	1,7	2,0	2,0	2,0	2,0	1,9	1,9	1,9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,7	0,6	0,1	0,6	0,6	0,6	0,6	(0,0)	(0,0)	0,0
Liquidity Ratio	Monetary Assets/Current Liabilities	0,7	0,6	0,6	0,8	0,7	0,7	0,7	0,5	0,4	0,4
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		104,4%	98,3%	100,0%	86,0%	86,0%	86,0%	86,0%	80,5%	80,5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		104,4%	98,3%	100,0%	86,0%	86,0%	86,0%	86,0%	80,5%	80,5%	80,5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	25,8%	28,4%	30,5%	25,6%	25,4%	25,4%	25,4%	29,0%	29,5%	29,7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	18,9%	23,7%	24,0%	23,0%	23,0%	23,0%	23,0%	23,0%	22,0%	21,0%
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Creditors to Cash and Investments		47,8%	90,8%	112,8%	66,0%	68,9%	68,9%	68,9%	57,6%	65,6%	61,9%

MBRR Table SA8 - Performance indicators and benchmarks (continued)

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	331036051	290576586	322127768	331036051	331036051	331036051	322127768	322127768	322127768	322127768
	Total Cost of Losses (Rand '000)	309 839	271 758	322 128	309 840	309 840	309 840	376 380	376 380	376 380	376 380
	% Volume (units purchased and generated less units sold)/units purchased and generated	22,2%	19,1%	22,8%	22,2%	22,2%	22,2%	22,8%	22,8%	22,8%	22,8%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	29 566	21 513	21 818	17 775	17 775	17 775	17 775	18 032	18 032	18 032
	Total Cost of Losses (Rand '000)	158216992	126144567	125495509	104222996	104222996	104222996	104222996	103715297	103715297	103715297
	% Volume (units purchased and generated less units sold)/units purchased and generated	46,1%	36,3%	36,3%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33,7%	33,6%	31,9%	30,8%	30,8%	30,8%	30,8%	29,9%	29,7%	29,2%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	35,0%	34,6%	33,1%	31,7%	31,6%	31,6%		30,7%	30,5%	30,0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6,5%	5,8%	5,0%	5,0%	5,0%	5,0%		5,0%	4,8%	4,9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	22,1%	26,5%	18,4%	8,6%	8,1%	8,1%	8,1%	7,5%	8,5%	8,9%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	20,5	26,0	36,0	39,3	39,3	39,3	74,0	85,1	86,0	91,9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	37,6%	39,2%	42,6%	36,2%	36,2%	36,2%	36,2%	41,1%	41,2%	41,2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3,0	3,2	2,5	2,4	2,3	2,3	2,3	1,5	1,3	1,4

2.3.1.1 Borrowing management

The ability of the City to raise long term borrowing is largely dependent on its creditworthiness and financial position. The City has a credit rating of A1_(za) (Short-Term) and A_(za) (Long-Term) together with a low gearing ratio thus enabling the City to borrow capital to fund its revenue generating infrastructure. The City is in the process of acquiring loan funding for waterworks and sewerage projects as part of capital-intensive realisation that will promote economic growth for the City. This is part of a pro-active but cautionary measure in line with section 46 of the MFMA, to invest in revenue raising infrastructure assets that have a positive return on earnings in the long run.

The following financial performance indicators have formed part of the compilation of the draft 2022/2023 MTREF budget:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is slightly increasing from 1.3% in 2022/2023 to 2.2% in 2024/2025 over the MTREF.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing; the average over MTREF is 47.0%.

2.3.1.2 Safety of capital

The debt-to-equity ratio over the MTREF period is 14.1%; the ratio indicates the taking up of new loan funding.

2.3.1.3 Liquidity

Current ratio over the MTREF period is 1.9: 1. Included in the current assets is the City's debt book which has a collection ratio of 80.5% and the recoverability of this is considered to be obtainable.

The liquid ratio for the 2022/2023 financial year is 0.5:1 and slightly decreases to 0.4: 1 in the 2024/2025 financial year.

2.3.1.4 Revenue Management

The City has adopted an aggressive Revenue Enhancement Strategy, which includes revenue generation, accuracy of meter reading, regular supplementary valuations, and ensuring all residents receive a correct bill that the City has rendered thereby contributing to the confidence of the consumers. The current collection rate of 68.48% as at 28 February 2022 is expected to improve to 80.5% over the MTREF period. A Revenue Management Rollout Programme is consistently being undertaken to encourage customers to pay their municipal accounts. A Debt Incentive Scheme has also been approved by Council to encourage customers to settle their accounts and keep them up to date.

2.3.1.5 Creditors Management

The City has managed to ensure that creditors are settled within the legislated 30 days of statement, except for those that are under dispute. SMME's are paid bi-monthly. By applying daily cash flow management, the municipality has managed to ensure a 100% compliance.

2.3.1.6 Other Indicators

- i. Employee costs as a percentage of operating revenue is 29.9% in the 2022/2023 financial year and slightly decreases to 29.2% over the MTREF. Though this rate is still within the norm, the increasing trend is a concern that require close monitoring.
- ii. The electricity distribution losses are 21.6% as at 28 February 2022 and is anticipated to be 22.8% by 2024/2025. This continues to be an area of focus to reduce electricity losses. There is a program that is undertaken by the City to electrify informal dwellings which would also assist in reducing illegal connects.

- iii. The City has a Revenue Protection Unit, the main aim of this unit is to reduce the losses; however, there is a limit to what can be done with limited resources in the short term and the extent to which losses can be limited.
- iv. Electricity losses mitigation strategy:
 - a. The inspection of all large power user installations on a yearly cycle.
 - b. The inspection of all domestic power user installations on a three-yearly cycle.
 - c. Priority inspection all identified non-purchasing prepayment customers monthly.
 - d. Inspect all disconnected domestic prepayment/credit metered services on a monthly cycle to identify further tampering and to take progressively more deterrent action against the transgressors.
 - e. Inspect existing “old” meters for possible calibration inaccuracies.
 - f. The enforcement of the Electricity Bylaws in terms of arresting illegal electricity connectors.
- v. The overall average of non-revenue water amounts to 35.9% at 28 February 2022 and the City anticipates this to decrease to 30% by 2024/2025.
- vi. BCMM has developed a Water Conservation and Water Demand Management (WC/WDM) Strategy, which focuses primarily on reducing the level of non-revenue water to enhance both the financial viability of and water supply sustainability to BCMM.
- vii. The goals set in terms of this Strategy, are the following:
 - a. Reduction of non-revenue water:
 - b. Increased billed metered consumption:
 - c. Reduction of raw water treatment losses:
 - d. Ability to undertake detailed water balances:
 - e. Promotion of water use efficiency
- viii. Repairs and maintenance as a percentage of total operating revenue is on average 5% over the 2022/2023 MTREF period.

2.3.2 Free Basic Services: Basic Social Services Package for Indigent Households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the City. Only registered indigents qualify for the Free Basic Services.

As at 28 February 2022, the breakdown of the total number of Indigents is as follows:

Electricity - A total of 60,833 Indigents (both urban and rural) had registered for the Free Basic Electricity.

Water - BCMM supplied 6kl of Water Free to approximately 82,878 residents in the informal settlements and rural communities within the boundaries of BCMM. With regards to rural water, the communities are already catered for as there is no registration required at present. The register fluctuates due to new registrations and those who no longer qualify for the indigent subsidy.

In terms of the municipality's indigent Policy, registered households are entitled to 6kl free water (R121.96), and 50 kwh of electricity (R94.42). Registered indigents are also to receive the following monthly rebates in the 2022/2023 financial year:

- i. Property Rates – R142.41 (based on a property value of R120 000)
- ii. Refuse Removal – R300.73
- iii. Sewerage Charges – R106.93
- iv. Fire Levy – R62.88

2.3.3 Providing Clean Water and Managing Waste Water

The BCMM is the Water Services Authority and has the executive authority to provide water services within its area of jurisdiction in terms of the Municipal Structures Act 118 of 1998 or the ministerial authorisations made in terms of this Act. The primary responsibility for Water Services Authority includes:

- i. **Ensuring access:** To ensure the realisation of the right of access to water services, particularly basic water services (subject to available resources) by seeing that appropriate investments in water services infrastructure are made.

- ii. **Planning:** To prepare water services development plans to ensure effective, efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development.
- iii. **Regulation:** To regulate water services provision and Water Services Providers within the jurisdiction of the municipality and within the policy and regulatory frameworks set by DWAF through the enactment of by-laws and the regulation of contracts.
- iv. **Provision:** To ensure the provision of effective, efficient and sustainable water services (including water conservation and demand management) either by providing water services themselves or by selecting, procuring and contracting with external Water Services Providers.

BCMM provides approximately 60% of bulk potable water through Umzonyana Water Treatment Works and KWT Water Treatment Works, 40% is provided by Amatola Water as Water Services Provider.

2.3.3.1 Blue Drop Status

Buffalo City Metropolitan Municipality achieved 72.8% on Blue Drop Score as it was audited by Department of Water and Sanitation in 2014. The 2014 audit represents the last full audit carried out by the Department of Water and Sanitation. Subsequent audits have been in the form of Provisional Assessment Tools (PAT's) for which no scoring is allocated. The Department of Water and Sanitation has revived the biennial auditing of drinking water supply schemes and the next full audit is anticipated to take place in 2022. BCMM achieved 98% compliance with SANS 241 drinking water quality standards in the second quarter SDBIP reporting for 2021/2022.

2.3.3.2 Green Drop Status

BCMM had 15 of wastewater collector and treatment systems audited. From the 2013 Green Drop Audit BCMM obtained a Green Drop status for the East Bank WWTW and an overall Green Drop Score of 80.94%. The 2013 audit represents the last full audit carried out by the Department of Water and Sanitation. Subsequent audits have been in

the form of Provisional Assessment Tools (PAT's) for which no scoring is allocated. The Department of Water and Sanitation recently revived the biennial auditing of wastewater schemes. A full audit of BCMM wastewater schemes was held in September 2022, scoring on the municipal performance in the audit has not been released to date. BCMM achieved 76% compliance against legislated final effluent water quality limits in the second quarter SDBIP reporting for 2020/2021.

2.3.3.3 Generic Water Services Challenges

By its nature, provision, operation and maintenance of a service like water and wastewater will be faced with various challenges, some related to budgetary constraints, while the origin of other may be related to prevailing socioeconomical factors. Currently BCMM is faced with the following water service challenges:

i. Ageing Infrastructure

Our water and wastewater network have reached its remaining useful life in various parts of our city, requiring major upgrading, refurbishments, and renewal in some instances. The City is addressing this through its asset renewal programme which is part of its capital budget.

ii. Provision of New Bulk Infrastructure

There has been a constant growth in the need for provision of new bulk infrastructure and extension of existing services, due to population growth and historic backlog. The City is finalising designs to augment water supply in the Bhishe and Berlin areas through construction of a new Kei Road water treatment works. The City is also upgrading and refurbishing bulk wastewater infrastructure in King Williams Town, Reeston, and West bank areas.

iii. Augmentation of Water Supply Resources

While the City has pockets of areas where water is supplied from ground water resources bulk of municipal water supply is reliant of the Amatola Water Supply System, which is a system of interconnected dam system. The increasing water demand calls for a need to implement effective water conservation and water

demand management strategies. The City is also investigating various water supply augmentation strategies, that include implementing waste water effluent re-use strategy, and sea water desalination. Experts have already been appointed to look into the latter studies and advise on the most feasible options. The City is also evaluating various water supply augmentation strategies, that include implementing effluent re-use strategy, and consideration of sea water desalination. The City is also developing a hydrological modelling tool of the Amatole Water Supply System, through its partnership with its twinning arrangements with international municipalities and universities.

iv. **Provision of water services to informal settlements**

The City is mandated by the Constitution to ensure provision of water services to all our communities. The City initiated a programme of provision of water services to all our informal settlements; however, this is a shifting goal post due to constant increase in informal settlements as many City dwellers are rapidly moving out of the urban areas in favour of peri-urban or rural spaces so that they may benefit from services intended for the poor, unfairly.

v. **Vandalism of Infrastructure**

Water and wastewater services are faced with high levels of vandalism and illegal electricity connections, which result in disruption of provision of these services, and pose health and safety hazards to our communities and the environment.

vi. **Reduction of Non-Revenue Water**

The City had an overall non-revenue water of approximately 36.27% during the 2020/2021 financial year. This is relatively higher than the target of 30% in terms of National Government Policy Framework. The City strives to reduce non-revenue water through various strategies, that include renewals of infrastructure, installation of new water meters, and improvements in billing and revenue collection.

vii. **Balancing Capital and Operational Expenditure**

Water and wastewater services are faced with high levels of vandalism and illegal electricity connections, which result in disruption of provision of these services, and post health and safety hazards to our communities and the environment.

Substantial funding is required to address the above challenges. To this end, the City has considered various infrastructure funding models, including loan funding and Public Private Partnerships. A Water Indaba is being planned by the City wherein all stakeholders will be taken into confidence with regards to the municipalities plans to ensure water security. This will also be a platform to share ideas with other Metros or municipalities. Private sector/business will also be allowed an opportunity to showcase technologies within the water business so that all stakeholders can be on par with current trends in the space of Water and Sanitation services management.

2.4 OVERVIEW OF BUDGET-RELATED POLICIES

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

2.4.1 Approved Policies

The following budget-related policies have been adopted and approved by Council and are available on the City's website at www.buffalocity.gov.za:

2.4.1.1 Tariff Policy

In terms of Section 74(1) of the Municipal Systems Act No 32 of 2000, Council adopted the revised Tariffs Policy on 31 May 2021. This policy helps and guides the Metro in funding services which is made possible by levying property taxes, charging for municipal services rendered and levy collection through business levies. No amendments have been made to the policy, the policy is attached as Annexure G.

2.4.1.2 Property Rates Policy

In terms of Section 3 of the Municipal Property Rates Act No. 6 of 2004, read in conjunction with Municipal Property Rates Amendment Act 29 of 2014, Council adopted the revised Property Rates Policy on 31 May 2021. No amendments have been made to the policy. This policy is attached as annexure H.

2.4.1.3 Funding and Reserves Policy

The Funding and Reserves policy is aimed at ensuring that the Municipality has sufficient and cost-effective funding in order to achieve its long-term objectives through the implementation of the medium-term operating and capital budgets. The policy was adopted by Council on 31 May 2021 and no amendments have been made to the policy. This policy is attached as Annexure M.

2.4.1.4 Capital Infrastructure Investment Policy

The objective of the Capital Infrastructure Investment Policy is adequate maintenance of assets so as to provide a return on the City's investments. The policy was adopted by Council on 31 May 2021 and no amendments have been made to the policy. This policy is attached as Annexure Q.

2.4.1.5 Long-Term Financial Planning Policy

The policy on Long Term Financial Planning was adopted by Council on 31 May 2021 and encompasses the development, implementation and evaluation of a plan for the provision of basic municipal services and capital assets. No amendments have been made to the policy. This policy is attached as Annexure R.

2.4.1.6 Budget Management & Oversight Policy

The Budget Management & Oversight Policy was adopted by Council on 31 May 2021 and is to provide the principles which the municipality will follow in preparing each medium-term revenue and expenditure framework budget, and adjustment budgets. No amendments have been made to the policy. This policy is attached as Annexure S.

2.4.1.7 Cost Containment Policy

The objective of the Cost Containment Policy is to prescribe cost containment measures for the Metro in line with Municipal Cost Containment Regulations. The policy was adopted by Council on 31 May 2021 and no amendments have been made to the policy. This policy is attached as Annexure U.

2.4.2 Policies reviewed and amended

The following budget-related policies have been reviewed by management and submitted together with the draft Revised 2022/2023 IDP, draft 2022/2023 MTREF Budget and draft 2022/2023 BEPP.

2.4.2.1 Supply Chain Management Policy

In terms of section 111 of the Municipal Finance and Management Act No. 56 of 2003 the municipality must adopt a Supply Chain Management Policy; this policy has been attached as Annexure I.

The following are the proposed amendments:

- i. Replace the words “organ of state” with “the metro” under section 57 (Preferential Procurement) so as to be more specific to the Metro.
- ii. Removal of reference to “Preferential Procurement Regulations, 2017” under section 58 (1).

2.4.2.2 Immovable Asset Policy

The Immovable Asset Policy is attached as Annexure J. Some of the proposed amendments to the policy are summarised below.

The below are some of the proposed amendments:

- i. Changing of word “Director” to “Head of Directorate” so as to ensure alignment with the organisational structure.
- ii. Add definition of “Work in Progress (WIP)” under Definitions as it was previously not included.

Kindly refer to Annexure J for additional proposed amendments, amendments have been done to ensure compliance with GRAP.

2.4.2.3 Movable Asset Policy

The Movable Asset Policy is for the management of movable assets (Property, Plant and Equipment). Some of the proposed amendments to the policy are summarised below. The proposed amendments are also highlighted on the revised policy attached as Annexure K.

The below are some of the proposed amendments:

- iii. Changing of word “Director” to “Head of Directorate” so as to ensure alignment with the organisational structure.
- iv. Addition to abbreviations for CIDMS - City Infrastructure Delivery and Management System (National Treasury).
- v. Removal of the below under the section on Information to be Included in an Asset Register as movable assets not revalued:
 - Revalued amount of the asset as determined in the guidelines of this document
 - Revaluation date

Kindly refer to Annexure K for additional proposed amendments, amendments have been done to ensure compliance with GRAP.

2.4.2.4 Budget Virement Policy

The Budget Virement Policy is to effectively and efficiently manage the budget transfers and virements and ensure optimum service delivery. The proposed amendments to the policy are summarised below. The proposed amendments are also highlighted on the revised policy attached as Annexure L.

The below are the proposed amendments:

- i. Inclusion of “Software Licenses” and “Skills Development Levy” under section 10.2.1.1 not be used as sources of budget transfers.

2.4.2.5 Credit Control Policy

The objective of the Credit Control Policy is to effectively collect all revenue due to the Metro. The proposed amendments to the policy are summarised below. The proposed amendments are also highlighted on the revised policy attached as Annexure N.

The below are the proposed amendments:

- i. The proposed amendment in section 3(12)(a) emanates from AG’s finding and to allow constancy in the application of the Credit Control Policy.
- ii. The proposed amendment in section 8.6(b)(iv) is around approval for the implementation of the partial block.

2.4.2.6 Indigent Support Policy

The Indigent Support Policy is aimed at ensuring that the indigent get physical access to services in a sustainable manner. The proposed amendments to the policy are summarised below. The proposed amendments are also highlighted on the revised policy attached as Annexure O.

The below are the proposed amendments:

- i. Amend section 12.6 (Deceased Estate) to read “The municipality shall continue subsidising the deceased estate account for the duration or period not exceeding one (1) year to allow the family to appoint an executor whom a new account will be created/opened on his/her name”.
- ii. Insertion of a new paragraph which is 16.8.4 under section 16.8 (Exit programme). The proposed new paragraph is “The Indigent Register will be shared with the other relevant Directorates, Government Department and Private Sector”. The reason for the proposed paragraph is to create a conducive environment for Indigent Subsidy Beneficiaries to participate in the economic main stream.

2.4.2.7 Long-Term Borrowings Policy

A Long-Term Borrowings Policy has been developed in compliance with the Municipal Finance and Management Act No. 56 of 2003 and the Municipal Budget and Reporting Regulations on Debt Disclosure. The proposed amendments to the policy are summarised below. The proposed amendments are also highlighted on the revised policy attached as Annexure P.

The following are the proposed amendments:

- i. Insertion of a new subsection which is 5.1(g) under section 5.1 (Statutory Conditions). The proposed new subsection is to set out the information to be provided with respect to long-term debt proposal in a tabular format.
- ii. Insertion of a new subsection which is 5.1(h) under section 5.1 (Statutory Conditions). The original policy did not refer to Certification for Long-Term Borrowing (debt); the proposed new subsection is to set out the certification of long-term borrowing (debt) which is to be signed by City Manager and Executive Mayor.
- iii. Amend all ratio calculation formulas under section 12(d) to be in line with MFMA Circular 71 so as to ensure that they are specific to local government as guided by National Treasury.

2.4.2.8 Investment and Cash Management Policy

The purpose of the Investment and Cash Management Policy is to secure sound and sustainable management of the Metro's surplus cash and investments. The proposed amendments to the policy are summarised below. The proposed amendments are also included on the revised policy attached as Annexure T.

The following are the proposed amendments:

- i. All references to cheques be removed in the policy as cheques are no longer an acceptable form of payment or bill of exchange in South Africa.

- ii. It is proposed that paragraph 1 under section 8.2 (Payment of suppliers / creditors) be removed as payment of creditors is not happening once due to SMMEs being paid weekly.

All the above policies are available and can be viewed on Buffalo City Metropolitan Municipality’s Website: www.buffalocity.gov.za

2.5 OVERVIEW OF BUDGET ASSUMPTIONS

Key factors that have been taken into consideration in the compilation of the draft 2022/2023 MTREF include:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on City’s residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration.

2.5.1 General inflation outlook and its impact on the municipal activities

In terms of the Municipal Budget Circular No. 115 dated 04 March 2022, municipalities were advised to take the following macro-economic forecasts into consideration:

Table 36: Macroeconomic performance and projections, 2021 - 2025

Fiscal year	2021/2022	2022/2023	2023/2024	2024/2025
	Estimate	Forecast		
CPI Inflation	4.5%	4.8%	4.4%	4.5%
Real GDP growth	4.8%	2.1%	1.6%	1.7%

Source: 2021 Budget Review

- Global uncertainties and an uneven domestic recovery will weigh on the economic outlook over the medium-term. While the outlook for 2022 has been revised

upward, persistent structural constraints continue to inhibit the pace of the recovery from COVID- 19 and longer-term growth.

- Industrial action in the manufacturing sector, and the re-emergence of load shedding, also slowed the pace of the recovery.
- Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected.

2.5.2 Credit rating outlook

The City has a healthy financial position, and this is confirmed by the low gearing ratio coupled with “A” Long Term Rating (Global Credit Rating) thus allowing the City to obtain additional long-term borrowings.

Table 37: Credit rating outlook

Security class	Currency	Current Rating 2020/2021	Annual rating 2021/2022	Previous Rating 2019/2020
Short term	Rand	A1(za)	March 2021	A1(za)
Long-term	Rand	A(za)	March 2021	A(za)
Outlook	Rand	Stable	March 2021	Stable

The rating definitions are:

- Short term: A1: Defined as, very high certainty of timely payment relative to other issuers or obligations in the same country. Liquidity factors are excellent and supported by good fundamental protection factors. Risk factors are minor.
- Long-term: A: Defined as high credit quality relative to other issuers or obligations in the same country. Protection factors are good. However, risk factors are more variable and greater in periods of economic stress.

The Credit Rating for 2020/2021 and 2019/2020 remain unchanged with the Ratings Outlook remaining Stable.

The Credit Rating for 2021/2022 is still under review and scheduled to be published end of March 2022.

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The City engages in financing arrangements to minimise its interest rate costs and risk. The average interest rate for borrowings is currently 9.08%. The City has budgeted R733 million in the 2022/2023 financial year, R622 million in the 2023/2024 financial year and R140 million in 2024/2025 financial year in terms of external capital loan funding. An amount of R49 million has been projected in the 2022/2023 financial year, R154 million in the 2023/2024 financial year and R162 million in the 2024/2025 financial year for finance charges on external capital loan funding. Finance charges budgeted for relates to both existing long-term borrowings and the new loan that is being sought by the City.

The City is investing its cash reserves on various investing institution in line with the MFMA. The interest rate is currently 3.5% on primary bank account and 3.85% on investment call accounts. An amount of R31 million has been projected in both 2022/2023 and 2023/2024 financial years and R32 million in the 2024/2025 financial year for interest earned on external investments.

2.5.4 Collection rate for revenue services

The rate of revenue collection is currently at 68.48% (28 February 2022) of annual billings and arrear debt. Stricter control measures of the Credit Control Policy are being enforced, the collection of arrear debt will be utilised as a source of additional cash in-flow for funding future capital infrastructure projects. An amount of R1.23 billion towards debt impairment has been provided for the 2022/2023 financial year and is based on projected average collection ratio of 80.5% set as a target in the SDBIP.

2.5.5 Growth in the tax base of the municipality

Revenue from own sources is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the City, household formation growth rate and the poor household change rate.

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

2.5.6 Salary and Wage increases

The draft 2022/2023 MTREF has made a provision of 4.8% for salary increases, this increase is in line with the existing Salary and Wage Collective Agreement.

2.5.7 Impact of National, Provincial and Local Policies

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

- Accelerate Public Infrastructure Investment;
- Support for special economic zones and manufacturing incentives;
- Further expansion of public works programmes;
- Investment in renewable energy;
- Overhaul procurement and supply chain management;
- Creating jobs and reduce poverty;
- Skill development;

- Rural development and agriculture; and
- Fighting crime and corruption.

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

2.5.8 Ensuring maintenance of existing assets

Repairs and maintenance have been budgeted at 5% of the total operating expenditure. The City has recognised the target to be reached is 10%, however cognizance should be given to the impact on tariffs in this regard. Substantial budget allocation has been made for renewal of existing assets as detailed in the capital program section.

2.5.9 Ability of the municipality to spend and deliver on the programmes

The establishment of the Enterprise Project Management Office (EPMO) continues to bear fruit as it still strategically and technically assists the capital spending of the City. It is estimated that a spending rate of at least 100% is achieved on operating expenditure and 100% on the capital programme for the 2022/2023 MTREF of which performance has been factored into the cash flow budget.

2.6 OVERVIEW OF BUDGET FUNDING

2.6.1 Medium-term outlook: operating revenue

The draft 2022/2023 MTREF budget is fully funded utilising receipts from the following funding sources:

- Own Funds (Internally Generated Funds)
- Borrowings
- National Government Allocation
- Provincial Government Allocation
- Other transfers and grants

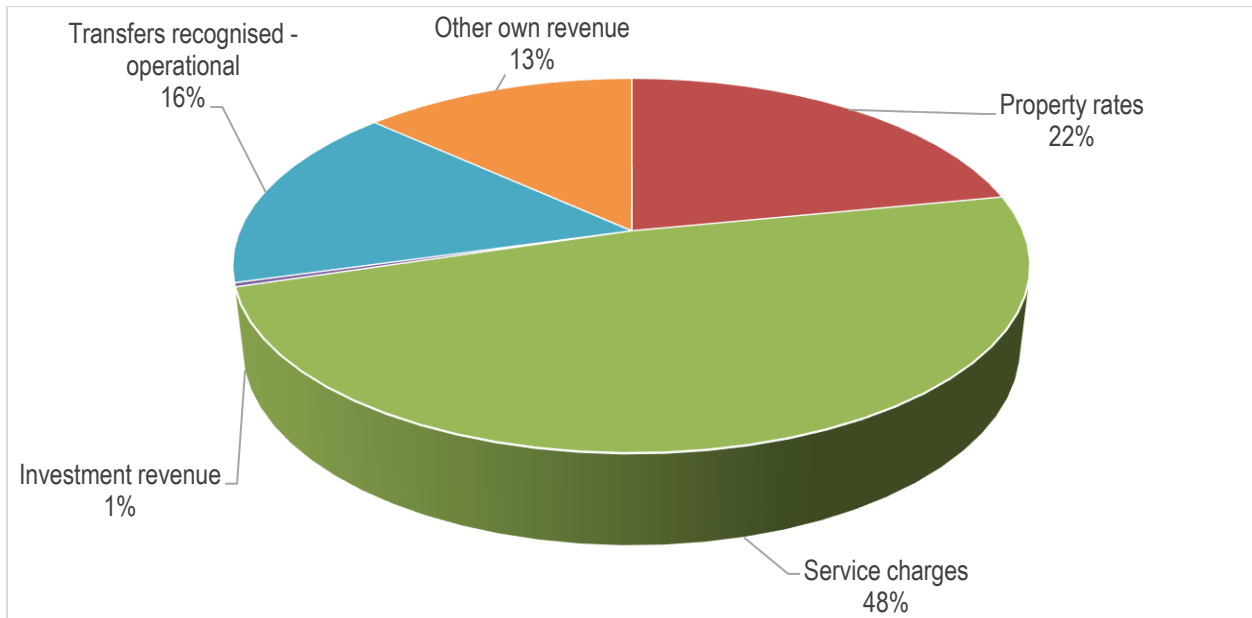
The following table is a breakdown of the operating revenue over the medium-term:

Table 38: Breakdown of the operating revenue over the medium-term

Description R thousands	2022/23 Medium Term Revenue & Expenditure Framework					
	Budget Year 2022/23	%	Budget Year +1 2023/24	%	Budget Year +2 2024/25	%
Financial Performance						
Property rates	1 958 216	22%	2 044 378	22%	2 136 375	21%
Service charges	4 326 869	48%	4 676 997	50%	5 057 799	51%
Investment revenue	30 876	1%	31 206	0%	31 505	0%
Transfers recognised - operational	1 447 763	16%	1 438 067	15%	1 479 210	15%
Other own revenue	1 182 480	13%	1 223 209	13%	1 299 082	13%
Total Revenue (excluding capital transfers and contributions)	8 946 204	100%	9 413 857	100%	10 003 970	100%

The following graph is a breakdown of the operational revenue per main category for the 2022/2023 financial year.

Figure 6: Breakdown of operating revenue for the 2022/2023 financial year



Tariff setting plays a major role in ensuring desired levels of revenue. The City derives most of its operational revenue from the provision of goods and services (48% of total revenue) such as water, electricity, sanitation and solid waste removal. Property rates (22%), transfers and subsidies (16%), Investment revenue (1%) and other minor charges (such as building plan fees, licenses and permits etc) (13%) forms part of the 2022/2023 revenue base.

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

- Growth in the City and economic development;
- Revenue management and enhancement;
- Implementation of Credit Control and Debt Collection Policy;
- Achieve set target for collection ratio;
- Adhere to National Treasury guidelines;
- Plan in line with General Economic Climate (Nationally and Local);
- Budget Electricity tariff increases that are within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Implementation of Tariff Policy; and
- Implementation of the Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA)

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

Consideration of bad economic climate that is affecting the City's consumers was taken into consideration when determining the tariff increases. Ensuring that tariffs are fully recovering the costs of running the service was also given high consideration in determining the tariff increases.

The table below reflects the proposed tariffs for the 2022/2023 MTREF period.

Table 39: Tariff increases 2021/2022 to 2024/2025 MTREF

	Actual tariff increase	Proposed tariff increase			Budgeted revenue
Description	2021/2022	2022/2023	2023/2024	2024/2025	2022/2023
Property rates	8,00%	4,80%	4,40%	4,50%	1 958 216
Refuse	8,50%	4,80%	4,40%	4,50%	385 616
Sewerage	8,50%	4,80%	4,40%	4,50%	468 519
Electricity	14,59%	9,61%	9,00%	9,00%	2 600 320
Water	9,10%	9,64%	9,00%	9,00%	872 414
Fire Levy	8,00%	4,80%	4,40%	4,50%	88 713
Sundry Income	8,00%	4,80%	4,40%	4,50%	144 462
Total					6 518 260

Revenue to be generated from property rates is R1.96 billion in the 2022/2023 financial year, which represents 22% of the operating revenue base of the City and increases to R2.14 billion by 2024/2025.

Service charges related to electricity, water, sanitation, and refuse removal in total constitute the biggest component of the City's revenue basket, totalling R4.33 billion for the 2022/2023 financial year and increasing to R5.06 billion by 2024/2025. For the 2022/2023 financial year services charges amount to 48% of the total revenue base increase to 51% over the medium-term.

Operational grants and subsidies amount to R1.45 billion, R1.44 billion and R1.48 billion for each of the respective financial years of the MTREF, or 16%, 15% and 15% of operating revenue. It needs to be noted that the grants receipts from national government are reducing over the MTREF.

Investment revenue contributes marginally to the revenue base of the City with a budget allocation of R31 million, R31 million and R32 million for the respective three financial years of the 2022/2023 MTREF.

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

Table 40: MBRR Table SA15 – Detail Investment Information

Investment type	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	597 923	588 648	894 632	1 230 745	1 176 880	1 176 880	810 158	642 310	623 903
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Municipal Bonds									
Municipality sub-total	597 923	588 648	894 632	1 230 745	1 176 880	1 176 880	810 158	642 310	623 903
Entities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Consolidated total:	597 923	588 648	894 632	1 230 745	1 176 880	1 176 880	810 158	642 310	623 903

Table 41: MBRR Table SA16 – Investment particulars by maturity

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months												
Parent municipality													
First National Bank - 62098719358	Call Account	Call Account	Yes	Variable	3,55	0		30 June 2022	319	-	-	-	319
Rmb	Various	Short Term / Call	Yes	Variable	0,04	0		30 June 2025	292 907	7 560	(78 232)	-	222 235
Standard Bank	Various	Short Term / Call	Yes	Variable	0,04	0		30 June 2025	146 453	3 780	(39 116)	-	111 117
Stanlib	Various	Short Term / Call	Yes	Variable	0,04	0		30 June 2025	146 453	3 780	(39 116)	-	111 117
Absa	Various	Short Term / Call	Yes	Variable	0,04	0		30 June 2025	292 907	7 560	(78 232)	-	222 235
Nedbank	Various	Short Term / Call	Yes	Variable	0,04	0		30 June 2025	292 907	7 560	(78 232)	-	222 235
Municipality sub-total									1 171 946		(312 926)	-	889 259
Entities													
First National Bank - 62098719358	1 year	fixed deposit	Yes	Fixed	0	0		30 June 2022	995	-	-	-	995
													-
													-
													-
													-
Entities sub-total									995		-	-	995
TOTAL INVESTMENTS AND INTEREST									1 172 940		(312 926)	-	890 254

2.6.2 Medium-term outlook: capital revenue

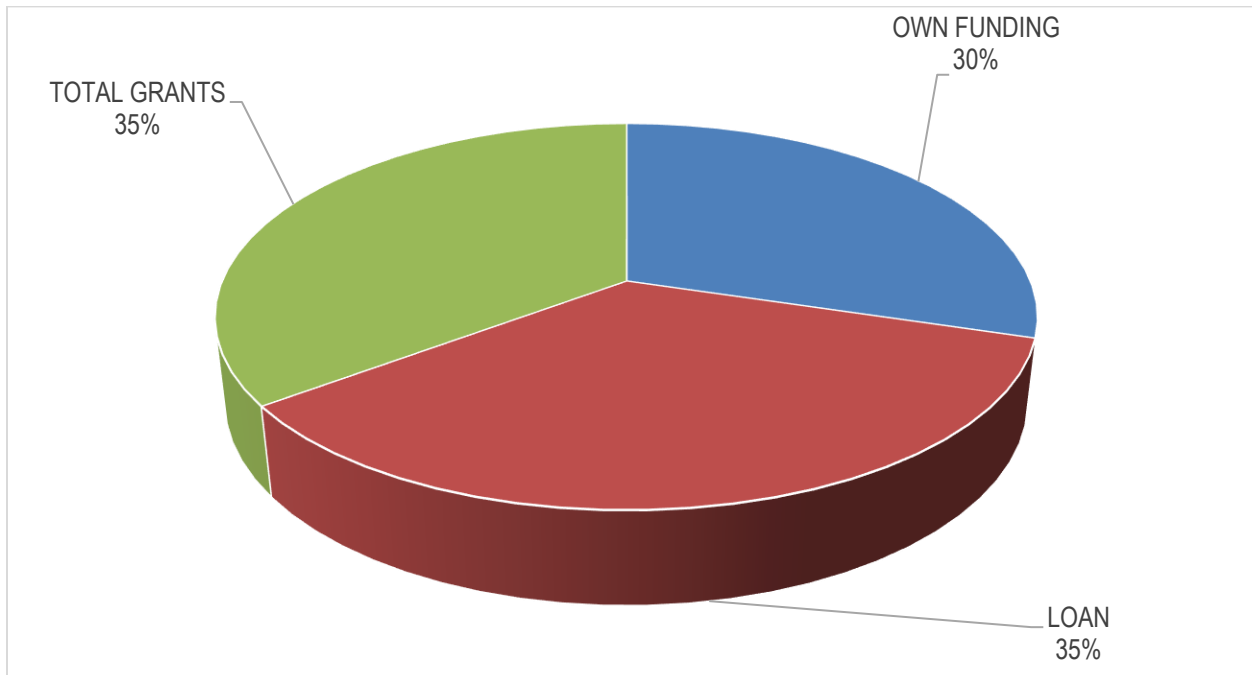
The following table is a breakdown of the funding composition of the draft 2022/2023 medium-term capital programme:

Table 42: MBRR Table A5 - Sources of capital revenue over the MTREF

Vote Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Funded by:										
National Government	83 694	903 947	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Provincial Government	-	1 579	-	-	-	-	-	-	-	-
District Municipality										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	83 694	905 526	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Borrowing	-	-	3 079	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Internally generated funds	163 021	642 141	616 049	701 379	855 691	855 691	855 691	618 873	436 716	350 633
Total Capital Funding	246 716	1 547 666	1 590 115	1 803 592	1 827 550	1 827 550	1 827 550	2 085 362	1 810 183	1 286 461

The above table is graphically represented as follows for the 2022/2023 financial year:

Figure 7: Sources of capital revenue for the 2022/2023 financial year



Capital grants equate to 35% or R734 million of the total funding sources for the 2022/2023 financial year. Borrowing as a funding source for the capital programme amounts to R733 million for 2022/2023 financial year, R622 million for 2023/2024 financial year and R140 million for 2024/2025 financial year.

The repayment of capital and interest (debt services costs) has substantially increased over the past three years. The City will be acquiring loan in the 2022/2023 MTREF period amounting to approximately R1.49 billion to fund revenue generating capital programmes.

The following table is a detailed analysis of the City's borrowing liability.

Table 43: MBRR Table SA17 - Details of borrowings

Borrowing - Categorised by type R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality									
Annuity and Bullet Loans	287 581	233 185	187 994	451 974	368 635	368 635	1 422 411	1 501 191	1 440 106
Municipality sub-total	287 581	233 185	187 994	451 974	368 635	368 635	1 422 411	1 501 191	1 440 106
Entities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Total Borrowing	287 581	233 185	187 994	451 974	368 635	368 635	1 422 411	1 501 191	1 440 106
Unspent Borrowing - Categorised by type									
Parent municipality									
Municipality sub-total	-	-	-	-	-	-	-	-	-
Entities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	-	-	-	-	-	-	-	-	-

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source, it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation. Internally generated funds consist of R619 million in 2022/2023, R437 million in 2023/2024 and R351 million in 2024/2025.

Table 44: MBRR Table SA 18 - Transfers and grant receipts

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:									
Operating Transfers and Grants									
National Government:	889 343	950 255	1 179 103	1 007 225	1 036 960	1 036 960	1 167 696	1 248 095	1 308 228
Local Government Equitable Share	778 048	847 431	1 053 614	936 811	936 811	936 811	1 045 448	1 118 513	1 196 538
Expanded Public Works Programme Integrated Grant	4 050	9 956	8 449	7 300	7 300	7 300	10 728	-	-
Infrastructure Skills Development Grant	9 587	7 097	7 173	10 500	10 350	10 350	11 600	11 850	13 350
Local Government Financial Management Grant	1 086	940	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Metro Informal Settlement partnership grant	-	-	-	6 873	8 300	8 300	19 359	15 908	17 168
Neighbourhood Development Partnership Grant	-	-	-	-	19 617	19 617	21 000	21 000	-
Programme & Project Preparation Support Grant	-	-	-	-	8 941	8 941	13 776	14 383	13 934
Urban Settlement Development Grant	93 164	82 355	108 134	-	44 641	44 641	44 785	65 441	66 238
Public Transport Network Grant	3 407	2 476	733	44 741	-	-	-	-	-
Provincial Government:	25 371	15 870	16 873	114 952	195 430	195 430	115 983	115 983	116 696
Library Service	15 870	15 870	15 870	15 870	15 870	15 870	15 870	15 870	16 583
Capacity Building	752	-	-	-	-	-	-	-	-
Office of the Premier	-	-	1 003	-	-	-	-	-	-
Emergency Housing Grant	8 749	-	-	-	-	-	-	-	-
Human Settlement Development	-	-	-	99 082	179 560	179 560	100 113	100 113	100 113
District Municipality:	-	-	-	-	-	-	-	-	-
<i>Programme & Project Preparation Support Grant</i>									
Other grant providers:	3 982	20 880	92 321	164 819	137 723	137 723	164 085	73 990	54 286
<i>European Union</i>			2 569	30 960	15 505	15 505	31 598		
<i>Local Government Water and Related Service SETA</i>	3 572		2 929						
<i>Salauda / Gavle</i>	410	74	442		381	381			
<i>City of Oldenburg</i>									
<i>Other operational transfers/grants</i>		20 806							
<i>OTHER - BCMDA</i>			86 381	133 859	121 837	121 837	132 487	73 990	54 286
Total Operating Transfers and Grants	918 696	987 005	1 288 298	1 286 996	1 370 113	1 370 113	1 447 764	1 438 068	1 479 210
Capital Transfers and Grants									
National Government:	1 120 289	1 102 789	1 173 080	733 699	736 196	736 196	733 875	750 972	795 828
Energy Efficiency and Demand Side Management Grant	-	-	-	-	9 000	9 000	-	-	-
Integrated City Development Grant	10 002	10 382	2 887	-	-	-	-	-	-
Integrated National Electrification Programme Grant	5 213	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant	-	-	-	-	150	150	150	150	150
Metro Informal Settlements Partnership Grant	-	-	-	259 385	257 958	257 958	262 763	278 648	290 617
Neighbourhood Development Partnership Grant	5 993	1 945	9 981	9 000	13 536	13 536	19 581	19 581	30 000
Public Transport Network Grant	136 091	156 095	78 217	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	10 350	487	487	-	-	-
Urban Settlement Development Grant	962 990	934 367	1 081 995	454 964	455 064	455 064	451 381	452 593	475 061
Provincial Government:	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	1 120 289	1 102 789	1 173 080	733 699	736 196	736 196	733 875	750 972	795 828
TOTAL RECEIPTS OF TRANSFERS & GRANTS	2 038 985	2 089 794	2 461 378	2 020 695	2 106 309	2 106 309	2 181 639	2 189 040	2 275 038

2.6.3 Cash Flow Management

BCMM is projecting a favourable cash position of R890 million at 30 June 2023 and it is projected to be R816 million at 30 June 2024 (2025: R903 million).

Table 45: MBRR Table A7 – Budgeted cash flow

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	1 295 503	1 468 355	1 589 415	1 577 897	1 577 897	1 577 897	1 577 897	1 576 364	1 645 724	1 719 782
Service charges	2 823 913	3 180 242	3 937 345	3 421 416	3 426 085	3 426 085	3 426 085	3 483 129	3 764 982	4 071 528
Other revenue	444 790	78 677	(619 352)	967 444	962 509	962 509	962 509	869 717	899 265	957 886
Transfers and Subsidies - Operational	921 187	979 243	1 202 782	1 301 395	1 370 113	1 370 113	1 370 113	1 447 763	1 438 067	1 479 210
Transfers and Subsidies - Capital	998 245	1 010 413	1 069 736	733 699	737 748	737 748	737 748	735 015	752 204	797 158
Interest	165 784	192 171	160 222	130 828	130 993	130 993	130 993	30 876	31 206	31 505
Dividends				-	-	-	-	-	-	-
Payments										
Suppliers and employees	(5 407 264)	(4 841 629)	(5 753 843)	(6 489 604)	(6 512 929)	(6 512 929)	(6 512 929)	(6 793 978)	(7 066 905)	(7 466 620)
Finance charges	(38 467)	(32 564)	(25 757)	(59 936)	(23 235)	(23 235)	(23 235)	(49 361)	(153 640)	(161 565)
Transfers and Grants	(47 193)	(130 821)	(104 708)	(161 059)	(147 983)	(147 983)	(147 983)	(173 246)	(143 688)	(138 255)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 156 497	1 904 087	1 455 838	1 422 081	1 521 198	1 521 198	1 521 198	1 126 281	1 167 215	1 290 628
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	2 226	10 373	36 769	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables								-	-	-
Decrease (increase) in non-current investments								-	-	-
Payments										
Capital assets	(1 760 015)	(1 654 409)	(1 666 515)	(1 803 592)	(1 827 550)	(1 827 550)	(1 827 550)	(2 085 362)	(1 810 183)	(1 286 461)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 757 789)	(1 644 036)	(1 629 746)	(1 803 592)	(1 827 550)	(1 827 550)	(1 827 550)	(2 085 362)	(1 810 183)	(1 286 461)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-	-	-
Borrowing long term/refinancing	-	-	-	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	8 182	3 423	3 655
Payments										
Repayment of borrowing	(52 572)	(57 974)	(54 396)	(50 892)	(45 512)	(45 512)	(45 512)	(62 833)	(56 859)	(61 220)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(52 572)	(57 974)	(54 396)	318 822	189 799	189 799	189 799	677 964	569 059	82 435
NET INCREASE/ (DECREASE) IN CASH HELD	(653 864)	202 078	(228 303)	(62 689)	(116 554)	(116 554)	(116 554)	(281 117)	(73 909)	86 602
Cash/cash equivalents at the year begin:	1 825 497	1 171 633	1 373 711	1 373 606	1 373 606	1 373 606	1 373 606	1 171 447	890 330	816 422
Cash/cash equivalents at the year end:	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023

2.6.3.1 Cash Backed Reserves/Accumulated Surplus Reconciliation

The table below indicates the cash and investments available after some provisions which increases from R1.28 billion in the 2022/2023 financial year to R1.46 billion in the 2024/2025 financial year. With the introduction of GRAP the institution was required to account for all assets, including those which had been implemented historically by both pre and post 1994 Governments. This resulted in a significant increase in the accumulated surplus associated with the take on of assets. Furthermore, the institution has implemented the revaluation model for accounting for roads and storm water as well as municipal properties which has contributed further to additional surpluses.

Table 46: MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available										
Cash/cash equivalents at the year end	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Other current investments > 90 days	0	0	-	-	-	-	-	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-	-	-
Cash and investments available:	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Application of cash and investments										
Unspent conditional transfers	210 610	531 507	262 146	352 235	352 235	352 235	352 235	760 966	794 923	830 207
Unspent borrowing	-	-	-	-	-	-	-	-	-	-
Statutory requirements										
Other working capital requirements	(429 096)	(316 451)	(498 868)	(907 919)	(906 320)	(906 320)	(906 320)	(1 491 262)	(1 612 978)	(1 740 422)
Other provisions	296 076	305 382	386 978	319 125	256 453	256 453	256 453	336 597	352 081	352 081
Long term investments committed	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments										
Total Application of cash and investments:	77 590	520 438	150 257	(236 559)	(297 631)	(297 631)	(297 631)	(393 699)	(465 974)	(558 134)
Surplus(shortfall)	1 094 042	853 273	995 151	1 547 476	1 554 683	1 554 683	1 554 683	1 284 029	1 282 395	1 461 157

2.6.3.2 Funding compliance measurement

From a cash flow perspective (cash outflow versus cash inflow) the budget is fully funded and is therefore credible. The challenge for the City will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

Table 47: MBRR Table SA10 – Funding compliance measurement

Description	MFMA section	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		Funding measures									
Cash/cash equivalents at the year end - R'000	18(1)b	1 171 633	1 373 711	1 145 407	1 310 917	1 257 052	1 257 052	1 257 052	890 330	816 422	903 023
Cash + investments at the yr end less applications - R'000	18(1)b	1 094 042	853 273	995 151	1 547 476	1 554 683	1 554 683	1 554 683	1 284 029	1 282 395	1 461 157
Cash year end/monthly employee/supplier payments	18(1)b	3,0	3,2	2,6	2,4	2,3	2,3	2,3	1,5	1,3	1,4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	547 221	(183 049)	688 828	1 900 826	1 904 876	1 904 876	1 904 876	1 948 467	2 016 466	2 114 497
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	8,8%	10,9%	(0,8%)	(5,9%)	(6,0%)	(6,0%)	2,0%	0,9%	1,0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	90,9%	85,8%	75,8%	86,5%	86,4%	86,4%	86,4%	79,4%	79,4%	79,5%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	9,1%	12,7%	16,8%	15,0%	16,6%	16,6%	16,6%	19,5%	19,5%	19,5%
Capital payments % of capital expenditure	18(1)c;19	100,0%	106,9%	104,8%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0,0%	0,0%	0,0%	34,5%	21,6%	21,6%	21,6%	54,2%	58,8%	28,5%
Grants % of Govt. legislated/gazetted allocations	18(1)a								117,1%	113,1%	115,8%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	19,7%	27,0%	(10,8%)	0,0%	0,0%	0,0%	22,9%	7,1%	6,9%
Long term receivables % change - incr(decr)	18(1)a	N.A.	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	2,0%	2,0%	1,8%	1,9%	1,9%	1,9%	2,1%	1,9%	1,9%	2,1%
Asset renewal % of capital budget	20(1)(vi)	9,8%	21,0%	13,4%	17,3%	17,5%	17,5%	0,0%	15,1%	24,8%	27,5%

2.6.3.3 Cash/cash equivalent position

BCMM is also projecting a favourable cash position, which currently is projected to be R890 million at 30 June 2023 and is projected to be R816 million at 30 June 2024 (2025: R903 million).

2.6.3.4 Cost Coverage

The projected cost coverage, including conditional grants is projected to be 2.3 months at 30 June 2022 and is projected to be around 1.4 months over the MTREF period; this is within the norm (1-3 months).

2.6.3.5 Surplus/deficit

The City has adopted the approach to cash back its depreciation on a year-to-year basis in order to renew and/or refurbish its existing infrastructure assets. The projected surplus (inclusive of capital transfers) for the 2022/2023 financial year is R736 million (2023/2024: R759 million and 2024/2025: R764 million).

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

In order for the trading services to breakeven and/or generate a surplus the revenue income percentage increase is set above inflation. This trend will have to be carefully monitored and managed with the implementation of the budget.

2.6.3.7 Cash receipts as a percentage of ratepayer and other revenue

The rate of revenue collection is currently at 68.48% (28 February 2022) of annual billings and arrear debt. Stricter control measures of the Credit Control Policy are being enforced, the collection of arrear debt will be utilised as a source of additional cash in-flow for funding future capital infrastructure projects. It is projected that the average collection rate at 30 June 2023 will be 80.5%.

2.6.3.8 Debt impairment expense as a percentage of billable revenue

An amount of R1.23 billion towards debt impairment has been provided for in the 2022/2023 financial year of the MTREF and is based on an average collection ratio of 80.5%.

2.6.3.9 Repairs and maintenance expenditure level

The City is having a consistent trend of spending above 90% of its repairs and maintenance budget. The allocation of repairs and maintenance is 5% of operating expenditure budget in the MTREF. Substantial own funding has been allocated to renew existing assets. Budget details are contained in SA34c.

2.6.3.10 Asset renewal/rehabilitation expenditure level

Details of the City's strategy pertaining to asset management and repairs and maintenance is contained in SA34b.

2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS

Table 48: MBRR Table SA19 - Expenditure on transfers and grant programmes

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	889 343	950 255	1 179 103	1 007 225	1 036 960	1 036 960	1 167 696	1 248 095	1 308 228
Local Government Equitable Share	778 048	847 431	1 053 614	936 811	936 811	936 811	1 045 448	1 118 513	1 196 538
Expanded Public Works Programme Integrated Grant	4 050	9 956	8 449	7 300	7 300	7 300	10 728	–	–
Infrastructure Skills Development Grant	9 587	7 097	7 173	10 500	10 350	10 350	11 600	11 850	13 350
Local Government Financial Management Grant	1 086	940	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Metro Informal Settlement partnership grant	–	–	–	6 873	8 300	8 300	19 359	15 908	17 168
Neighbourhood Development Partnership Grant	–	–	–	–	19 617	19 617	21 000	21 000	–
Programme & Project Preparation Support Grant	–	–	–	–	8 941	8 941	13 776	14 383	13 934
Urban Settlement Development Grant	93 164	82 355	108 134	–	44 641	44 641	44 785	65 441	66 238
Public Transport Network Grant	3 407	2 476	733	44 741	–	–	–	–	–
Provincial Government:	25 371	15 870	16 873	114 952	195 430	195 430	115 983	115 983	116 696
Library Service	15 870	15 870	15 870	15 870	15 870	15 870	15 870	15 870	16 583
Capacity Building	752	–	–	–	–	–	–	–	–
Office of the Premier	–	–	1 003	–	–	–	–	–	–
Emergency Housing Grant	8 749	–	–	–	–	–	–	–	–
Human Settlement Development	–	–	–	99 082	179 560	179 560	100 113	100 113	100 113
Other grant providers:	3 982	20 880	92 321	164 819	137 723	137 723	164 085	73 990	54 286
European Union	–	–	2 569	30 960	15 505	15 505	31 598	–	–
Local Government Water and Related Service SE	3 572	–	2 929	–	–	–	–	–	–
Salaida / Gavle	410	74	442	–	381	381	–	–	–
City of Oldenburg	–	–	–	–	–	–	–	–	–
Other operational transfers/grants	–	20 806	–	–	–	–	–	–	–
OTHER - BCMDA	–	–	86 381	133 859	121 837	121 837	132 487	73 990	54 286
Total operating expenditure of Transfers and Grants	918 696	987 005	1 288 298	1 286 996	1 370 113	1 370 113	1 447 764	1 438 068	1 479 210
Capital expenditure of Transfers and Grants									
National Government:	1 120 290	1 102 790	1 173 080	733 699	736 195	736 195	733 875	750 972	795 828
Energy Efficiency and Demand Side Management	–	–	–	–	9 000	9 000	–	–	–
Integrated City Development Grant	10 002	10 382	2 887	–	–	–	–	–	–
Integrated National Electrification Programme Grant	5 213	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant	–	–	–	–	150	150	150	150	150
Metro Informal Settlements Partnership Grant	–	–	–	259 385	257 958	257 958	262 763	278 648	290 617
Neighbourhood Development Partnership Grant	5 993	1 945	9 981	9 000	13 536	13 536	19 581	19 581	30 000
Public Transport Network Grant	136 091	156 095	78 217	–	–	–	–	–	–
Rural Road Asset Management Systems Grant	–	–	–	10 350	487	487	–	–	–
Urban Settlement Development Grant	962 990	934 367	1 081 995	454 964	455 064	455 064	451 381	452 593	475 061
Provincial Government:	–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
Other grant providers:	–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants	1 120 290	1 102 790	1 173 080	733 699	736 195	736 195	733 875	750 972	795 828
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	2 038 986	2 089 795	2 461 378	2 020 695	2 106 308	2 106 308	2 181 639	2 189 040	2 275 038

2.8 COUNCILLOR AND EMPLOYEE BENEFITS

Table 50: MBRR Table SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	35 236	36 984	35 923	47 524	40 790	40 790	42 747	44 628	46 637
Pension and UIF Contributions	4 265	4 505	4 257	4 769	4 073	4 073	4 269	4 457	4 657
Medical Aid Contributions	2 270	2 500	2 490	2 311	1 970	1 970	2 065	2 156	2 253
Cellphone Allowance	4 309	4 095	4 048	3 129	4 064	4 064	4 259	4 447	4 647
Housing Allowances	2 361	2 311	2 596	2 712	2 333	2 333	2 445	2 553	2 668
Other benefits and allowances	13 873	14 293	14 499	16 104	13 814	13 814	14 477	15 114	15 794
Sub Total - Councillors	62 316	64 687	63 813	76 550	67 045	67 045	70 263	73 354	76 655
% increase		3,8%	(1,4%)	20,0%	(12,4%)	-	4,8%	4,4%	4,5%
Senior Managers of the Municipality									
Basic Salaries and Wages	9 511	9 486	10 863	13 179	13 125	13 125	13 755	14 361	15 007
Pension and UIF Contributions	1 601	1 632	1 858	2 271	2 286	2 286	2 396	2 501	2 614
Medical Aid Contributions	229	246	315	396	419	419	439	458	479
Motor Vehicle Allowance	1 919	1 952	2 296	2 788	2 758	2 758	2 890	3 018	3 153
Cellphone Allowance	259	244	284	353	355	355	372	389	406
Housing Allowances	2 512	2 332	2 703	3 141	3 125	3 125	3 275	3 419	3 573
Other benefits and allowances	112	89	72	92	113	113	118	124	129
Sub Total - Senior Managers of Municipality	16 218	15 982	18 390	22 220	22 181	22 181	23 245	24 268	25 360
% increase		(1,5%)	15,1%	20,8%	(0,2%)	-	4,8%	4,4%	4,5%
Other Municipal Staff									
Basic Salaries and Wages	1 265 809	1 341 267	1 458 485	1 580 835	1 595 169	1 595 169	1 668 621	1 742 266	1 820 223
Pension and UIF Contributions	223 053	249 195	286 564	281 797	284 726	284 726	298 393	311 522	325 540
Medical Aid Contributions	90 841	102 780	110 672	136 039	136 406	136 406	142 954	149 244	155 960
Overtime	136 607	152 201	156 216	145 793	139 658	139 658	146 362	152 802	159 678
Performance Bonus	92 884	121 770	121 700	120 126	129 550	129 550	135 769	141 742	148 121
Motor Vehicle Allowance	29 203	31 792	34 599	36 774	38 433	38 433	40 278	42 050	43 943
Cellphone Allowance	4 304	4 357	4 486	4 387	4 308	4 308	4 515	4 713	4 925
Housing Allowances	6 714	7 561	7 780	14 148	14 268	14 268	14 952	15 610	16 313
Other benefits and allowances	77 985	78 575	81 641	81 927	82 224	82 224	86 171	89 963	94 011
Payments in lieu of leave	48 353	71 371	58 427	2 907	-	-	-	-	-
Long service awards	24 955	28 082	31 421	31 333	31 492	31 492	33 003	34 455	36 006
Post-retirement benefit obligations	14 998	(24 636)	102 399	47 316	48 533	48 533	50 862	53 100	55 490
Sub Total - Other Municipal Staff	2 015 706	2 164 314	2 454 392	2 483 383	2 504 767	2 504 767	2 621 880	2 737 468	2 860 209
% increase		7,4%	13,4%	1,2%	0,9%	-	4,7%	4,4%	4,5%
Total Parent Municipality	2 094 240	2 244 983	2 536 595	2 582 153	2 593 993	2 593 993	2 715 388	2 835 091	2 962 224
		7,2%	13,0%	1,8%	0,5%	-	4,7%	4,4%	4,5%

MBRR Table SA22 - Summary of councillor and staff benefits (continued)

Summary of Employee and Councillor remuneration R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	A	B	C	D	E	F	G	H	I
Board Members of Entities									
Basic Salaries and Wages	-	-	-	1 800	3 296	3 296	2 452	2 550	2 652
Motor Vehicle Allowance	-	-	-	21	16	16	16	17	18
Cellphone Allowance	-	-	-	24	23	23	24	25	26
Other benefits and allowances	8	1 635	1 936	5	5	5	5	5	6
Sub Total - Board Members of Entities	8	1 635	1 936	1 850	3 339	3 339	2 497	2 597	2 701
% increase		19 367,2%	18,4%	(4,5%)	80,5%	-	(25,2%)	4,0%	4,0%
Senior Managers of Entities									
Basic Salaries and Wages	5 756	6 167	6 511	8 225	7 185	7 185	7 530	7 861	8 215
Pension and UIF Contributions	572	1 155	612	823	720	720	755	788	824
Performance Bonus	474	198	356	356	356	356	373	389	407
Motor Vehicle Allowance	14	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	197	180	180	188	196	205
Sub Total - Senior Managers of Entities	6 817	7 520	7 479	9 600	8 441	8 441	8 846	9 235	9 651
% increase		10,3%	(0,6%)	28,4%	(12,1%)	-	4,8%	4,4%	4,5%
Other Staff of Entities									
Basic Salaries and Wages	8 651	14 505	16 406	16 271	18 912	18 912	18 397	20 548	21 504
Pension and UIF Contributions	805	524	1 219	1 671	1 352	1 352	1 415	1 477	1 543
Performance Bonus	625	625	599	599	599	599	628	655	685
Motor Vehicle Allowance	120	120	120	180	180	180	189	197	206
Housing Allowances	48	48	48	48	48	48	50	53	55
Post-retirement benefit obligations	373	737	604	387	317	317	332	347	362
Sub Total - Other Staff of Entities	10 622	16 559	18 996	19 157	21 408	21 408	21 010	23 276	24 355
% increase		55,9%	14,7%	0,8%	11,7%	-	(1,9%)	10,8%	4,6%
Total Municipal Entities	17 447	25 714	28 411	30 607	33 188	33 188	32 354	35 109	36 707
TOTAL SALARY, ALLOWANCES & BENEFITS	2 111 687	2 270 697	2 565 007	2 612 759	2 627 180	2 627 180	2 747 742	2 870 199	2 998 931
% increase		7,5%	13,0%	1,9%	0,6%	-	4,6%	4,5%	4,5%
TOTAL MANAGERS AND STAFF	2 049 363	2 204 375	2 499 257	2 534 360	2 556 796	2 556 796	2 674 982	2 794 248	2 919 574

Table 51: MBRR Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum		1.				2.
<u>Councillors</u>						
Speaker	734 557	126 040	327 947			1 188 544
Chief Whip	691 159	123 473	304 960			1 119 592
Executive Mayor	888 528	163 626	419 513			1 471 667
Deputy Executive Mayor	686 087	146 784	355 673			1 188 544
Executive Committee	7 809 335	928 830	3 577 336			12 315 501
Total for all other councillors	31 937 819	4 845 179	16 196 014			52 979 012
Total Councillors	42 747 485	6 333 932	21 181 443			70 262 860
<u>Senior Managers of the Municipality</u>						
Municipal Manager (MM)	1 551 358	331 482	843 320	–		2 726 160
SM: Executive Support services	1 235 805	250 083	567 855			2 053 743
SM: Corporate Services	1 235 805	288 412	561 283			2 085 500
SM: Spatial Planning & Development	1 235 805	268 510	550 895	–		2 055 210
SM: Economic Development & Agencies	1 241 086	18 903	791 840	–		2 051 829
Chief Finance Officer	1 210 766	302 014	526 959	–		2 039 739
SM: Health , Public Safety & Emergency services	1 241 086	243 882	615 365	–		2 100 333
SM: Human Settlements	1 241 086	304 669	537 553	–		2 083 308
SM: Infrastructure services	1 235 805	268 510	580 890	–		2 085 205
SM: Solid Waste, Environmental & Health Management	1 179 740	253 687	564 760	–		1 998 187
SM: Sport, Recreation & Community Development	1 203 495	265 241	497 496	–		1 966 232
						–
<i>List of each official with packages >= senior manager</i>						–
Total Senior Managers of the Municipality	13 811 837	2 795 393	6 638 216	–		23 245 446

Table 52: MBRR Table SA24 – summary of personnel numbers

Summary of Personnel Numbers Number	2020/21			Current Year 2021/22			Budget Year 2022/23		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	98	–	98	102	–	102	100	–	100
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers	10	8	–	10	–	8	11	–	10
Other Managers	39	27	4	47	31	–	46	30	–
Professionals	152	124	–	176	134	–	176	125	–
<i>Finance</i>	59	43	–	68	47	–	68	45	–
<i>Spatial/town planning</i>	9	8	–	11	9	–	11	8	–
<i>Information Technology</i>	3	5	–	4	3	–	4	2	–
<i>Roads</i>	5	3	–	6	2	–	6	2	–
<i>Electricity</i>	8	5	–	10	8	–	10	7	–
<i>Water</i>	7	5	–	9	7	–	9	7	–
<i>Sanitation</i>	5	4	–	7	5	–	7	5	–
<i>Refuse</i>	3	2	–	5	4	–	5	5	–
<i>Other</i>	53	49	–	56	49	–	56	44	–
Technicians	328	229	–	349	256	–	349	239	–
<i>Finance</i>	8	6	–	8	–	–	8	–	–
<i>Spatial/town planning</i>	14	11	–	16	14	–	16	13	–
<i>Information Technology</i>	15	9	–	15	11	–	15	10	–
<i>Roads</i>	8	8	–	14	12	–	14	12	–
<i>Electricity</i>	24	15	–	26	23	–	26	23	–
<i>Water</i>	23	16	–	25	22	–	25	22	–
<i>Sanitation</i>	17	14	–	22	18	–	22	17	–
<i>Refuse</i>	3	1	–	4	2	–	4	1	–
<i>Other</i>	216	149	–	219	154	–	219	141	–
Clerks (Clerical and administrative)	1 203	1 035	18	1 218	1 115	15	1 189	1 089	5
Service and sales workers	1 365	1 349	4	1 369	1 315	3	1 270	1 245	–
Skilled agricultural and fishery workers	207	189	–	206	197	–	206	161	–
Craft and related trades	382	341	–	386	356	–	386	345	–
Plant and Machine Operators	751	709	–	756	745	–	756	731	–
Elementary Occupations	1 476	1 264	–	1 501	1 421	–	1 534	1 486	–
TOTAL PERSONNEL NUMBERS	6 011	5 275	124	6 120	5 570	128	6 023	5 451	115
% increase				1,8%	5,6%	3,2%	(1,6%)	(2,1%)	(10,2%)
Total municipal employees headcount	6 939	6 094	124	7 079	6 427	128	6 951	6 295	115
Finance personnel headcount	743	643	–	735	642	–	705	629	–
Human Resources personnel headcount	185	176	–	224	215	–	223	215	–

2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Table 53: MBRR Table SA25 - Budgeted Monthly Revenue and expenditure (Source and Type)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand															
Revenue By Source															
Property rates	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue	234 804	241 724	228 141	208 150	205 844	222 503	260 177	154 073	182 265	209 688	217 633	235 317	2 600 320	2 834 348	3 089 440
Service charges - water revenue	76 651	184 885	20 500	65 067	55 694	86 289	73 025	42 518	111 491	84 786	25 894	45 613	872 414	950 932	1 036 515
Service charges - sanitation revenue	45 685	39 265	38 795	38 052	40 988	37 934	36 681	39 813	37 934	48 151	27 247	37 973	468 519	489 134	511 145
Service charges - refuse revenue	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	385 616	402 583	420 699
Rental of facilities and equipment	2 087	1 582	1 972	1 804	1 651	1 576	2 230	1 898	2 172	1 701	1 328	1 965	21 965	22 932	23 964
Interest earned - external investments	2 879	2 776	3 112	2 519	2 123	1 869	2 280	2 797	1 470	3 039	2 725	3 289	30 876	31 206	31 505
Interest earned - outstanding debtors	5 881	6 741	12 574	6 790	5 590	10 852	12 658	12 974	10 646	12 768	12 731	11 046	121 249	126 584	132 280
Dividends received													-	-	-
Fines, penalties and forfeits	1 587	1 862	1 681	2 030	1 295	1 961	850	1 112	1 459	2 445	3 145	3 008	22 435	23 422	24 476
Licences and permits	681	2 052	1 222	1 693	1 248	1 531	1 141	840	2 746	1 574	1 432	3 579	19 739	20 607	21 535
Agency services	3 792	3 357	3 194	2 653	970	3 181	2 932	344	2 424	2 530	5 347	13 988	44 713	44 187	44 670
Transfers and subsidies	303 842	169 869	27 159	25 433	24 031	368 563	22 628	24 138	209 565	62 971	37 298	172 266	1 447 763	1 438 067	1 479 210
Other revenue	68 385	76 857	66 428	69 138	68 894	76 424	68 028	68 781	158 727	75 087	68 818	86 812	952 379	985 478	1 052 157
Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	941 594	926 291	600 096	618 649	603 645	1 008 001	677 950	544 607	916 217	700 060	598 918	810 176	8 946 204	9 413 857	10 003 970
Expenditure By Type															
Employee related costs	202 950	204 886	229 343	211 748	209 108	259 067	219 490	215 091	233 038	216 674	219 314	256 771	2 677 479	2 796 845	2 922 276
Remuneration of councillors	5 650	5 853	5 678	5 657	5 657	5 650	5 650	7 271	5 811	5 762	5 853	5 769	70 263	73 354	76 655
Debt impairment	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	1 225 592	1 310 668	1 402 864
Depreciation & asset impairment	49 643	52 615	53 584	48 383	50 959	55 472	51 096	50 480	51 102	50 986	51 124	51 952	617 397	644 445	731 545
Finance charges	4 372	4 358	4 239	4 291	8 285	165	4 069	3 737	4 069	3 889	3 993	3 893	49 361	153 640	161 565
Bulk purchases - electricity	257 363	294 160	175 835	139 258	175 835	148 072	163 275	137 054	153 580	147 190	168 564	243 261	2 203 447	2 401 757	2 617 915
Inventory consumed	22 696	24 550	28 326	31 316	24 323	30 452	27 651	27 108	27 479	27 352	24 528	29 308	325 089	343 571	368 242
Contracted services	49 987	59 631	71 164	71 434	73 457	89 509	56 664	60 575	82 765	74 402	69 748	191 583	950 918	879 559	891 838
Transfers and subsidies	27 547	13 125	7 035	12 567	15 563	12 753	15 886	15 984	12 342	14 809	8 817	16 818	173 246	143 688	138 255
Other expenditure	48 509	43 623	42 637	43 376	43 582	78 686	54 503	39 230	23 423	54 749	42 022	52 442	566 783	571 820	589 694
Losses	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	85 417	93 399	101 984
Total Expenditure	777 967	812 052	727 093	677 281	716 021	789 077	707 534	665 781	702 859	705 064	703 212	961 048	8 944 989	9 412 745	10 002 834
Surplus/(Deficit)	163 626	114 239	(126 997)	(58 632)	(112 376)	218 925	(29 584)	(121 174)	213 358	(5 004)	(104 294)	(150 872)	1 214	1 112	1 137
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	14 684	27 009	37 158	49 036	81 883	101 122	98 278	49 817	50 542	88 575	62 197	74 714	735 015	752 204	797 158
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)															
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294
Taxation															
Attributable to minorities															
Share of surplus/ (deficit) of associate															
Surplus/(Deficit)	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294

Table 54: MBRR Table SA26 - Budgeted Monthly Revenue and expenditure (Municipal Vote)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote																
Vote 01 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Directorate - Municipal Manager	7 204	4 038	664	625	598	8 750	568	595	4 981	1 520	908	969	31 421	19 687	19 738	
Vote 03 - Directorate - Human Settlement	27 492	20 391	11 544	16 527	30 619	70 926	37 593	16 745	34 271	37 132	23 324	28 485	355 050	423 861	377 908	
Vote 04 - Directorate - Chief Financial Officer	351 872	299 433	246 769	239 607	237 324	382 502	244 850	244 470	324 341	261 860	250 773	250 625	3 334 426	3 482 572	3 674 178	
Vote 05 - Directorate - Corporate Services	3 091	1 684	108	100	84	3 819	66	85	2 432	527	227	266	12 489	12 771	14 306	
Vote 06 - Directorate - Infrastructure Services	474 305	536 985	305 801	335 144	340 938	530 407	414 175	261 052	441 661	400 237	305 151	359 625	4 705 482	4 999 772	5 504 015	
Vote 07 - Directorate - Spatial Planning And Development	3 585	5 492	5 694	7 153	10 544	13 412	12 647	7 267	17 755	12 004	8 174	10 257	113 984	134 066	125 853	
Vote 08 - Directorate - Health / Public Safety & Emergency Services	21 686	20 722	8 123	9 570	6 584	29 012	7 556	5 332	60 409	14 227	13 426	21 999	218 646	228 316	231 961	
Vote 10 - Directorate - Economic Development & Agencies	13 771	11 283	5 278	5 686	5 564	17 022	5 502	5 605	27 637	7 855	5 861	159 391	270 455	191 949	170 046	
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	582 401	613 104	627 559	
Vote 12 - Directorate - Sport, Recreation & Community Development	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	56 866	59 964	55 563	
Total Revenue by Vote	956 278	953 299	637 254	667 685	685 528	1 109 124	776 229	594 424	966 759	788 634	661 115	884 890	9 681 219	10 166 060	10 801 128	
Expenditure by Vote to be appropriated																
Vote 01 - Directorate - Executive Support Services	24 580	22 453	22 269	22 806	22 968	27 587	24 090	24 293	21 757	24 307	22 160	23 847	283 118	290 825	301 247	
Vote 02 - Directorate - Municipal Manager	11 884	12 206	13 599	13 179	13 146	18 080	13 249	12 294	13 064	14 234	13 123	14 238	162 297	152 550	157 599	
Vote 03 - Directorate - Human Settlement	10 643	11 936	14 076	13 768	13 804	17 527	12 069	12 312	15 448	14 281	13 556	15 844	165 264	161 587	164 239	
Vote 04 - Directorate - Chief Financial Officer	78 259	78 205	83 606	81 025	80 544	103 027	84 130	78 705	79 137	85 835	81 327	84 083	997 883	1 005 674	1 035 253	
Vote 05 - Directorate - Corporate Services	18 280	17 765	19 756	18 412	18 263	29 422	20 950	17 699	16 443	21 066	18 704	19 279	236 040	248 095	254 177	
Vote 06 - Directorate - Infrastructure Services	461 937	507 148	406 783	363 460	401 001	405 841	382 412	353 094	386 908	375 621	391 017	479 120	4 914 341	5 367 320	5 817 989	
Vote 07 - Directorate - Spatial Planning And Development	20 869	22 199	24 823	22 108	22 482	30 210	23 394	22 140	23 544	23 780	22 960	24 028	282 537	291 375	318 260	
Vote 08 - Directorate - Health / Public Safety & Emergency Services	36 239	37 029	43 500	39 642	38 415	52 067	41 096	39 586	43 871	40 732	40 544	42 474	495 195	514 838	538 762	
Vote 10 - Directorate - Economic Development & Agencies	24 450	12 285	7 854	12 054	14 570	14 490	15 318	14 832	11 860	14 381	8 995	167 314	318 404	253 501	234 171	
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 374	652 507	670 497	700 466	
Vote 12 - Directorate - Sport, Recreation & Community Development	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 447	437 403	456 483	480 671	
Total Expenditure by Vote	777 967	812 052	727 093	677 281	716 021	789 077	707 534	665 781	702 859	705 064	703 212	961 048	8 944 989	9 412 745	10 002 834	
Surplus/(Deficit) before assoc.	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294	
Taxation													-	-	-	
Attributable to minorities													-	-	-	
Share of surplus/ (deficit) of associate													-	-	-	
Surplus/(Deficit)	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294	

Table 55: MBRR Table SA27 - Budgeted Monthly Revenue and expenditure (Functional Classification)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional															
<i>Governance and administration</i>	364 564	307 217	249 862	242 542	240 114	397 129	247 976	247 421	334 207	266 048	253 801	254 177	3 405 058	3 542 202	3 735 375
Executive and council	7 227	4 094	680	652	623	8 805	590	620	5 358	1 570	933	1 007	32 158	20 457	20 543
Finance and administration	357 337	303 123	249 182	241 890	239 491	388 324	247 386	246 802	328 849	264 479	252 868	253 170	3 372 900	3 521 746	3 714 832
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	53 920	45 855	24 409	30 839	41 945	104 681	49 891	26 820	99 421	56 100	41 492	55 226	630 598	712 178	665 472
Community and social services	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	44 067	46 868	41 435
Sport and recreation	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	12 799	13 097	14 127
Public safety	21 686	20 722	8 123	9 570	6 584	29 012	7 556	5 332	60 409	14 227	13 426	21 999	218 646	228 316	231 961
Housing	27 492	20 391	11 544	16 527	30 619	70 926	37 593	16 745	34 271	37 132	23 324	28 485	355 050	423 861	377 908
Health	3	3	3	3	3	3	3	3	3	3	3	3	36	38	39
<i>Economic and environmental services</i>	2 620	8 539	11 338	16 399	29 466	38 068	35 955	16 675	28 093	32 906	21 570	179 272	420 899	297 332	319 632
Planning and development	1 188	3 430	3 373	4 944	8 436	11 354	10 154	4 996	15 302	9 863	6 281	160 633	239 954	203 948	184 210
Road transport	1 432	5 110	7 965	11 455	21 029	26 714	25 801	11 679	12 791	23 042	15 289	18 639	180 945	93 384	135 422
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	521 404	580 405	346 367	372 220	368 439	552 224	436 905	297 904	477 401	425 725	338 392	389 516	5 106 902	5 519 454	5 996 113
Energy sources	255 618	253 165	227 620	208 388	206 573	251 097	260 011	155 155	207 991	214 245	218 826	236 984	2 695 672	2 928 657	3 201 039
Water management	135 239	218 685	27 447	73 165	67 607	168 411	86 702	50 457	156 357	105 219	37 965	59 603	1 186 857	1 299 731	1 409 591
Waste water management	82 017	60 025	42 770	42 136	45 728	84 185	41 662	43 761	64 523	57 731	33 071	44 399	642 008	678 000	758 464
Waste management	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	582 365	613 066	627 020
<i>Other</i>	13 771	11 283	5 278	5 686	5 564	17 022	5 502	5 605	27 637	7 855	5 861	6 699	117 762	94 894	84 536
Total Revenue - Functional	956 278	953 299	637 254	667 685	685 528	1 109 124	776 229	594 424	966 759	788 634	661 115	884 890	9 681 219	10 166 060	10 801 128
Expenditure - Functional															
<i>Governance and administration</i>	144 894	144 566	155 341	148 265	148 859	198 203	156 649	146 185	144 827	160 035	149 204	156 268	1 853 296	1 883 985	1 951 270
Executive and council	36 302	33 851	34 369	34 723	34 848	45 690	37 181	35 343	31 657	37 901	33 910	36 116	431 889	433 722	443 711
Finance and administration	107 636	109 728	119 810	112 458	112 949	150 969	118 364	109 811	112 027	120 974	114 200	118 964	1 407 889	1 436 350	1 493 063
Internal audit	956	988	1 163	1 084	1 062	1 545	1 105	1 031	1 143	1 160	1 094	1 188	13 517	13 913	14 496
<i>Community and public safety</i>	99 473	101 555	110 166	106 001	104 810	122 184	105 756	104 488	111 910	107 604	106 690	110 904	1 291 542	1 334 102	1 401 934
Community and social services	13 887	13 895	13 975	13 928	13 942	14 061	13 948	13 921	13 969	13 941	13 934	13 956	167 357	176 138	184 399
Sport and recreation	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 822	417 902	436 157	463 822
Public safety	35 709	36 490	42 882	39 071	37 830	51 363	40 505	39 022	43 259	40 147	39 967	41 874	488 119	506 662	530 203
Housing	10 643	11 936	14 076	13 768	13 804	17 527	12 069	12 312	15 448	14 281	13 556	15 844	165 264	161 587	164 239
Health	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	52 899	53 559	59 271
<i>Economic and environmental services</i>	51 525	54 013	59 496	57 289	57 928	67 083	55 715	55 019	60 677	58 545	57 084	212 615	846 990	844 896	902 615
Planning and development	14 392	14 901	16 671	15 290	15 107	20 045	16 027	15 214	16 024	16 057	15 579	167 753	343 058	293 543	298 671
Road transport	37 133	39 112	42 825	41 999	42 821	47 039	39 689	39 805	44 654	42 488	41 505	44 862	503 932	551 353	603 944
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	457 625	499 633	394 236	353 671	389 854	387 116	374 096	345 257	373 584	364 500	381 239	465 500	4 786 311	5 192 085	5 597 023
Energy sources	328 896	368 042	254 679	216 782	253 561	234 928	238 319	211 930	234 524	226 029	245 887	324 931	3 138 510	3 404 172	3 705 403
Water management	63 592	64 618	68 688	67 966	67 164	76 116	67 571	65 640	67 628	68 679	66 438	69 102	813 203	893 941	963 445
Waste water management	26 902	28 737	32 632	30 687	30 894	37 836	29 969	29 451	33 196	31 556	30 679	33 232	375 770	424 668	445 971
Waste management	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	458 828	469 303	482 204
<i>Other</i>	24 450	12 285	7 854	12 054	14 570	14 490	15 318	14 832	11 860	14 381	8 995	15 762	166 852	157 677	149 991
Total Expenditure - Functional	777 967	812 052	727 093	677 281	716 021	789 077	707 534	665 781	702 859	705 064	703 212	961 048	8 944 989	9 412 745	10 002 834
Surplus/(Deficit) before assoc.	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294

Table 56: MBRR Table SA28 - Budgeted monthly capital expenditure (municipal vote)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Multi-year expenditure to be appropriated															
Vote 01 - Directorate - Executive Support Services	42	42	42	42	42	42	42	42	42	42	42	42	500	500	500
Vote 02 - Directorate - Municipal Manager	50	50	50	50	50	50	50	50	50	50	50	50	600	600	500
Vote 03 - Directorate - Human Settlement	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	241 992	315 298	268 944
Vote 04 - Directorate - Chief Financial Officer	21 226	21 226	21 226	21 226	21 226	21 226	21 226	21 226	21 226	21 226	21 226	21 226	254 714	235 028	13 500
Vote 05 - Directorate - Corporate Services	415	415	415	415	415	415	415	415	415	415	415	415	4 980	4 650	11 650
Vote 06 - Directorate - Infrastructure Services	106 687	106 687	106 687	106 687	106 687	106 687	106 687	106 687	106 687	106 687	106 687	106 687	1 280 245	943 321	746 371
Vote 07 - Directorate - Spatial Planning And Development	8 528	8 528	8 528	8 528	8 528	8 528	8 528	8 528	8 528	8 528	8 528	8 528	102 341	131 617	83 458
Vote 08 - Directorate - Health / Public Safety & Emergency Services	1 908	1 908	1 908	1 908	1 908	1 908	1 908	1 908	1 908	1 908	1 908	1 908	22 900	27 188	15 500
Vote 09 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	8 630	8 630	8 630	8 630	8 630	8 630	8 630	8 630	8 630	8 630	8 630	9 770	104 701	80 331	44 468
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	2 735	2 735	2 735	2 735	2 735	2 735	2 735	2 735	2 735	2 735	2 735	2 735	32 819	36 000	72 020
Vote 12 - Directorate - Sport, Recreation & Community Development	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 297	39 570	35 650	29 550
Capital multi-year expenditure sub-total	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	174 824	2 085 362	1 810 183	1 286 461
Single-year expenditure to be appropriated															
Vote 01 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Directorate - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Directorate - Human Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Directorate - Chief Financial Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Directorate - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Directorate - Infrastructure Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Directorate - Spatial Planning And Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Directorate - Health / Public Safety & Emergency Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	174 824	2 085 362	1 810 183	1 286 461

Table 57: MBRR Table SA29 - Budgeted monthly capital expenditure (Functional classification)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional																
Governance and administration	23 983	23 983	23 983	23 983	23 983	23 983	23 983	23 983	23 983	23 983	23 983	23 983	287 794	265 278	51 650	
Executive and council	402	402	402	402	402	402	402	402	402	402	402	402	4 830	1 000	8 000	
Finance and administration	23 580	23 580	23 580	23 580	23 580	23 580	23 580	23 580	23 580	23 580	23 580	23 580	282 964	264 278	43 650	
Internal audit													-	-	-	
Community and public safety	25 651	25 651	25 651	25 651	25 651	25 651	25 651	25 651	25 651	25 651	25 651	25 650	307 812	380 136	323 714	
Community and social services	2 200	2 200	2 200	2 200	2 200	2 200	2 200	2 200	2 200	2 200	2 200	2 200	26 400	24 950	17 450	
Sport and recreation	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	16 520	13 200	16 820	
Public safety	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	20 900	25 688	14 000	
Housing	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	20 166	241 992	315 298	268 944	
Health	167	167	167	167	167	167	167	167	167	167	167	167	2 000	1 000	6 500	
Economic and environmental services	39 631	39 631	39 631	39 631	39 631	39 631	39 631	39 631	39 631	39 631	39 631	40 770	476 709	276 184	235 519	
Planning and development	6 695	6 695	6 695	6 695	6 695	6 695	6 695	6 695	6 695	6 695	6 695	7 835	81 481	108 348	69 288	
Road transport	32 936	32 936	32 936	32 936	32 936	32 936	32 936	32 936	32 936	32 936	32 936	32 936	395 228	167 837	166 232	
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Trading services	75 791	75 791	75 791	75 791	75 791	75 791	75 791	75 791	75 791	75 791	75 791	75 790	909 486	809 484	632 439	
Energy sources	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	145 513	148 874	167 834	
Water management	13 915	13 915	13 915	13 915	13 915	13 915	13 915	13 915	13 915	13 915	13 915	13 915	166 980	277 205	314 028	
Waste water management	47 294	47 294	47 294	47 294	47 294	47 294	47 294	47 294	47 294	47 294	47 294	47 294	567 524	349 405	88 778	
Waste management	2 456	2 456	2 456	2 456	2 456	2 456	2 456	2 456	2 456	2 456	2 456	2 456	29 469	34 000	61 800	
Other												103 561	103 561	79 100	43 139	
Total Capital Expenditure - Functional	165 055	165 055	165 055	165 055	165 055	165 055	165 055	165 055	165 055	165 055	165 055	165 055	2 085 362	1 810 183	1 286 461	
Funded by:																
National Government	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 155	733 875	750 972	795 828	
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
District Municipality													-	-	-	
Transfers and subsidies - capital (monetary allocations) (National / Provincial																
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers recognised - capital	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 156	61 155	733 875	750 972	795 828	
Borrowing	61 051	61 051	61 051	61 051	61 051	61 051	61 051	61 051	61 051	61 051	61 051	61 051	732 614	622 495	140 000	
Internally generated funds	51 478	51 478	51 478	51 478	51 478	51 478	51 478	51 478	51 478	51 478	51 478	52 617	618 873	436 716	350 633	
Total Capital Funding	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	173 685	174 824	2 085 362	1 810 183	1 286 461	

Table 58: MBRR Table SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand															
Cash Receipts By Source													1	1 576 364	1 645 724
Property rates	393 626	124 014	105 509	114 436	92 664	104 064	95 726	91 581	113 867	110 372	121 935	108 568	2 093 257	2 281 650	2 486 999
Service charges - electricity revenue	131 260	160 524	165 478	191 619	159 616	193 249	203 838	169 244	176 553	174 409	183 099	184 370	702 293	765 500	834 395
Service charges - water revenue	47 009	66 810	45 622	69 999	48 321	49 866	46 657	71 881	80 699	65 375	41 976	68 079	377 158	393 753	411 472
Service charges - sanitation revenue	26 584	26 864	28 567	35 079	31 974	33 364	29 370	35 472	24 248	21 218	33 241	51 177	310 421	324 079	338 663
Service charges - refuse revenue	19 242	22 939	24 804	31 355	26 085	29 870	21 746	39 807	21 768	19 658	32 235	20 911	17 682	18 460	19 291
Rental of facilities and equipment	1 282	1 064	1 512	1 698	1 269	1 367	1 964	1 404	1 370	1 398	1 655	1 698	30 876	31 206	31 505
Interest earned - external investments	2 885	2 780	3 118	2 522	2 125	1 871	2 285	2 764	2 835	2 605	2 319	2 767	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	885	1 226	1 212	1 766	1 000	1 667	694	1 623	1 083	1 514	1 909	3 480	18 060	18 855	19 703
Licences and permits	365	1 449	954	1 598	1 030	1 430	976	1 328	37	1 455	1 553	7 564	19 739	20 607	21 535
Agency services	2 331	2 063	1 969	3 989	2 155	4 742	5 732	3 213	2 095	2 263	1 473	12 687	44 713	44 187	44 670
Transfers and Subsidies - Operational	319 954	172 515	5 973	1 513	3 899	171 610	209 606	81 235	339 893	1 637	2 458	137 471	1 447 763	1 438 067	1 479 210
Other revenue	31 259	86 101	31 184	29 994	127 056	83 265	42 978	74 106	72 605	33 799	52 194	104 983	797 157	852 688	-
Cash Receipts by Source	976 680	668 351	415 902	485 568	497 193	676 366	661 572	573 660	837 054	435 703	476 047	703 756	7 407 850	7 779 245	8 259 911
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	157 956	26 804	-	2 861	160 000	25 331	19 446	201 489	135 901	4 087	-	1 140	735 015	752 204	797 158
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	115 400	-	-	-	-	-	617 214	732 614	622 495	140 000
Increase (decrease) in consumer deposits	700	652	901	862	754	402	325	712	825	542	625	881	8 182	3 423	3 655
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	1 135 336	695 807	416 803	489 291	657 948	817 499	681 343	775 861	973 780	440 332	476 672	1 322 991	8 883 662	9 157 367	9 200 723
Cash Payments by Type															
Employee related costs	215 817	219 172	259 033	230 140	226 037	228 934	242 711	223 464	213 898	218 817	219 131	250 588	2 747 742	2 870 199	2 998 931
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	-	-	12 162	-	-	12 357	-	-	12 183	-	-	12 658	49 361	153 640	161 565
Bulk purchases - electricity	268 464	312 793	172 489	130 900	169 796	144 865	158 671	148 942	154 758	137 689	156 596	247 481	2 203 447	2 401 757	2 617 915
Acquisitions - water & other inventory	29 033	27 151	30 373	29 556	32 965	26 044	29 677	23 865	24 304	20 953	23 475	27 692	325 089	343 571	368 242
Contracted services	49 219	22 064	41 124	67 671	102 554	94 117	23 563	19 996	274 352	33 232	37 400	185 625	950 918	879 559	891 838
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	21 865	6 837	238	5 458	6 485	6 796	22 003	53 536	9 039	10 394	14 804	15 791	173 246	143 688	138 255
Other expenditure	43 457	48 901	53 407	51 022	49 529	85 641	55 070	44 644	24 583	37 099	49 253	24 178	566 783	571 820	589 694
Cash Payments by Type	627 855	636 918	568 826	514 747	587 366	598 754	531 695	514 448	713 116	458 185	500 659	764 013	7 016 584	7 364 233	7 766 440
Other Cash Flows/Payments by Type															
Capital assets	16 481	82 197	85 770	225 558	158 174	236 630	108 009	75 536	133 359	148 063	206 884	608 701	2 085 362	1 810 183	1 286 461
Repayment of borrowing	-	-	12 515	-	-	21 898	-	-	12 947	-	-	15 473	62 833	56 859	61 220
Other Cash Flows/Payments															
Total Cash Payments by Type	644 336	719 115	667 111	740 305	745 540	857 282	639 704	589 984	859 422	606 248	707 543	1 388 186	9 164 779	9 231 276	9 114 121
NET INCREASE/(DECREASE) IN CASH HELD	491 000	(23 308)	(250 308)	(251 015)	(87 593)	(39 783)	41 639	185 877	114 358	(165 917)	(230 872)	(65 195)	(281 117)	(73 909)	86 602
Cash/cash equivalents at the month/year begin:	1 171 447	1 662 447	1 639 139	1 388 831	1 137 816	1 050 223	1 010 441	1 052 080	1 237 956	1 352 314	1 186 398	955 526	1 171 447	890 330	816 422
Cash/cash equivalents at the month/year end:	1 662 447	1 639 139	1 388 831	1 137 816	1 050 223	1 010 441	1 052 080	1 237 956	1 352 314	1 186 398	955 526	890 330	890 330	816 422	903 023

2.10 ANNUAL BUDGET AND SDBIP'S – INTERNAL DEPARTMENTS

In terms of Section 53(1)(c)(ii) the Mayor of a Municipality must take all reasonable steps to ensure that the municipality's Service Delivery and Budget Implementation Plan is approved by the Mayor within 28 days after the approval of the budget. Once the draft budget has been approved by Council on 30 March 2022, the Service Delivery Budget and Implementation Plan will be submitted to the Mayor for consideration and approval by Council.

2.10.1 Executive Support Services (Vote 1)

The core purpose of Executive Support Services is to promote public accountability and broadening public participation. Extensive involvement of communities in municipal planning through established institutional arrangements demonstrates the City's commitment to the promotion of public accountability.

Significant strides are made in engaging communities through the utilisation of various governance structures at both the Executive and Legislative components of Council.

The Directorate of Executive Support Services comprises of the following departments:

- i. Political Office Administration
- ii. Communication / Marketing / International & Intergovernmental Relations
- iii. IDP, Performance Management and GIS
- iv. Special Programmes and Youth
- v. Monitoring and Evaluation

Table 59: Executive Support Services - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	410	74	442	-	381	381	381	-	-	-
Other revenue	8	16	(0)	-	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	419	90	442	-	381	381	381	-	-	-
Expenditure By Type										
Employee related costs	79 268	88 401	98 880	89 656	89 636	89 636	89 636	93 939	98 072	102 485
Remuneration of councillors	62 316	64 687	63 813	76 550	67 045	67 045	67 045	70 263	73 354	76 655
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	2 110	1 594	3 545	1 038	1 038	1 038	1 038	987	1 029	1 170
Finance charges	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	3 355	4 451	3 244	3 363	3 417	3 417	3 417	3 453	3 466	3 621
Contracted services	22 523	20 908	9 767	18 674	14 084	14 084	14 084	14 483	14 884	15 543
Transfers and subsidies Exp	49 155	77 401	60 304	57 952	57 952	57 952	57 952	58 032	58 032	58 313
Other expenditure	75 770	53 075	41 675	37 611	42 445	42 445	42 445	41 963	41 988	43 461
Losses	29	-	160	-	-	-	-	-	-	-
Total Expenditure	294 524	310 518	281 388	284 844	275 617	275 617	275 617	283 118	290 825	301 247
Surplus/(Deficit)	(294 106)	(310 428)	(280 946)	(284 844)	(275 236)	(275 236)	(275 236)	(283 118)	(290 825)	(301 247)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(294 106)	(310 428)	(280 946)	(284 844)	(275 236)	(275 236)	(275 236)	(283 118)	(290 825)	(301 247)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(294 106)	(310 428)	(280 946)	(284 844)	(275 236)	(275 236)	(275 236)	(283 118)	(290 825)	(301 247)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(294 106)	(310 428)	(280 946)	(284 844)	(275 236)	(275 236)	(275 236)	(283 118)	(290 825)	(301 247)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(294 106)	(310 428)	(280 946)	(284 844)	(275 236)	(275 236)	(275 236)	(283 118)	(290 825)	(301 247)

2.10.2 City Manager (Vote 2)

The City Manager heads the administration of the City and chairs the City's Top Management, whose primary responsibility is advising the City Manager on service delivery matters, strategies and policies. On a day-to-day the directorate focuses mainly on governance and also provides transversal support throughout the City on built environment. The Directorate of the City Manager comprises of the following departments:

- i. Strategy and Transformation
- ii. Governance & Internal Auditing
- iii. Risk Management
- iv. Enterprise Project Management Office
- v. Legal Services & Municipal Court
- vi. Expanded Public Works Programme
- vii. Information / Knowledge Management / Research & Policy

Table 60: City Manager - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	22 258	32 515	31 399	29 423	29 323	29 323	29 323	31 321	19 587	19 738
Other revenue	70	8	121	-	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	22 328	32 523	31 520	29 423	29 323	29 323	29 323	31 321	19 587	19 738
Expenditure By Type										
Employee related costs	55 059	39 697	63 092	61 795	72 370	72 370	72 370	78 965	82 709	86 031
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	925	838	252	138	138	138	138	131	137	156
Finance charges	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	1 069	545	867	1 319	1 093	1 093	1 093	1 102	1 016	1 049
Contracted services	59 226	70 958	49 320	58 259	49 795	49 795	49 795	53 774	41 513	42 296
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-	-
Other expenditure	83 353	22 847	22 647	26 139	26 184	26 184	26 184	28 325	27 175	28 067
Losses	-	-	23	-	-	-	-	-	-	-
Total Expenditure	-	134 884	136 201	147 650	149 579	149 579	149 579	162 297	152 550	157 599
Surplus/(Deficit)	22 328	(102 362)	(104 681)	(118 227)	(120 256)	(120 256)	(120 256)	(130 976)	(132 963)	(137 860)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	216	24	-	250	350	350	350	100	100	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	22 544	(102 337)	(104 681)	(117 977)	(119 906)	(119 906)	(119 906)	(130 876)	(132 863)	(137 860)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	22 544	(102 337)	(104 681)	(117 977)	(119 906)	(119 906)	(119 906)	(130 876)	(132 863)	(137 860)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	22 544	(102 337)	(104 681)	(117 977)	(119 906)	(119 906)	(119 906)	(130 876)	(132 863)	(137 860)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	22 544	(102 337)	(104 681)	(117 977)	(119 906)	(119 906)	(119 906)	(130 876)	(132 863)	(137 860)

2.10.3 Human Settlements (Vote 3)

The mandate of the directorate is to coordinate the implementation of housing projects, to improve the living conditions of priority nodal townships, to improve the quality of human life through provision of descent formal houses as part of Integrated Sustainable Human Settlements and to improve the quality of human life through provision of bulk and internal services. The Directorate of Human Settlements comprises of the following departments:

- i. Housing Delivery & Implementation
- ii. Housing Planning & Strategy (Informal Settlements Upgrading)
- iii. Human Settlements Special Projects

Table 61: Human Settlements - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	103	103	103	103	108	113	118
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	15 192	1 435	529	100 082	183 560	183 560	183 560	113 450	108 950	109 347
Other revenue	-	-	209	-	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	15 192	1 435	738	100 185	183 663	183 663	183 663	113 558	109 062	109 464
Expenditure By Type										
Employee related costs	29 301	33 232	36 306	38 853	39 195	39 195	39 195	41 076	42 883	44 813
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	149	742	1 648	126	126	126	126	119	124	142
Finance charges	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	1 039	1 378	1 197	1 850	1 630	1 630	1 630	1 648	1 654	1 727
Contracted services	16 477	6 553	3 244	102 959	186 437	186 437	186 437	118 554	113 058	113 556
Transfers and subsidies Exp	6 000	-	-	-	-	-	-	-	-	-
Other expenditure	4 430	3 661	3 197	3 828	3 828	3 828	3 828	3 867	3 867	4 002
Losses	-	-	-	-	-	-	-	-	-	-
Total Expenditure	57 397	45 567	45 592	147 616	231 216	231 216	231 216	165 264	161 587	164 239
Surplus/(Deficit)	(42 204)	(44 132)	(44 854)	(47 431)	(47 553)	(47 553)	(47 553)	(51 706)	(52 524)	(54 775)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	170 087	288 752	468 089	291 885	285 385	285 385	285 385	241 492	314 798	268 444
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	127 883	244 620	423 235	244 454	237 832	237 832	237 832	189 786	262 274	213 669
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	127 883	244 620	423 235	244 454	237 832	237 832	237 832	189 786	262 274	213 669
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	127 883	244 620	423 235	244 454	237 832	237 832	237 832	189 786	262 274	213 669
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	127 883	244 620	423 235	244 454	237 832	237 832	237 832	189 786	262 274	213 669

2.10.4 Finance Directorate (Vote 4)

The Directorate of Finance aims to ensure efficient and effective financial management for Buffalo City Metropolitan Municipality as well as to provide and maintain meaningful, accurate and coherent financial records of the City in order to facilitate the management and control of expenditure against the objectives set by the City's budget. The Directorate of Finance comprises of the following departments:

- i. Budget & Treasury Management
- ii. Corporate Asset Management
- iii. Expenditure Management & Financial Reporting
- iv. Revenue Management
- v. Supply Chain Management
- vi. Strategy & Operations

Table 62: Finance Directorate - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	1 295 503	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue	32 051	26 853	13 220	27 087	31 756	31 756	31 756	51 249	55 861	60 889
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	98 251	70 130	40 801	36 022	30 022	30 022	30 022	30 239	30 542	30 847
Interest earned - outstanding debtors	67 093	122 587	119 421	109 696	115 696	115 696	115 696	121 249	126 584	132 280
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	1 594	1 594	1 594	1 594	1 670	1 744	1 822
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	327 322	365 642	535 313	369 426	369 426	369 426	369 426	435 631	468 130	508 927
Other revenue	530 091	557 961	612 853	668 390	668 390	668 390	668 390	736 171	755 333	803 037
Gains	2 588	-	4 836	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	2 352 900	2 610 572	2 915 858	3 046 979	3 051 648	3 051 648	3 051 648	3 334 426	3 482 572	3 674 178
Expenditure By Type										
Employee related costs	265 537	240 565	383 042	345 318	348 081	348 081	348 081	364 106	380 083	397 141
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	(34 561)	136 009	114 318	268 215	297 412	297 412	297 412	381 852	398 654	416 593
Depreciation & asset impairment	102	416	314	171	171	171	171	163	170	193
Finance charges	-	-	-	5 000	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	3 061	2 779	3 680	12 448	9 935	9 935	9 935	8 535	8 541	8 851
Contracted services	44 351	39 877	24 401	87 361	79 353	79 353	79 353	100 830	73 831	69 752
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-	-
Other expenditure	107 774	119 088	126 832	113 291	126 453	126 453	126 453	142 396	144 396	142 722
Losses	(2 971)	1 129	702	-	-	-	-	-	-	-
Total Expenditure	383 293	539 862	653 290	831 804	861 405	861 405	861 405	997 883	1 005 674	1 035 253
Surplus/(Deficit)	1 969 607	2 070 710	2 262 569	2 215 175	2 190 243	2 190 243	2 190 243	2 336 543	2 476 898	2 638 925
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	279 132	58	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2 248 739	2 070 768	2 262 569	2 215 175	2 190 243	2 190 243	2 190 243	2 336 543	2 476 898	2 638 925
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	2 248 739	2 070 768	2 262 569	2 215 175	2 190 243	2 190 243	2 190 243	2 336 543	2 476 898	2 638 925
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	2 248 739	2 070 768	2 262 569	2 215 175	2 190 243	2 190 243	2 190 243	2 336 543	2 476 898	2 638 925
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	2 248 739	2 070 768	2 262 569	2 215 175	2 190 243	2 190 243	2 190 243	2 336 543	2 476 898	2 638 925

2.10.5 Corporate Services (Vote 5)

Services rendered by the Directorate of Corporate Services include but are not limited to development of the organisational structure, capacitation of staff, recruitment of staff members, job evaluation, employee relations, safety and wellness and assisting management with the implementation of staff performance. The Directorate of Corporate Services comprises of the following departments:

- i. Corporate Support Services (Administrative & Council Support and Auxilliary / Records & Decision Tracking and Telecommunications)
- ii. Human Resources Performance & Development
- iii. Human Resources Management
- iv. Information Technology & Support

Table 63: Corporate Services - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	13 911	10 847	11 104	10 350	10 350	10 350	10 350	11 600	11 850	13 350
Other revenue	0	0	23	705	705	705	705	739	771	806
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	13 912	10 847	11 128	11 055	11 055	11 055	11 055	12 339	12 621	14 156
Expenditure By Type										
Employee related costs	92 426	131 446	159 247	124 469	136 449	136 449	136 449	137 444	143 491	149 948
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	22 560	8 853	3 882	2 019	2 019	2 019	2 019	1 920	2 002	2 276
Finance charges	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	758	1 119	902	1 402	1 095	1 095	1 095	1 106	1 108	1 149
Contracted services	12 508	16 870	12 235	19 284	17 889	17 889	17 889	11 334	11 984	12 391
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-	-
Other expenditure	26 145	66 230	69 250	78 413	83 617	83 617	83 617	84 236	89 511	88 413
Losses	-	-	-	-	-	-	-	-	-	-
Total Expenditure	154 396	224 517	245 516	225 588	241 069	241 069	241 069	236 040	248 095	254 177
Surplus/(Deficit)	(140 484)	(213 671)	(234 388)	(214 533)	(230 014)	(230 014)	(230 014)	(223 702)	(235 474)	(240 022)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	110	110	89	150	150	150	150	150	150	150
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	(213 561)	(234 300)	(214 383)	(229 864)	(229 864)	(229 864)	(223 552)	(235 324)	(239 872)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	-	(213 561)	(234 300)	(214 383)	(229 864)	(229 864)	(229 864)	(223 552)	(235 324)	(239 872)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	(213 561)	(234 300)	(214 383)	(229 864)	(229 864)	(229 864)	(223 552)	(235 324)	(239 872)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	(213 561)	(234 300)	(214 383)	(229 864)	(229 864)	(229 864)	(223 552)	(235 324)	(239 872)

2.10.6 Infrastructure Services (Vote 6)

The Constitution stipulates that the City has a responsibility to ensure that the citizens of Buffalo City have access to basic services. The purpose of the Directorate of Infrastructure Services is to provide a sustainable, reliable and affordable engineering service and infrastructure for Buffalo City Metropolitan Municipality and all stakeholder communities. The Directorate of Infrastructure Services comprises of the following departments:

- i. Electrical & Energy Services
- ii. Roads / PIU & Construction
- iii. Water / Wastewater & Scientific Services
- iv. Workshop / Plant & Fleet Services

Table 64: Infrastructure Services - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	1 751 430	1 811 252	1 935 384	2 340 582	2 340 582	2 340 582	2 340 582	2 549 071	2 778 487	3 028 551
Service charges - water revenue	503 580	709 744	1 214 597	795 708	795 708	795 708	795 708	872 414	950 932	1 036 515
Service charges - sanitation revenue	328 923	377 249	420 119	447 060	447 060	447 060	447 060	468 519	489 134	511 145
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	356 023	334 275	416 508	395 832	395 832	395 832	395 832	431 294	482 418	515 680
Other revenue	3 419	5 163	6 732	24 915	24 915	24 915	24 915	26 111	27 260	28 487
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	2 943 374	3 237 683	3 993 340	4 004 098	4 004 098	4 004 098	4 004 098	4 347 409	4 728 230	5 120 378
Expenditure By Type										
Employee related costs	491 806	527 000	545 700	572 280	573 777	573 777	573 777	601 318	627 776	656 026
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	256 506	268 107	715 015	530 892	588 684	588 684	588 684	743 704	806 946	875 801
Depreciation & asset impairment	828 068	1 105 469	1 086 513	497 248	497 248	497 248	497 248	472 880	493 027	560 418
Finance charges	33 445	27 966	23 069	49 669	20 268	20 268	20 268	43 062	134 042	140 956
Bulk purchases	1 628 957	1 772 339	1 631 905	2 010 261	2 010 261	2 010 261	2 010 261	2 203 447	2 401 757	2 617 915
Other materials	36 282	42 321	274 569	329 383	309 078	309 078	309 078	247 573	266 303	288 270
Contracted services	415 960	413 766	428 570	401 835	394 937	394 937	394 937	417 226	443 994	473 318
Transfers and subsidies Ex p	15 911	-	-	-	-	-	-	-	-	-
Other expenditure	62 640	74 273	72 961	94 853	95 953	95 953	95 953	99 716	100 076	103 301
Losses	31 181	6 617	12 448	-	-	-	-	85 417	93 399	101 984
Total Expenditure	3 800 756	4 237 858	4 790 750	4 486 420	4 490 206	4 490 206	4 490 206	4 914 341	5 367 320	5 817 989
Surplus/(Deficit)	(857 382)	(1 000 175)	(797 410)	(482 322)	(486 108)	(486 108)	(486 108)	(566 932)	(639 089)	(697 611)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	593 777	449 818	423 836	331 714	332 614	332 614	332 614	358 072	271 542	383 638
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(263 605)	(550 356)	(373 574)	(150 609)	(153 494)	(153 494)	(153 494)	(208 860)	(367 547)	(313 974)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(263 605)	(550 356)	(373 574)	(150 609)	(153 494)	(153 494)	(153 494)	(208 860)	(367 547)	(313 974)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(263 605)	(550 356)	(373 574)	(150 609)	(153 494)	(153 494)	(153 494)	(208 860)	(367 547)	(313 974)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(263 605)	(550 356)	(373 574)	(150 609)	(153 494)	(153 494)	(153 494)	(208 860)	(367 547)	(313 974)

2.10.7 Spatial Planning & Development (Vote 7)

The purpose of the directorate is to enable and promote spatial transformation so that a more efficient, resilient and sustainable spatial pattern of development is achieved to underpin economic growth and social progress over time. The Directorate of Spatial Planning & Development comprises of the following departments:

- i. Development Planning
- ii. Property Management
- iii. Transport Planning & Operations
- iv. Urban & Rural Regeneration

Table 65: Spatial Planning & Development - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	16 678	17 286	20 706	11 076	11 076	11 076	11 076	11 608	12 118	12 664
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	3 407	2 767	733	5 873	4 300	4 300	4 300	6 022	8 571	9 434
Other revenue	30 483	12 205	14 864	20 377	20 377	20 377	20 377	21 355	22 294	23 298
Gains	7 927	4 254	29 575	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	58 495	36 510	65 878	37 326	35 753	35 753	35 753	38 984	42 984	45 396
Expenditure By Type										
Employee related costs	93 711	97 099	102 755	118 879	116 542	116 542	116 542	122 136	127 510	133 248
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	358 372	478 536	205 790	103 378	103 378	103 378	103 378	98 312	102 501	116 511
Finance charges	740	543	318	622	422	422	422	896	2 790	2 934
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	1 763	1 828	2 011	7 255	4 915	4 915	4 915	6 504	6 532	6 824
Contracted services	23 228	25 293	21 519	30 742	26 918	26 918	26 918	32 172	29 527	34 439
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-	-
Other expenditure	19 786	18 230	20 030	22 350	20 016	20 016	20 016	22 516	22 516	24 304
Losses	2 411	6 276	8 821	-	-	-	-	-	-	-
Total Expenditure	500 010	627 806	361 243	283 225	272 191	272 191	272 191	282 537	291 375	318 260
Surplus/(Deficit)	(441 515)	(591 295)	(295 365)	(245 899)	(236 438)	(236 438)	(236 438)	(243 552)	(248 391)	(272 865)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	189 058	213 054	144 586	73 500	82 161	82 161	82 161	75 000	91 082	80 458
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(252 457)	(378 242)	(150 780)	(172 399)	(154 277)	(154 277)	(154 277)	(168 552)	(157 309)	(192 407)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(252 457)	(378 242)	(150 780)	(172 399)	(154 277)	(154 277)	(154 277)	(168 552)	(157 309)	(192 407)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(252 457)	(378 242)	(150 780)	(172 399)	(154 277)	(154 277)	(154 277)	(168 552)	(157 309)	(192 407)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(252 457)	(378 242)	(150 780)	(172 399)	(154 277)	(154 277)	(154 277)	(168 552)	(157 309)	(192 407)

2.10.8 Health, Public Safety & Emergency Services (Vote 8)

The Directorate provides an essential & critical service to the public and thus the Directorate's mission is to continuously enforce safety & security and to consistently render an effective & efficient service is at the utmost forefront of this Directorate. Health, Public Safety & Emergency Services comprises of the following departments:

- i. Emergency Services
- ii. Public Safety & Protection Services

Table 66: Health, Public Safety & Emergency Services - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	24 866	10 818	16 648	19 262	19 262	19 262	19 262	20 187	21 075	22 023
Licences and permits	15 031	12 449	12 202	18 682	18 682	18 682	18 682	19 579	20 441	21 360
Agency services	26 198	21 676	25 112	39 070	39 070	39 070	39 070	40 945	42 747	44 670
Transfers and subsidies Rev	35 225	38 501	41 812	45 157	45 157	45 157	45 157	49 407	51 630	47 325
Other revenue	61 381	69 987	76 891	84 473	84 473	84 473	84 473	88 528	92 423	96 582
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	162 702	153 431	172 664	206 645	206 645	206 645	206 645	218 646	228 316	231 961
Expenditure By Type										
Employee related costs	375 996	397 118	422 757	392 931	398 330	398 330	398 330	417 450	435 818	455 430
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	112 985	40 273	49 610	17 673	19 597	19 597	19 597	24 841	26 565	28 434
Depreciation & asset impairment	752	1 816	2 136	1 107	1 107	1 107	1 107	1 053	1 098	1 248
Finance charges	1 848	1 731	1 012	1 930	1 030	1 030	1 030	2 188	6 811	7 163
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	11 100	8 744	9 434	20 016	16 882	16 882	16 882	13 862	13 908	14 499
Contracted services	10 998	11 596	21 264	20 150	17 368	17 368	17 368	22 751	17 565	18 442
Transfers and subsidies Exp	-	-	643	-	715	715	715	722	722	747
Other expenditure	13 260	12 903	11 051	13 907	10 283	10 283	10 283	12 328	12 352	12 800
Losses	4	-	13	-	-	-	-	-	-	-
Total Expenditure	526 944	474 180	517 919	467 715	465 313	465 313	465 313	495 195	514 838	538 762
Surplus/(Deficit)	(364 241)	(320 749)	(345 255)	(261 070)	(258 668)	(258 668)	(258 668)	(276 549)	(286 522)	(306 801)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	4 294	-	10 036	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	(320 749)	(335 219)	(261 070)	(258 668)	(258 668)	(258 668)	(276 549)	(286 522)	(306 801)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	-	(320 749)	(335 219)	(261 070)	(258 668)	(258 668)	(258 668)	(276 549)	(286 522)	(306 801)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	(320 749)	(335 219)	(261 070)	(258 668)	(258 668)	(258 668)	(276 549)	(286 522)	(306 801)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	(320 749)	(335 219)	(261 070)	(258 668)	(258 668)	(258 668)	(276 549)	(286 522)	(306 801)

2.10.9 Economic Development & Agencies (Vote 09)

The directorate was established to respond to stagnant economic growth and rising unemployment. The purpose of the directorate is to enhance the enabling environment for the attraction of new investments and the creation of new enterprises within the local economy, in pursuit of inclusive economic growth and job creation Economic Development & Agencies comprises of the following departments:

- i. Fresh Produce Market
- ii. Tourism, Arts, Culture & Heritage
- iii. Trade, Industry & Sector Development

Table 67: Economic Development & Agencies - operating revenue by source, expenditure by type and total capital transfers

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	2 625	2 365	2 441	3 514	3 514	3 514	3 514	3 683	3 845	4 018
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-
Licences and permits	120	138	210	109	109	109	109	114	119	124
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	-	-	2 569	36 568	24 201	24 201	24 201	40 598	9 000	-
Other revenue	22 674	23 091	24 273	33 022	33 022	33 022	33 022	34 607	36 130	37 756
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	25 418	25 594	29 493	73 213	60 846	60 846	60 846	79 001	49 094	41 898
Expenditure By Type										
Employee related costs	33 810	37 031	42 476	35 886	44 619	44 619	44 619	46 761	48 819	51 015
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	2 070	5 756	4 204	2 480	2 480	2 480	2 480	2 358	2 459	2 795
Finance charges	918	942	550	1 078	578	578	578	1 228	3 822	4 019
Bulk purchases	-	-	-	-	-	-	-	-	-	-
Other materials	2 764	606	705	1 298	1 495	1 495	1 495	1 192	1 195	1 243
Contracted services	14 968	9 306	4 802	6 046	11 700	11 700	11 700	13 145	28 973	12 276
Transfers and subsidies Exp	20 538	53 421	43 762	89 887	68 774	68 774	68 774	88 940	59 382	65 175
Other expenditure	11 794	13 491	10 256	13 931	13 833	13 833	13 833	13 229	13 029	13 467
Losses	4	-	19	-	-	-	-	-	-	-
Total Expenditure	86 867	120 552	106 775	150 605	143 479	143 479	143 479	166 852	157 677	149 991
Surplus/(Deficit)	(61 448)	(94 958)	(77 282)	(77 392)	(82 633)	(82 633)	(82 633)	(87 850)	(108 583)	(108 093)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	10 114	21 773	35 000	35 000	35 000	35 000	38 761	45 800	42 639
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(61 448)	(84 844)	(55 509)	(42 392)	(47 633)	(47 633)	(47 633)	(49 089)	(62 783)	(65 454)
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(61 448)	(84 844)	(55 509)	(42 392)	(47 633)	(47 633)	(47 633)	(49 089)	(62 783)	(65 454)
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(61 448)	(84 844)	(55 509)	(42 392)	(47 633)	(47 633)	(47 633)	(49 089)	(62 783)	(65 454)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(61 448)	(84 844)	(55 509)	(42 392)	(47 633)	(47 633)	(47 633)	(49 089)	(62 783)	(65 454)

2.10.10 Solid Waste, Environmental & Health Management (Vote 10)

The Directorate of Solid Waste, Environmental & Health Management renders services such as refuse removal, street sweeping, waste minimization and operates the landfill/waste sites as well as the garden transfer stations. It also has an overarching strategic responsibility for the protection and management of the natural environment in Buffalo City. Solid Waste, Environmental & Health Management comprises of the following departments:

- i. Solid Waste Management Services
- ii. Environmental Management
- iii. Municipal Health Services

Table 68: Solid Waste, Environmental & Health Management - operating revenue by source, expenditure by type and total capital transfers

Description	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand							
Revenue By Source							
Property rates	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–
Service charges - refuse revenue	367 954	367 954	367 954	367 954	385 616	402 583	420 699
Rental of facilities and equipment	–	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–
Fines, penalties and forfeits	9	9	9	9	9	9	10
Licences and permits	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–
Transfers and subsidies Rev	158 955	169 876	169 876	169 876	178 585	186 772	182 740
Other revenue	7 531	7 531	7 531	7 531	7 892	8 239	8 610
Gains	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	534 448	545 369	545 369	545 369	572 101	597 604	612 059
Expenditure By Type							
Employee related costs	404 754	412 994	412 994	412 994	432 818	451 862	472 195
Remuneration of councillors	–	–	–	–	–	–	–
Debt impairment	–	61 201	61 201	61 201	75 195	78 504	82 036
Depreciation & asset impairment	3 755	3 858	3 858	3 858	3 669	3 825	4 348
Finance charges	71	71	71	71	150	467	491
Bulk purchases	–	–	–	–	–	–	–
Other materials	27 490	23 636	23 636	23 636	20 898	20 609	21 587
Contracted services	31 918	29 656	29 656	29 656	40 471	36 774	51 026
Transfers and subsidies Exp	–	7 122	7 122	7 122	12 000	12 000	–
Other expenditure	68 469	73 231	73 231	73 231	67 307	66 457	68 783
Losses	–	–	–	–	–	–	–
Total Expenditure	536 456	611 768	611 768	611 768	652 507	670 497	700 466
Surplus/(Deficit)	(2 009)	(66 399)	(66 399)	(66 399)	(80 406)	(72 894)	(88 407)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	889	889	889	10 300	15 500	15 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(2 009)	(65 510)	(65 510)	(65 510)	(70 106)	(57 394)	(73 407)
Taxation	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(2 009)	(65 510)	(65 510)	(65 510)	(70 106)	(57 394)	(73 407)
Attributable to minorities	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(2 009)	(65 510)	(65 510)	(65 510)	(70 106)	(57 394)	(73 407)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(2 009)	(65 510)	(65 510)	(65 510)	(70 106)	(57 394)	(73 407)

2.10.11 Sport, Recreation & Community Development (Vote 11)

The Directorate of Sport, Recreation & Community Development is responsible for the rendering of services in Cemeteries and Crematorium, Sports fields; Swimming Pools; Marine Services; Resorts and the Zoo and provide for conservation, sport and recreation needs of the community. It also provides provide general lending, reference, copy and study facilities at its libraries and the use of Halls:

- i. Community Development (Libraries, Halls, Zoo & Aquarium)
- ii. Parks & Cemeteries
- iii. Sports Development, Facilities & Recreation

Table 69: Sport, Recreation & Community Development - operating revenue by source, expenditure by type and total capital transfers

Description	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand							
Revenue By Source							
Property rates	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–
Rental of facilities and equipment	6 266	6 266	6 266	6 266	6 567	6 856	7 164
Interest earned - external investments	–	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–
Fines, penalties and forfeits	543	543	543	543	569	594	620
Licences and permits	44	44	44	44	46	48	50
Agency services	–	–	–	–	–	–	–
Transfers and subsidies Rev	15 870	15 870	15 870	15 870	17 370	17 170	18 383
Other revenue	21 293	21 293	21 293	21 293	22 315	23 297	24 345
Gains	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	44 015	44 015	44 015	44 015	46 866	47 964	50 563
Expenditure By Type							
Employee related costs	320 781	294 955	294 955	294 955	309 112	322 713	337 235
Remuneration of councillors	–	–	–	–	–	–	–
Debt impairment	–	–	–	–	–	–	–
Depreciation & asset impairment	36 718	36 615	36 615	36 615	34 821	36 304	41 267
Finance charges	1 563	863	863	863	1 833	5 704	5 999
Bulk purchases	–	–	–	–	–	–	–
Other materials	29 565	22 189	22 189	22 189	17 916	17 940	18 621
Contracted services	18 010	21 635	21 635	21 635	20 593	20 694	22 562
Transfers and subsidies Exp	13 220	13 220	13 220	13 220	13 352	13 352	13 819
Other expenditure	48 046	39 110	39 110	39 110	39 776	39 776	41 168
Losses	–	–	–	–	–	–	–
Total Expenditure	467 902	428 586	428 586	428 586	437 403	456 483	480 671
Surplus/(Deficit)	(423 887)	(384 570)	(384 570)	(384 570)	(390 537)	(408 519)	(430 108)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	10 000	12 000	5 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(423 887)	(384 570)	(384 570)	(384 570)	(380 537)	(396 519)	(425 108)
Taxation	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(423 887)	(384 570)	(384 570)	(384 570)	(380 537)	(396 519)	(425 108)
Attributable to minorities	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(423 887)	(384 570)	(384 570)	(384 570)	(380 537)	(396 519)	(425 108)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(423 887)	(384 570)	(384 570)	(384 570)	(380 537)	(396 519)	(425 108)

2.11 ANNUAL BUDGET AND SDBIPS – MUNICIPAL ENTITIES

Buffalo City Metropolitan Development Agency (BCMDA) is a municipal entity wholly owned by Buffalo City Metropolitan Municipality (BCMM). BCMDA was established as a profit company on 20 April 2016. Its mandate is to increase economic growth through tourism, economic and social development as well as property management and commercialisation. As an entity of BCMM, BCMDA extends the Metro's capability with respect to identification, planning and implementation of development projects for the benefit of the entire municipal area. The governance of BCMDA is entrusted to board of directors.

To allow the agency to realise its mandate, the City has set aside an amount of (inclusive of vat) R51 million for 2022/2023 financial year, R53 million in 2023/2024 and R56 million in 2024/2025 financial years as an operational grant to the agency. The City will also transfer an amount of (inclusive of vat) R47 million in 2022/2023 and R18 million in 2023/2024 for capital projects that will be implemented by the entity.

The primary mandate of Buffalo City Metropolitan Development Agency is to:

- i. Attract investors into Buffalo City,
- ii. Increase economic growth through tourism, economic and social development,
and
- iii. Property management and commercialisation.

The aggregated annual budget, as required in terms of section 9 of the MBRR, are presented in the five primary budget tables on the following pages. These tables reflect BCMDA's 2022/2023 budget and MTREF to be supported by Council.

Schedule D reflecting BCMDA's annual budget and supporting documents is attached as Annexure Z.

Table 70: MBRR Table D1 – Budget Summary – (BCMDA)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Investment revenue	439	520	488	467	632	632	637	664	657
Transfers recognised - operational	2 491	7 762	126 674	135 059	123 037	123 037	133 627	75 221	55 615
Other own revenue	30 491	41 243	6 985	12 399	7 464	7 464	18 429	21 170	29 237
Total Revenue (excluding capital transfers and contributions)	33 421	49 524	134 147	147 925	131 133	131 133	152 692	97 055	85 510
Employee costs	17 447	25 714	28 411	30 607	33 188	33 188	32 354	35 109	36 707
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	1 206	987	1 181	995	1 141	1 141	984	1 769	1 024
Finance charges	0	–	0	4	4	4	4	5	5
Inventory consumed and bulk purchases	570	1 238	556	727	1 850	1 850	1 299	1 300	801
Transfers and grants	100	197	203	–	200	200	200	200	200
Other expenditure	12 038	25 779	101 237	114 393	93 551	93 551	116 711	57 441	45 443
Total Expenditure	31 361	53 916	131 590	146 725	129 933	129 933	151 552	95 824	84 180
Surplus/(Deficit)	2 060	(4 391)	2 557	1 200	1 200	1 200	1 140	1 231	1 330
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational	491	13 811	–	–	–	–	–	–	–
contributions	2 550	9 420	3 795	2 400	2 400	2 400	2 280	2 462	2 659
Taxation	602	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	1 948	9 420	3 795	2 400	2 400	2 400	2 280	2 462	2 659
Capital expenditure & funds sources									
Capital expenditure	4 078	1 675	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Transfers recognised - capital	4 078	(1 425)	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	3 100	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Total sources of capital funds	4 078	1 675	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Financial position									
Total current assets	5 645	22 505	37 608	8 677	8 677	8 677	10 120	8 913	6 713
Total non current assets	2 108	2 795	2 849	2 071	2 071	2 071	3 691	3 921	4 169
Total current liabilities	6 387	13 812	19 688	7 336	7 336	7 336	5 210	6 735	5 751
Total non current liabilities	–	–	99	–	–	–	–	–	–
Community wealth/Equity	1 366	11 488	20 670	3 413	3 413	3 413	8 601	6 098	5 131
Cash flows									
Net cash from (used) operating	5 362	13 797	4 434	2 195	2 529	2 529	2 124	3 000	2 353
Net cash from (used) investing	(1 742)	(1 651)	(1 238)	(1 200)	(1 200)	(1 200)	(1 140)	(1 231)	(1 330)
Net cash from (used) financing	–	–	–	–	(1 329)	(1 329)	–	–	–
Cash/cash equivalents at the year end	3 987	16 133	25 981	5 280	5 280	5 280	6 223	7 451	5 451

Table 71: MBRR Table D2 – Budgeted Financial Performance (revenue and expenditure) – (BCMDA)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands									
Revenue by Source									
Property rates									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Rental of facilities and equipment									
Interest earned - external investments	439	520	488	467	632	632	637	664	657
Interest earned - outstanding debtors									
Dividends received									
Fines, penalties and forfeits									
Licences and permits									
Agency services	620	1 752	6 799	4 000	5 677	5 677	3 768	1 440	-
Transfers and subsidies	2 491	7 762	125 436	133 859	121 837	121 837	132 487	73 990	54 286
Other revenue	29 869	39 491	189	8 399	1 787	1 787	14 661	19 730	29 237
Gains	2	-	(3)	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	33 421	49 524	132 909	146 725	129 933	129 933	151 552	95 824	84 180
Expenditure By Type									
Employee related costs	17 447	25 714	28 411	30 607	33 188	33 188	32 354	35 109	36 707
Remuneration of councillors									
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	1 206	987	1 181	995	1 141	1 141	984	1 769	1 024
Finance charges	0	-	0	4	4	4	4	5	5
Bulk purchases - electricity									
Inventory consumed	570	1 238	556	727	1 850	1 850	1 299	1 300	801
Contracted services	7 472	18 993	95 442	106 138	84 238	84 238	105 585	46 762	26 237
Transfers and subsidies	100	197	203	-	200	200	200	200	200
Other expenditure	4 567	6 785	5 783	8 255	9 312	9 312	11 126	10 679	19 206
Losses	-	-	13	-	-	-	-	-	-
Total Expenditure	31 361	53 916	131 590	146 725	129 933	129 933	151 552	95 824	84 180
Surplus/(Deficit)	2 060	(4 391)	1 320	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	491	13 811	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)									
contributions	2 550	9 420	2 557	1 200	1 200	1 200	1 140	1 231	1 330
Taxation	602	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1 948	9 420	2 557	1 200	1 200	1 200	1 140	1 231	1 330

Table 72: MBRR Table D3 – Capital Budget by asset class and funding – (BCMDA)

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands									
Capital expenditure by Asset Class/Sub-class									
Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	3 358	425	279	800	700	700	800	864	933
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	3 358	425	279	800	700	700	800	864	933
Computer Software and Applications	3 358	425	279	800	700	700	800	864	933
Computer Equipment	607	56	586	320	420	420	180	194	210
Computer Equipment	607	56	586	320	420	420	180	194	210
Furniture and Office Equipment	114	1 194	373	80	80	80	160	173	187
Furniture and Office Equipment	114	1 194	373	80	80	80	160	173	187
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total capital expenditure on assets	4 078	1 675	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Funded by:									
National Government	-	-	-	-	-	-	-	-	-
Provincial Government	-	-	-	-	-	-	-	-	-
Parent Municipality	4 078	(1 425)	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4 078	(1 425)	-	-	-	-	-	-	-
Borrowing									
Internally generated funds	-	3 100	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Total Capital Funding	4 078	1 675	1 238	1 200	1 200	1 200	1 140	1 231	1 330

Table 73: MBRR Table D4 – Budgeted Financial Position – (BCMDA)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands									
ASSETS									
Current assets									
Cash	3 987	16 133	25 981	172	172	172	172	172	172
Call investment deposits	-	-	-	5 108	5 108	5 108	6 050	7 278	5 278
Consumer debtors	1 332	5 813	9 258	-	-	-	-	-	-
Other debtors	290	498	2 107	3 311	3 311	3 311	3 811	1 377	1 177
Current portion of long-term receivables	-	-	176	-	-	-	-	-	-
Inventory	35	61	86	86	86	86	86	86	86
Total current assets	5 645	22 505	37 608	8 677	8 677	8 677	10 120	8 913	6 713
Non current assets									
Long-term receivables	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-	-	-
Investment in Associate	-	-	-	-	-	-	-	-	-
Property, plant and equipment	308	1 384	2 173	1 198	1 198	1 198	2 266	2 306	2 505
Biological	-	-	-	-	-	-	-	-	-
Intangible	1 800	1 411	676	873	873	873	1 425	1 614	1 664
Other non-current assets	-	-	-	-	-	-	-	-	-
Total non current assets	2 108	2 795	2 849	2 071	2 071	2 071	3 691	3 921	4 169
TOTAL ASSETS	7 753	25 300	40 457	10 749	10 749	10 749	13 811	12 834	10 882
LIABILITIES									
Current liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Consumer deposits	-	-	-	-	-	-	-	-	-
Trade and other payables	5 358	11 542	17 417	5 542	5 542	5 542	3 207	4 633	3 648
Provisions	1 029	2 270	2 270	1 794	1 794	1 794	2 003	2 103	2 103
Total current liabilities	6 387	13 812	19 688	7 336	7 336	7 336	5 210	6 735	5 751
Non current liabilities									
Borrowing	-	-	99	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-	-	-
Total non current liabilities	-	-	99	-	-	-	-	-	-
TOTAL LIABILITIES	6 387	13 812	19 787	7 336	7 336	7 336	5 210	6 735	5 751
NET ASSETS	1 366	11 488	20 670	3 413	3 413	3 413	8 601	6 098	5 131
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	1 366	11 488	20 670	3 413	3 413	3 413	8 601	6 098	5 131
Reserves	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	1 366	11 488	20 670	3 413	3 413	3 413	8 601	6 098	5 131

Table 74: MBRR Table D5 – Budgeted Cash Flow – (BCMDA)

Description R thousands	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	638	(2 595)	3 367	12 399	7 464	7 464	18 429	21 170	29 237
Transfers and Subsidies - Operational	35 283	61 865	124 932	133 859	141 434	141 434	132 487	73 990	54 286
Transfers and Subsidies - Capital	-	-	-	1 200	1 200	1 200	1 140	1 231	1 330
Interest	439	520	488	467	632	632	637	664	657
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(30 997)	(45 796)	(124 150)	(145 726)	(147 997)	(147 997)	(150 363)	(93 850)	(82 951)
Finance charges	(0)	-	(0)	(4)	(4)	(4)	(4)	(5)	(5)
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	(197)	(203)	-	(200)	(200)	(200)	(200)	(200)
NET CASH FROM/(USED) OPERATING ACTIVITIES	5 362	13 797	4 434	2 195	2 529	2 529	2 124	3 000	2 353
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	24	(0)	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(1 742)	(1 675)	(1 238)	(1 200)	(1 200)	(1 200)	(1 140)	(1 231)	(1 330)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 742)	(1 651)	(1 238)	(1 200)	(1 200)	(1 200)	(1 140)	(1 231)	(1 330)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	-	-	-	-	(1 329)	(1 329)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	(1 329)	(1 329)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	3 620	12 145	3 196	995	(0)	(0)	984	1 769	1 024
Cash/cash equivalents at the year begin:	367	3 987	22 784	4 285	5 280	5 280	5 238	5 682	4 427
Cash/cash equivalents at the year end:	3 987	16 133	25 981	5 280	5 280	5 280	6 223	7 451	5 451

2.12 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

In terms of the City's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years) unless MFMA Section 33 has been complied with. In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Chief Financial Officer.

2.13 CAPITAL EXPENDITURE DETAILS

The following tables present details of the City's capital expenditure programme, firstly on the new assets, then renewal of assets, upgrading of assets, repair and maintenance of assets, depreciation of assets, detailed capital programme and delayed capital projects.

MBRR Table SA34a – Capital expenditure on new assets by asset class (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on new assets by Asset Class/Sub-class									
Community Assets	24 068	9 593	6 036	30 700	25 856	25 856	36 600	43 888	28 539
Community Facilities	13 576	9 593	5 988	30 400	25 756	25 756	35 000	42 288	28 419
Halls			2 248						
Centres				7 000	2 000	2 000	12 000	6 700	5 000
Fire/Ambulance Stations				4 000	1 604	1 604	4 000	8 188	2 000
Galleries				2 500	1 250	1 250	1 000	1 300	
Libraries			456				5 000	5 500	3 500
Cemeteries/Crematoria	490		169	200	110	110	200	500	500
Public Open Space	705	344	159	500	591	591	1 000	1 000	
Nature Reserves	1 407	191		1 100	100	100	1 600	1 100	100
Public Ablution Facilities	1 415	3 913		100	100	100	200		500
Stalls	5 073	3 298	415	15 000	20 000	20 000	10 000	18 000	16 819
Taxi Ranks/Bus Terminals	4 486	1 847	2 541						
Sport and Recreation Facilities	10 492		49	300	100	100	1 600	1 600	120
Outdoor Facilities	10 492		49	300	100	100	1 600	1 600	120
Heritage assets	839		8	1 500	3 092	3 092	1 500	1 000	
Monuments	105		8	1 500	3 092	3 092	1 500	1 000	
Works of Art	734								
Investment properties									
Revenue Generating									
Non-revenue Generating									
Other assets	6 265	5 225	177 822	47 300	68 343	68 343	45 669	69 500	21 300
Operational Buildings	6 265	5 225	949	6 300	13 553	13 553	24 469	26 500	16 300
Municipal Offices	3 211	186	460	4 100	8 517	8 517	17 969	17 500	15 800
Pay/Enquiry Points	101		272	2 000					
Building Plan Offices							4 000	4 000	500
Yards			217		5 036	5 036	2 000	5 000	
Laboratories	2 953	5 039							
Depots				200			500		
Housing			176 873	41 000	54 790	54 790	21 200	43 000	5 000
Social Housing			176 873	41 000	54 790	54 790	21 200	43 000	5 000
Biological or Cultivated Assets									
Intangible Assets	4 506	53 718	27 844	8 300	19 170	19 170	9 300	3 864	3 933
Licences and Rights	4 506	53 718	27 844	8 300	19 170	19 170	9 300	3 864	3 933
Computer Software and Applications	4 506	53 718	27 844	8 300	19 170	19 170	9 300	3 864	3 933
Computer Equipment	8 907	2 836	3 750	2 620	4 347	4 347	180	594	1 610
Computer Equipment	8 907	2 836	3 750	2 620	4 347	4 347	180	594	1 610
Furniture and Office Equipment	11 792	7 938	5 462	21 159	28 796	28 796	9 810	14 523	15 937
Furniture and Office Equipment	11 792	7 938	5 462	21 159	28 796	28 796	9 810	14 523	15 937
Machinery and Equipment	39 996	46 466	43 908	27 048	31 089	31 089	16 161	19 800	38 119
Machinery and Equipment	39 996	46 466	43 908	27 048	31 089	31 089	16 161	19 800	38 119
Transport Assets	82 817	45 130	73 979	45 263	43 372	43 372	32 000	26 000	39 500
Transport Assets	82 817	45 130	73 979	45 263	43 372	43 372	32 000	26 000	39 500
Land				21 000	26 073	26 073	15 000	15 000	15 000
Land				21 000	26 073	26 073	15 000	15 000	15 000
Zoo's, Marine and Non-biological Animals									
Total Capital Expenditure on new assets	1 183 365	910 652	883 837	817 109	745 701	745 701	706 332	769 896	659 382

Table 76: MBRR Table SA34b – Capital expenditure on renewal of existing assets by asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	157 797	314 468	199 549	291 361	297 509	297 509	295 843	435 280	343 861
Roads Infrastructure	95 787	255 341	176 406	156 340	162 489	162 489	91 330	118 256	103 500
<i>Roads</i>	90 771	119 376	175 330	145 540	142 640	142 640	78 530	116 756	97 000
<i>Road Structures</i>	5 016	135 548	–	–	–	–	–	–	–
<i>Road Furniture</i>	–	417	1 076	10 800	19 848	19 848	12 800	1 500	6 500
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	12 814	4	–	91 920	91 920	91 920	104 013	113 374	119 334
<i>HV Transmission Conductors</i>	–	–	–	21 000	21 000	21 000	22 000	22 000	26 400
<i>MV Substations</i>	–	–	–	25 920	25 920	25 920	26 101	26 111	–
<i>MV Networks</i>	–	–	–	27 000	27 000	27 000	33 912	41 263	64 134
<i>LV Networks</i>	–	–	–	18 000	18 000	18 000	22 000	24 000	28 800
Water Supply Infrastructure	49 196	59 123	23 143	43 100	43 100	43 100	100 500	203 650	121 028
<i>Dams and Weirs</i>	–	13 391	–	–	–	–	–	–	–
<i>Reservoirs</i>	3 587	9 129	2 761	8 000	7 989	7 989	–	13 150	17 300
<i>Pump Stations</i>	8 773	999	808	2 300	2 400	2 400	500	–	6 700
<i>Water Treatment Works</i>	1 341	15 489	7 135	21 500	21 394	21 394	85 500	175 000	68 528
<i>Bulk Mains</i>	13 654	10 538	5 572	5 700	5 356	5 356	5 000	5 000	14 000
<i>Distribution Points</i>	21 841	9 576	6 866	5 600	5 961	5 961	9 500	10 500	14 500
Community Assets	13 233	4 333	8 796	5 150	6 079	6 079	9 100	8 300	8 000
Community Facilities	10 934	3 495	8 796	5 000	4 429	4 429	7 000	7 800	5 000
<i>Fire/Ambulance Stations</i>	–	–	828	–	–	–	–	–	–
<i>Galleries</i>	–	–	–	5 000	3 000	3 000	7 000	7 800	5 000
<i>Theatres</i>	–	177	1 584	–	1 429	1 429	–	–	–
<i>Taxi Ranks/Bus Terminals</i>	10 934	3 318	6 385	–	–	–	–	–	–
Sport and Recreation Facilities	2 299	838	–	150	1 650	1 650	2 100	500	3 000
<i>Outdoor Facilities</i>	2 299	838	–	150	1 650	1 650	2 100	500	3 000
Heritage assets	–	3 982	–	–	–	–	–	–	–
Monuments	–	3 982	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	266	148	3 476	16 000	15 261	15 261	9 000	6 000	2 000
Operational Buildings	266	148	3 476	16 000	15 261	15 261	9 000	6 000	2 000
<i>Municipal Offices</i>	–	–	998	9 000	9 000	9 000	4 000	2 000	1 500
<i>Pay/Enquiry Points</i>	266	148	739	–	–	–	1 500	1 500	500
<i>Manufacturing Plant</i>	–	–	1 739	7 000	6 261	6 261	3 500	2 500	–
Housing	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	1 712	2 162	1 157	–	539	539	–	–	–
Transport Assets	1 712	2 162	1 157	–	539	539	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing	173 008	325 092	212 978	312 511	319 388	319 388	313 943	449 580	353 861

MBRR Table SA34e – Capital expenditure on the upgrading of existing assets by asset class (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Community Assets	83 359	80 641	131 298	89 444	115 454	115 454	103 350	52 850	43 908
Community Facilities	67 539	64 547	36 612	34 744	39 411	39 411	50 900	28 450	39 408
Halls	11 164	5 069	6 350	5 500	4 597	4 597	11 000	9 500	4 500
Centres	16 597	12 007	10 454	2 000	1 200	1 200	2 000	2 000	1 000
Testing Stations			302	1 500	1 728	1 728	1 000	1 000	
Cemeteries/Crematoria	8 832	6 697	3 817	5 700	5 790	5 790	6 200	5 450	5 450
Public Open Space	1 724	2 438	220		859	859			
Nature Reserves	5 834	20 083	9 544	8 000	14 992	14 992	12 500	10 500	7 500
Public Ablution Facilities	683		97						
Markets	2 303	5 301							
Taxi Ranks/Bus Terminals	20 402	12 952	5 828	12 044	10 246	10 246	18 200		20 958
Sport and Recreation Facilities	15 819	16 095	94 686	54 700	76 042	76 042	52 450	24 400	4 500
Indoor Facilities	29	42			48	48			
Outdoor Facilities	15 791	16 052	94 686	54 700	75 994	75 994	52 450	24 400	4 500
Heritage assets	–	1 544	152	1 000	3 223	3 223	1 000	1 000	–
Monuments	–	1 544	152	1 000	3 223	3 223	1 000	1 000	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Other assets	23 706	28 793	36 571	10 873	8 458	8 458	5 070	7 000	4 600
Operational Buildings	23 706	28 793	36 571	10 873	8 458	8 458	5 070	7 000	4 600
Municipal Offices	10 196	22 971	9 930	1 000	1 662	1 662	500	1 000	–
Pay/Enquiry Points	2 688	–	–	4 173	2 000	2 000	–	–	–
Stores	133	–	–	–	–	–	–	–	–
Laboratories	–	–	1 344	–	–	–	–	–	–
Training Centres	1 558	921	1 679	–	–	–	–	–	–
Manufacturing Plant	3 478	3 664	9 547	–	–	–	–	–	–
Depots	5 652	1 236	14 071	5 700	4 796	4 796	4 570	6 000	4 600
Transport Assets	1 037	–	–	1 500	850	850	1 000	1 000	1 000
Transport Assets	1 037	–	–	1 500	850	850	1 000	1 000	1 000
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	1 995	539	400	400	400	400	600	700
Zoo's, Marine and Non-biological Animals	–	1 995	539	400	400	400	400	600	700
Total Capital Expenditure on upgrading of existing a	403 642	311 922	493 299	673 972	762 460	762 460	1 065 087	590 708	273 218

MBRR Table SA34c – Repairs and maintenance expenditure by asset class (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Repairs and maintenance expenditure by Asset Class/Sub-class									
Investment properties	-	-	-	-	250	250	15	16	16
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	250	250	15	16	16
<i>Improved Property</i>				-	250	250	15	16	16
Other assets	23 151	24 849	26 692	29 582	29 352	29 352	34 292	34 978	37 776
Operational Buildings	23 151	24 849	26 692	29 582	29 352	29 352	34 292	34 978	37 776
<i>Municipal Offices</i>	19 424	20 780	22 811	25 281	25 051	25 051	25 426	25 935	28 010
<i>Pay/Enquiry Points</i>	3 533	3 741	3 650	3 945	3 945	3 945	8 504	8 674	9 368
<i>Workshops</i>	194	328	231	357	357	357	362	369	399
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	653	653	653	663	676	731
Licences and Rights	-	-	-	653	653	653	663	676	731
<i>Computer Software and Applications</i>	-	-	-	653	653	653	663	676	731
Computer Equipment	1 233	672	604	1 181	1 181	1 181	1 198	1 222	1 320
Computer Equipment	1 233	672	604	1 181	1 181	1 181	1 198	1 222	1 320
Furniture and Office Equipment	7 651	5 146	6 831	7 826	7 821	7 821	7 939	8 097	8 745
Furniture and Office Equipment	7 651	5 146	6 831	7 826	7 821	7 821	7 939	8 097	8 745
Machinery and Equipment	127 316	132 227	134 004	149 901	154 180	154 180	175 493	179 004	193 323
Machinery and Equipment	127 316	132 227	134 004	149 901	154 180	154 180	175 493	179 004	193 323
Transport Assets	30 770	27 308	26 724	29 287	30 736	30 736	31 698	32 332	34 918
Transport Assets	30 770	27 308	26 724	29 287	30 736	30 736	31 698	32 332	34 918
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	392 318	382 548	384 520	407 950	414 549	414 549	444 530	453 422	489 693

Table 79: MBRR Table SA34d – Depreciation by Asset Class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Depreciation by Asset Class/Sub-class	1 038 617	1 394 341	1 116 590	520 758	520 758	520 758	495 237	516 338	586 915
Infrastructure									
Roads Infrastructure	469 394	720 477	562 687	257 282	257 282	257 282	244 673	255 098	289 966
Roads	431 546	593 770	396 922	182 695	182 695	182 695	173 742	181 144	205 904
Road Structures	5 371	80 734	124 043	57 940	57 940	57 940	55 100	57 448	65 300
Road Furniture	32 477	45 972	41 721	16 647	16 647	16 647	15 831	16 506	18 762
Storm water Infrastructure	44 629	25 229	–	–	–	–	–	–	–
Drainage Collection	37 116	20 905	–	–	–	–	–	–	–
Storm water Conveyance	3 012	1 717	–	–	–	–	–	–	–
Attenuation	4 501	2 608	–	–	–	–	–	–	–
Electrical Infrastructure	256 678	291 473	253 675	121 975	121 975	121 975	115 998	120 940	137 471
Power Plants	2 084	–	–	–	–	–	–	–	–
HV Substations	18 430	18 601	15 426	7 591	7 591	7 591	7 219	7 527	8 555
MV Networks	81 296	86 726	79 642	37 602	37 602	37 602	35 759	37 282	42 379
LV Networks	154 868	186 147	158 608	76 783	76 783	76 783	73 020	76 131	86 537
Water Supply Infrastructure	172 489	243 731	193 086	91 234	91 234	91 234	86 763	90 460	102 824
Dams and Weirs	11 603	18 140	16 435	8 098	8 098	8 098	7 701	8 029	9 127
Boreholes	194	432	1 695	118	118	118	112	117	133
Reservoirs	6 051	7 943	6 850	3 371	3 371	3 371	3 206	3 342	3 799
Pump Stations	1 818	2 116	150	111	111	111	105	110	125
Water Treatment Works	3 399	4 138	2 911	1 624	1 624	1 624	1 545	1 611	1 831
Bulk Mains	46 455	66 798	50 964	24 821	24 821	24 821	23 605	24 610	27 974
Distribution	102 810	143 437	110 374	53 017	53 017	53 017	50 419	52 567	59 752
PRV Stations	158	727	3 707	74	74	74	70	73	83
Sanitation Infrastructure	93 417	111 154	104 067	49 919	49 919	49 919	47 472	49 495	56 260
Pump Station	–	3 755	23 706	10 653	10 653	10 653	10 131	10 562	12 006
Reticulation	68 690	85 600	67 543	33 621	33 621	33 621	31 973	33 335	37 892
Waste Water Treatment Works	24 727	19 491	12 818	5 646	5 646	5 646	5 369	5 598	6 363
Outfall Sewers	–	2 308	–	–	–	–	–	–	–
Solid Waste Infrastructure	1 942	2 205	3 008	316	316	316	300	313	356
Landfill Sites	1 490	1 751	151	111	111	111	106	110	125
Waste Transfer Stations	239	337	242	120	120	120	114	119	135
Waste Drop-off Points	213	117	2 615	84	84	84	80	84	95
Rail Infrastructure	68	73	67	33	33	33	31	33	37
Rail Lines	68	73	67	33	33	33	31	33	37
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	105 088	140 157	117 127	52 184	52 183	52 183	49 625	51 740	58 812
Community Facilities	75 174	97 943	112 848	49 017	49 016	49 016	46 613	48 599	55 242
Halls	33 973	40 736	30 863	15 208	15 208	15 208	14 462	15 079	17 140
Crèches	(366)	1 652	32 267	13 270	13 269	13 269	12 619	13 156	14 955
Clinics/Care Centres	6 204	7 353	4 034	1 988	1 988	1 988	1 891	1 971	2 240
Fire/Ambulance Stations	5 502	7 081	7 209	2 723	2 723	2 723	2 589	2 700	3 069
Testing Stations	2 523	3 977	2 718	1 286	1 286	1 286	1 223	1 275	1 449
Libraries	4 698	6 259	5 262	2 296	2 296	2 296	2 184	2 277	2 588
Cemeteries/Crematoria	6 249	9 472	7 388	3 654	3 654	3 654	3 475	3 623	4 119
Public Open Space	5 120	3 944	8 369	3 022	3 022	3 022	2 874	2 997	3 406
Nature Reserves	5	1 095	140	104	104	104	99	103	117
Public Ablution Facilities	162	3 857	4 283	504	504	504	479	500	568
Stalls	7 328	7 887	6 639	3 150	3 150	3 150	2 996	3 123	3 550
Taxi Ranks/Bus Terminals	3 778	4 629	3 676	1 811	1 811	1 811	1 723	1 796	2 042
Sport and Recreation Facilities	29 913	42 214	4 279	3 167	3 167	3 167	3 012	3 140	3 569
Outdoor Facilities	29 913	42 214	4 279	3 167	3 167	3 167	3 012	3 140	3 569

MBRR Table SA34d – Depreciation by Asset Class (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Depreciation by Asset Class/Sub-class									
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	(996)	339	-	-	-	-	-	-	-
Revenue Generating	(996)	339	-	-	-	-	-	-	-
<i>Unimproved Property</i>	(996)	339	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	50 890	72 571	58 465	26 521	26 521	26 521	25 221	26 296	29 890
Operational Buildings	45 772	65 793	53 190	24 013	24 013	24 013	22 837	23 810	27 064
<i>Municipal Offices</i>	34 361	58 617	52 674	23 763	23 763	23 763	22 598	23 561	26 782
<i>Pay/Enquiry Points</i>	228	406	305	150	150	150	143	149	169
<i>Workshops</i>	11 144	6 657	78	34	34	34	33	34	39
<i>Stores</i>	40	114	134	66	66	66	63	65	74
Housing	5 118	6 777	5 275	2 508	2 508	2 508	2 385	2 486	2 826
<i>Staff Housing</i>	1 243	1 708	1 424	610	610	610	580	605	687
<i>Social Housing</i>	3 874	5 069	3 852	1 898	1 898	1 898	1 805	1 882	2 139
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	5 539	5 333	1 828	1 453	1 453	1 453	1 206	1 493	1 753
Licences and Rights	5 539	5 333	1 828	1 453	1 453	1 453	1 206	1 493	1 753
<i>Computer Software and Applications</i>	5 520	5 333	1 828	1 453	1 453	1 453	1 206	1 493	1 753
<i>Unspecified</i>	19	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	214	261	261	338	426	189
Computer Equipment	-	-	-	214	261	261	338	426	189
Furniture and Office Equipment	19 265	19 617	28 794	10 987	11 170	11 170	10 608	11 493	12 316
Furniture and Office Equipment	19 265	19 617	28 794	10 987	11 170	11 170	10 608	11 493	12 316
Machinery and Equipment	13 687	13 250	9 999	5 080	5 000	5 000	4 755	4 958	5 635
Machinery and Equipment	13 687	13 250	9 999	5 080	5 000	5 000	4 755	4 958	5 635
Transport Assets	62 243	63 997	67 986	31 976	31 973	31 973	30 406	31 701	36 034
Transport Assets	62 243	63 997	67 986	31 976	31 973	31 973	30 406	31 701	36 034
Land	1 115	-	-	-	-	-	-	-	-
Land	1 115	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	189	457	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	189	457	-	-	-	-	-	-	-
Total Depreciation	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	617 397	644 445	731 545

Table 80: MBRR Table SA35 – Future financial implications of the capital budget

Vote Description R thousand	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
Capital expenditure							
Vote 01 - Directorate - Executive Support Services	500	500	500	-	-	-	-
Vote 02 - Directorate - Municipal Manager	600	600	500	-	-	-	-
Vote 03 - Directorate - Human Settlement	241 992	315 298	268 944	-	-	-	-
Vote 04 - Directorate - Chief Financial Officer	254 714	235 028	13 500	-	-	-	-
Vote 05 - Directorate - Corporate Services	4 980	4 650	11 650	-	-	-	-
Vote 06 - Directorate - Infrastructure Services	1 280 245	943 321	746 371	-	-	-	-
Vote 07 - Directorate - Spatial Planning And Development	102 341	131 617	83 458	-	-	-	-
Vote 08 - Directorate - Health / Public Safety & Emergency Services	22 900	27 188	15 500	-	-	-	-
Vote 09 - Directorate - Municipal Services	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	104 701	80 331	44 468	-	-	-	-
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	32 819	36 000	72 020	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	39 570	35 650	29 550	-	-	-	-
Total Capital Expenditure	2 085 362	1 810 183	1 286 461	-	-	-	-
Future operational costs by vote							
Vote 01 - Directorate - Executive Support Services							
Vote 02 - Directorate - Municipal Manager							
Vote 03 - Directorate - Human Settlement							
Vote 04 - Directorate - Chief Financial Officer							
Vote 05 - Directorate - Corporate Services							
Vote 06 - Directorate - Infrastructure Services							
Vote 07 - Directorate - Spatial Planning And Development							
Vote 08 - Directorate - Health / Public Safety & Emergency Services							
Vote 09 - Directorate - Municipal Services							
Vote 10 - Directorate - Economic Development & Agencies							
Vote 11 - Directorate - Solid Waste, Environmental & Health Management							
Vote 12 - Directorate - Sport, Recreation & Community Development							
Total future operational costs	-	-	-	-	-	-	-
Future revenue by source							
Property rates							
Service charges - electricity revenue							
Service charges - water revenue							
Service charges - sanitation revenue							
Service charges - refuse revenue							
Rental of facilities and equipment							
Total future revenue	-	-	-	-	-	-	-
Net Financial Implications	2 085 362	1 810 183	1 286 461	-	-	-	-

Table 81: MBRR SA36 - Detailed capital budget per municipal vote

R thousand								2022/23 Medium Term Revenue &		
Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Administrative And Corporate Support	Employee Performance Management System	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	2 990	-	4 000	4 000
Administrative And Corporate Support	Office Furn And Equipment (Directorate)	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	500	500	500	500
Administrative And Corporate Support	Scanners	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	-	500	-	-
Asset Management	Acquire Erp Sys (Asset Manag Sys Procur	An efficient; effective and development-oriented public service	Growth	Licences And Rights	Computer Software And Applications	-	5 000	6 000	3 000	3 000
Asset Management	Asset Replacements - Insurance		Growth	Transport Assets	Transport Assets	-	4 967	10 000	10 000	10 000
Cemeteries, Funeral Parlours And Crematoriums	Coast Cemetrie (Cambridge Crematorium) 2	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	95	435	500	500	500
Cemeteries, Funeral Parlours And Crematoriums	Development Of Cemeteries-Coastal	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	1 829	1 000	750	750
Cemeteries, Funeral Parlours And Crematoriums	Development Of Cemeteries-Inland	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	1 000	1 000	750	750
Cemeteries, Funeral Parlours And Crematoriums	Development Of Cemeteries-Midland	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	870	1 000	750	750
Cemeteries, Funeral Parlours And Crematoriums	Inland Cemeteries (Kwt / Clubview)	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	494	500	500	500
Cemeteries, Funeral Parlours And Crematoriums	Inland Cemeteries (Phakamisa)	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	340	500	500	500
Cemeteries, Funeral Parlours And Crematoriums	Inland Cemeteries (Zwellitsha)	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	387	500	500	500
Cemeteries, Funeral Parlours And Crematoriums	Midlands Cemeteries (Fort Jackson)	A comprehensive; responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	-	-	200	200	200

MBRR SA36 - Detailed capital budget per municipal vote (continued)

Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Cemeteries, Funeral Parlours And Crematoriums	Midlands Cemeteries (Mtsoto Cemetery)	<i>A comprehensive; responsive and sustainable social protection system</i>	<i>Inclusion and Access</i>	<i>Community Facilities</i>	<i>Cemeteries/Crematoria</i>	-	435	1 000	1 000	1 000
Cemeteries, Funeral Parlours And Crematoriums	Plant And Equipment (Cemeteries)	<i>A comprehensive; responsive and sustainable social protection system</i>	<i>Growth</i>	<i>Community Facilities</i>	<i>Cemeteries/Crematoria</i>	-	110	200	500	500
Community Halls And Facilities	Development Of C/Halls & Facilities	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Community Facilities</i>	<i>Halls</i>	-	700	-	3 000	2 000
Community Halls And Facilities	Development Of Community Halls	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Community Facilities</i>	<i>Halls</i>	-	-	5 000	6 500	2 500
Community Halls And Facilities	Upgr & Refurb Exist C/Halls & Facilities	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Community Facilities</i>	<i>Centres</i>	-	1 200	2 000	2 000	1 000
Community Halls And Facilities	Halls-Tools And Equipment		<i>Growth</i>	<i>Machinery And Equipment</i>	<i>Machinery And Equipment</i>	-	100	-	500	1 000
Community Parks (Including Nurseries)	Refurbishment & Upgrading Of Facilities	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Sport And Recreation Facilities</i>	<i>Outdoor Facilities</i>	-	1 600	100	500	-
Community Parks (Including Nurseries)	Beaches	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Sport And Recreation Facilities</i>	<i>Outdoor Facilities</i>	-	400	600	500	1 000
Community Parks (Including Nurseries)	Refurbishment Of Nature Reserve(Boardwalk)	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Sport And Recreation Facilities</i>	<i>Outdoor Facilities</i>	-	200	250	-	500
Community Parks (Including Nurseries)	Berlin Depot	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Depots</i>	-	100	100	-	100
Community Parks (Including Nurseries)	Nu 6 Mdantsane Depot	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Depots</i>	-	100	470	-	500
Community Parks (Including Nurseries)	Upgra & Devel Of Community Parks - Midla	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Depots</i>	-	500	1 000	1 000	1 000
Community Parks (Including Nurseries)	Upgrading & Dev el Of Community Parks - C	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Depots</i>	-	1 000	1 000	1 000	1 000
Community Parks (Including Nurseries)	Upgrading And Develop Of Comm Parks - In	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Depots</i>	-	1 000	1 000	1 000	1 000
Community Parks (Including Nurseries)	Plant - Nature Reserve	<i>A long and healthy life for all South Africans</i>	<i>Growth</i>	<i>Sport And Recreation Facilities</i>	<i>Outdoor Facilities</i>	-	-	200	-	20

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand										
Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	2022/23 Medium Term Revenue &		
								Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Disaster Management	Tactical Radio Network	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Machinery And Equipment	Machinery And Equipment	-	1 300	1 500	1 500	1 500
Economic Development/Planning	Sleeper Site Refurbishment	<i>An efficient; competitive and responsive economic infrastructure network</i>	Inclusion and Access	Roads Infrastructure	Roads	-	-	-	500	500
Economic Development/Planning	Sleeper Site Road	<i>An efficient; competitive and responsive economic infrastructure network</i>	Inclusion and Access	Roads Infrastructure	Roads	-	15 000	25 000	15 000	15 000
Economic Development/Planning	Sleeper Site Road	<i>An efficient; competitive and responsive economic infrastructure network</i>	Inclusion and Access	Roads Infrastructure	Roads	-	-	-	9 000	-
Economic Development/Planning	Mdantsane Access Road	<i>An efficient; competitive and responsive economic infrastructure network</i>	Inclusion and Access	Roads Infrastructure	Road Structures	-	10 000	-	11 034	-
Economic Development/Planning	Qumza Highway Phase 7 - Phase 1 & 2	<i>An efficient; competitive and responsive economic infrastructure network</i>	Inclusion and Access	Roads Infrastructure	Road Structures	-	25 244	18 200	66 082	20 000
Economic Development/Planning	T/Rank Infrac (Rds & Ablu Fac) (Coast)	<i>An efficient; effective and development-oriented public service</i>	Inclusion and Access	Community Facilities	Taxi Ranks/Bus Terminals	-	-	9 800	-	9 800
Economic Development/Planning	T/Rank Infrac (Rds & Ablu Fac) (Midl)	<i>An efficient; effective and development-oriented public service</i>	Inclusion and Access	Community Facilities	Taxi Ranks/Bus Terminals	-	-	100	-	100
Economic Development/Planning	T/Rank Infrac (Roads & Ablu Fac) (Inl)	<i>An efficient; effective and development-oriented public service</i>	Inclusion and Access	Community Facilities	Taxi Ranks/Bus Terminals	-	-	100	-	100
Economic Development/Planning	Taxi/Bus Embayments (Coastal)	<i>An efficient; effective and development-oriented public service</i>	Inclusion and Access	Community Facilities	Taxi Ranks/Bus Terminals	-	-	400	-	500
Economic Development/Planning	Taxi/Bus Embayments (Midland)	<i>An efficient; effective and development-oriented public service</i>	Inclusion and Access	Community Facilities	Taxi Ranks/Bus Terminals	-	-	400	-	1 000
Economic Development/Planning	Taxi/Bus Embayments (Inland)	<i>An efficient; effective and development-oriented public service</i>	Inclusion and Access	Community Facilities	Taxi Ranks/Bus Terminals	-	-	400	-	500
Economic Development/Planning	Township Regeneration Enabling Infrastru	<i>An efficient; effective and development-oriented public service</i>	Growth	Operational Buildings	Building Plan Offices	-	-	2 000	2 000	-
Electricity	Electrification - Informal Dwelling Area	<i>An efficient; competitive and responsive economic infrastructure network</i>	Inclusion and Access	Electrical Infrastructure	Mv Networks	-	-	25 000	30 000	36 000

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	2022/23 Medium Term Revenue &			
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24
Parent municipality:										
Electricity	Lv Networks - Rc=coastal	An efficient; competitive and responsive economic infrastructure network	Growth	Electrical Infrastructure	Lv Networks	-	4 700	4 700	4 700	-
Electricity	Lv Networks - Rn=inland	An efficient; competitive and responsive economic infrastructure network	Growth	Electrical Infrastructure	Lv Networks	-	300	300	300	-
Electricity	Lv Networks - Rw=whole Metro	An efficient; competitive and responsive economic infrastructure network	Growth	Electrical Infrastructure	Lv Networks	-	5 000	10 000	-	12 000
Electricity	Office Furn & Equipment (Directorate)	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	500	500	500	500
Electricity	Hv Transmission Conductor - Rc=coastal	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Hv Transmission Conductors	-	21 000	22 000	22 000	26 400
Electricity	Mv Substations - Rw=whole Metro	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Mv Substations	-	25 920	26 101	26 111	-
Electricity	Mv Network - Rc=coastal	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Mv Networks	-	20 000	21 000	21 000	-
Electricity	Mv Network - Rn=inland	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Mv Networks	-	7 000	12 912	20 263	-
Electricity	Mv Network - Rn=inland	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Mv Networks	-	-	-	-	64 134
Electricity	Lv Network - Rc=coastal	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Lv Networks	-	18 000	22 000	24 000	28 800
Finance	Smart Metering Solutions (Electricity)	An efficient; competitive and responsive economic infrastructure network	Growth	Electrical Infrastructure	Lv Networks	-	40 961	95 989	86 521	-
Finance	Smart Metering Water Solutions	An efficient; competitive and responsive economic infrastructure network	Growth	Water Supply Infrastructure	Capital Spares	-	108 016	132 725	133 007	-
Finance	Office Furn & Equipment (Directorate)	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	500	500	500	500
Finance	Constr Of Off Accom -Customer Care Offic	An efficient; effective and development-oriented public service	Growth	Operational Buildings	Municipal Offices	-	-	4 500	2 000	-
Fire Fighting And Protection	Fire Equipment	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	200	900	500	500

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	2022/23 Medium Term Revenue &				
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:											
	Fire Fighting And Protection	Furniture & Equipment Berlin Fire Statio		Growth	Machinery And Equipment	Machinery And Equipment	-	-	-	1 000	2 000
	Fire Fighting And Protection	Fire Engines Procured		Growth	Transport Assets	Transport Assets	-	6 500	7 000	7 000	3 000
	Fire Fighting And Protection	Refurbishment Of Fire Stations	An efficient; effective and development-oriented public service	Governance	Operational Buildings	Depots	616	-	1 000	1 000	1 000
	Fire Fighting And Protection	Refurbishment Of Fire Engines		Governance	Transport Assets	Transport Assets	-	850	1 000	1 000	1 000
	Fire Fighting And Protection	New Fire Station - Berlin Ward 45	A comprehensive; responsive and sustainable social protection system	Growth	Community Facilities	Fire/Ambulance Stations	-	1 604	4 000	8 188	2 000
	Fleet Management	Bcm Fleet Plant Spec Equip & S/Waste Veh		Growth	Transport Assets	Transport Assets	-	15 000	5 000	-	10 000
	Health Services	Acqui Parkhomes Nu6 Dep (Change Rooms)	An efficient; effective and development-oriented public service	Governance	Operational Buildings	Municipal Offices	-	-	-	-	1 500
	Health Services	Refurb Nu 6 Mdantsane Off For Mun Health	An efficient; effective and development-oriented public service	Governance	Operational Buildings	Municipal Offices	-	2 000	1 000	-	-
	Health Services	Air Monitoring Station	An efficient; effective and development-oriented public service	Inclusion and Access	Community Facilities	Testing Stations	302	1 728	1 000	1 000	-
	Housing	Reeston Phase 3 Stage 3 - Water	An efficient; competitive and responsive economic infrastructure network	Growth	Water Supply Infrastructure	Bulk Mains	-	-	875	500	-
	Housing	Berlin Lingelitsha - Phase 1 - Water	An efficient; competitive and responsive economic infrastructure network	Growth	Water Supply Infrastructure	Distribution Points	-	3 000	5 000	5 000	5 000
	Housing	Braelyn Ext 10 - Water	An efficient; competitive and responsive economic infrastructure network	Growth	Water Supply Infrastructure	Distribution Points	-	250	500	500	500

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	2022/23 Medium Term Revenue &				
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:											
	Housing	C Section And Triangular Site - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	-	500	500	500
	Housing	Cluster 1 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	7 500	2 000	500	500
	Housing	Cluster 2 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	2 500	1 500	2 500	50
	Housing	Cnip Victims Project: Cambridge West - W	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	2 000	1 000	500	500
	Housing	D Hostel - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	-	3 000	3 000	3 000
	Housing	Duncan Vill Comp/Site-Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	-	1 000	75	75
	Housing	Duncan Village Proper - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	-	200	200	200
	Housing	East Bank Restitlution - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	4 000	5 000	15 000	7 000
	Housing	Ekuphumleni - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	1 000	1 000	10 000	7 000
	Housing	Empilisiweni - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	1 000	5 000	5 000	5 000
	Housing	Ethembeni - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	50	1 000	10 000	7 000
	Housing	Ginsberg - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	1 000	5 000	5 000	5 000
	Housing	Hani Park - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	1 000	2 500	5 000	5 000
	Housing	Hlalani - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	Growth	Water Supply Infrastructure	Distribution Points	-	1 000	5 000	5 000	5 000

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	2022/23 Medium Term Revenue &				
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:											
	Libraries And Archives	Development Of Libraries	Quality basic education	Growth	Community Facilities	Libraries	-	-	5 000	5 500	2 500
	Markets	Upgrading Of Market Hall	Protect and enhance our environmental assets and natural resources	Inclusion and Access	Community Facilities	Nature Reserves	-	-	8 000	8 000	5 500
	Markets	East London Beachfront & Waterworld (Bcm)	A long and healthy life for all South Africans	Inclusion and Access	Sport And Recreation Facilities	Outdoor Facilities	-	50 000	47 100	18 000	-
	Municipal Manager, Town Secretary And Chief Executive	Lte Infrastructure	An efficient; competitive and responsive economic infrastructure network	Growth	Electrical Infrastructure	Lv Networks	-	2 211	1 330	-	1 500
	Municipal Manager, Town Secretary And Chief Executive	Disaster Recovery Enhancement	An efficient; competitive and responsive economic infrastructure network	Growth	Information And Communication Infrastructure	Data Centres	-	-	1 400	-	1 500
	Municipal Manager, Town Secretary And Chief Executive	Fibre Network	An efficient; competitive and responsive economic infrastructure network	Growth	Information And Communication Infrastructure	Core Layers	-	1 500	1 100	-	3 000
	Municipal Manager, Town Secretary And Chief Executive	Office Furn And Equipment (Directorate)	An efficient; effective and development-oriented public service	Growth	Furniture And Office Equipment	Furniture And Office Equipment	-	500	500	500	500
	Police Forces, Traffic And Street Parking Control	Closed Circuit Television Network - Cctv		Growth	Machinery And Equipment	Machinery And Equipment	-	1 000	2 000	2 000	2 000
	Police Forces, Traffic And Street Parking Control	Traffic And Law Enforcement Equipment		Growth	Machinery And Equipment	Machinery And Equipment	-	-	500	500	500
	Police Forces, Traffic And Street Parking Control	Law Enforcement Vehicles		Growth	Transport Assets	Transport Assets	-	-	2 000	1 500	1 500
	Property Services	Buxton And Electricity House Refurbishme	An efficient; effective and development-oriented public service	Governance	Operational Buildings	Municipal Offices	-	7 000	2 000	1 000	-
	Property Services	East London Mechanical Workshops Refurbi	An efficient; effective and development-oriented public service	Governance	Operational Buildings	Municipal Offices	-	-	1 000	1 000	-
	Property Services	Orient Theatre Refurbishment	An efficient; effective and development-oriented public service	Governance	Operational Buildings	Pay/Enquiry Points	-	-	1 500	1 500	500

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand										
Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	2022/23 Medium Term Revenue &		
								Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Property Services	Upgrading Of Electrical - Old Mutual	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Municipal Offices</i>	-	-	500	1 000	-
Property Services	Land Acquisition & Buildings	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Operational Buildings</i>	<i>Yards</i>	-	-	2 000	5 000	-
Property Services	Land Acquisition		<i>Spatial Integration</i>	<i>Land</i>	<i>Land</i>	-	26 073	15 000	15 000	15 000
Recreational Facilities	Develop Upgrade & Refurb Of S/Fields & S	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Sport And Recreation Facilities</i>	<i>Outdoor Facilities</i>	-	3 000	3 000	5 000	1 500
Recreational Facilities	Upgrading Of Zoo	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Sport And Recreation Facilities</i>	<i>Outdoor Facilities</i>	-	1 000	400	900	1 000
Roads	Rehabilit Of Bomm Bridges & Stormwater	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	10 540	4 000	5 000	2 500
Roads	Rehabilitation Of Beaconhurst Drive	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	500	1 000	5 000	4 000
Roads	Roads Provision - Ward 1	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	3 000	1 500	1 500	1 000
Roads	Roads Provision - Ward 10	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	3 000	2 000	3 000	2 500
Roads	Roads Provision - Ward 11	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	2 000	1 000	3 000	2 500
Roads	Roads Provision - Ward 12	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	3 000	1 500	2 000	1 000
Roads	Roads Provision - Ward 13	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	3 000	2 000	2 000	1 000

MBRR SA36 - Detailed capital budget per municipal vote (continued)

Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Roads	Construction Of Road Infrast - Sandile-T	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	9 900	19 581	19 581	30 000
Roads	Construction Of Road Infrastructure	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	10 000	10 000	-	-
Roads	Rehabilitation Of Settlers Way	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	91 250	184 636	-	-
Roads	Upgr Of Mdantsane Rds - Clust 1: Ward 17	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	2 674	6 500	7 000	1 000	2 500
Roads	Upgr Of Mdantsane Rds - Clust 1: Ward 42	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	3 295	-	4 000	1 000	2 500
Roads	Upgr Of Mdantsane Rds - Clust 2: Ward 17	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	6 629	3 000	5 000	1 000	2 500
Roads	Upgr Of Mdantsane Rds - Clust 2: Ward 20	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	12 810	8 000	5 000	1 000	2 500
Roads	Upgr Of Mdantsane Rds - Clust 2: Ward 30	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	8 000	11 607	1 000	2 232
Roads	Upgr Of Mdantsane Rds - Clust 2: Ward 48	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	8 000	10 000	1 000	2 500
Roads	Upgr Of Mdantsane Rds - Clust 3: Ward 21	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	7 000	15 000	1 500	2 500
Roads	Upgr Of Mdantsane Rds - Clust 3: Ward 23	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	7 000	12 281	1 500	2 500
Roads	Upgr Of Mdantsane Rds - Clust 3: Ward 24	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	7 000	13 000	1 500	2 500
Roads	Urban Roads - Ward 37	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	3 000	3 000	1 500	2 000
Roads	Urban Roads - Ward 39	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Roads</i>	-	3 000	4 000	4 000	3 000

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand										
Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	2022/23 Medium Term Revenue &		
								Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Sewerage	Bisho Kwt & Zwelisha Bulk Reg Sewer Sch	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Sanitation Infrastructure</i>	<i>Reticulation</i>	-	-	120 000	120 000	-
Sewerage	Mdantsane Wastewater Treatment Works	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Sanitation Infrastructure</i>	<i>Reticulation</i>	-	15 000	20 000	-	11 278
Sewerage	Bisho Kwt & Zwelisha Bulk Reg Sewer Sch	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Sanitation Infrastructure</i>	<i>Outfall Sewers</i>	-	6 200	4 000	20 000	20 000
Sewerage	E/L Sewer Diversion : Central To Reeston	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Sanitation Infrastructure</i>	<i>Outfall Sewers</i>	-	235 311	399 524	194 405	-
Sewerage	Sanitation Facilities In Informal Sett	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Sanitation Infrastructure</i>	<i>Toilet Facilities</i>	-	8 000	10 000	-	10 000
Solid Waste Disposal (Landfill Sites)	Purchase Bulk Containers With Removal Ve	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Sanitation Infrastructure</i>	<i>Capital Spares</i>	-	4 000	3 000	2 000	2 000
Solid Waste Disposal (Landfill Sites)	Cons Transf Stati/Establish B/Back Cent		<i>Growth</i>	<i>Machinery And Equipment</i>	<i>Machinery And Equipment</i>	-	-	3 000	-	2 000
Solid Waste Disposal (Landfill Sites)	Constr Cell 3/4 & Ancill Works U/Fill Si		<i>Growth</i>	<i>Machinery And Equipment</i>	<i>Machinery And Equipment</i>	-	-	2 000	1 000	2 000
Solid Waste Disposal (Landfill Sites)	Galvanised Street Litter Bins		<i>Growth</i>	<i>Machinery And Equipment</i>	<i>Machinery And Equipment</i>	-	5 000	2 000	2 500	2 000
Solid Waste Disposal (Landfill Sites)	Bcm Fleet - Solid Waste Fleet And Plant		<i>Growth</i>	<i>Transport Assets</i>	<i>Transport Assets</i>	-	6 148	8 000	7 500	10 000
Solid Waste Disposal (Landfill Sites)	Constr Waste Cells At Kwt Landfill Site	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Operational Buildings</i>	<i>Municipal Offices</i>	-	-	6 300	6 300	6 300
Tourism	Improve Access Road And Road Signage	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads Infrastructure</i>	<i>Road Furniture</i>	-	-	3 000	1 500	-

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand										
Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	2022/23 Medium Term Revenue &		
								Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:										
Tourism	Mdantsane Art Centre	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Community Facilities</i>	<i>Galleries</i>	-	-	4 000	5 000	5 000
Tourism	Revitalisation Of Industrial Areas	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Operational Buildings</i>	<i>Manufacturing Plant</i>	-	5 000	3 500	2 500	-
Tourism	Smme Incubator: Sekunjalo Training Centr	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Furniture And Office Equipment</i>	<i>Furniture And Office Equipment</i>	-	7 000	-	3 000	5 000
Tourism	Building Of Memorial Stones	<i>Create a better South Africa and contribute to a better Africa and a better world</i>	<i>Growth</i>	<i>Heritage Assets</i>	<i>Monuments</i>	-	2 100	1 500	1 000	-
Tourism	Hydroponics And Packhouse Project		<i>Growth</i>	<i>Machinery And Equipment</i>	<i>Machinery And Equipment</i>	-	8 000	3 261	4 300	5 319
Tourism	Fort Jackson Junction Hub	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Community Facilities</i>	<i>Centres</i>	-	-	10 000	5 000	5 000
Tourism	Tourism Hub	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Community Facilities</i>	<i>Centres</i>	-	2 000	2 000	1 700	-
Tourism	Agri-Village	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Community Facilities</i>	<i>Stalls</i>	-	-	5 000	10 000	7 819
Tourism	Informal Trade Infrastructure (Hawker St	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Community Facilities</i>	<i>Stalls</i>	-	5 000	5 000	8 000	9 000
Town Planning, Building Regulations And Enforcement And City Engineer	Aerial Photography And Mapping	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Operational Buildings</i>	<i>Building Plan Offices</i>	-	-	2 000	2 000	500

MBRR SA36 - Detailed capital budget per municipal vote (continued)

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	2022/23 Medium Term Revenue &				
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:											
Water Distribution	Bulk Mains-Upgrade Water Networks	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Water Supply Infrastructure</i>	<i>Bulk Mains</i>	-	4 000	4 000	4 000	5 000	
Water Distribution	Reservoirs-Water Backlogs	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Reservoirs</i>	-	8 500	4 000	5 000	5 000	
Water Distribution	Bulk Mains-Water Backlogs	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Bulk Mains</i>	-	8 000	5 500	4 000	5 000	
Water Distribution	Distribution Mains- Informal Settlements	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Distribution</i>	-	9 500	3 000	9 000	9 000	
Water Distribution	Distribution-Amahleke Water Supply	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Distribution</i>	-	5 000	3 200	10 000	9 000	
Water Distribution	Water Supply -Informal Settlements Coast	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Distribution</i>	-	6 500	15 000	6 400	8 000	
Water Distribution	Distribution Mains-Water Backlogs	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Distribution Points</i>	-	5 500	5 000	5 000	5 000	
Water Distribution	W/Demand Mangm - Water Conserv - Prv Sta	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Water Supply Infrastructure</i>	<i>Prv Stations</i>	-	14 064	9 576	10 000	9 000	
Parent Capital expenditure							1 588 877	1 826 350	2 084 222	1 808 952	1 285 132

MBRR SA36 - Detailed capital budget per municipal vote (continued)

Function	Project Description	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Entities:										
<i>List all capital projects grouped by Entity</i>										
Buffalo City Development Agency										
Economic Development/Planning	Computers	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Computer Equipment</i>	<i>Computer Equipment</i>	–	420	180	194	210
Economic Development/Planning	Office Furn & Equipment (Directorate)	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Furniture And Office Equipment</i>	<i>Furniture And Office Equipment</i>	–	80	160	173	187
Economic Development/Planning	Computer Software	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Licences And Rights</i>	<i>Computer Software And Applications</i>	–	700	800	864	933
Entity Capital expenditure						1 238	1 200	1 140	1 231	1 330
Total Capital expenditure						1 590 115	1 827 550	2 085 362	1 810 183	1 286 461

Table 82: MBRR SA37 - Projects delayed from previous financial year

R thousand	Function	Project name	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Previous target year to complete	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:												
<i>List all capital projects grouped by Function</i>												
Water Distribution	Umzonyana Dam & E/Coast Water Supp Upgr	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	-	-	50 000	145 000	40 000	
Water Distribution	Umzonyana Dam & East Coast Water Supply	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	-	15 000	35 000	30 000	18 128	
Water Distribution	Umzonyana Dam Upgrade	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	5 808	-	-	-	-	
Water Distribution	WTreat Works-Pipe & W/Meter Repl Bisho	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	-	6 000	500	-	7 200	
Water Distribution	WTreatm Works-Pipe & W/Meter Repl Bisho	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	1 029	-	-	-	-	
Water Distribution	WTreatment Works-Pipe & W/Meter Replac	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	298	-	-	-	-	
Water Distribution	Water Treatment Works-Pipe & W/Meter Rep	An efficient; ce	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	2016	-	394	-	-	3 200	

2.14 LEGISLATION COMPLIANCE STATUS

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

1. Budget and Treasury Office

The Budget and Treasury Office was established in accordance with the MFMA requirements.

2. Budget

This draft MTREF budget has been developed in accordance with the requirements prescribed by the MFMA, Municipal Budget and Reporting Regulations, National Treasury and mSCOA Regulations. Budgets are being tabled and approved within the required legislative timeframes. The business plans and procurement plans of the budgeted projects are available, for easy monitoring these can be monitored at a Portfolio Committee level.

3. In-Year Reporting

Reporting to National Treasury and other transferring officers in electronic format is fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) includes monthly publishing of financial performance on the City's website. The monthly data string that agrees to the C-schedules gets uploaded on the National Treasury portal on a monthly basis.

Furthermore, there's full compliance with regards to quarterly (Section 52d) and mid-year reports (section 72) reports to Council, Provincial and National Treasury and other external stakeholders.

4. Municipal Entities

The City currently has only one entity i.e. Buffalo City Metropolitan Development Agency (BCMDA).

5. Internship Programme

The City is participating in the Municipal Financial Management Internship Programme (MFMIP) and has been continuously training interns. There are currently four interns that are undertaking the programme, all have been enrolled to the Municipal Finance and Supply Chain Management Programme that is prescribed as a minimum competency for middle management. Most interns that were previously on the MFMIP have been appointed within the City on completion of the program whilst others got employment opportunities elsewhere.

6. Budget Steering Committee

A Budget Steering Committee has been established in accordance with MBRR and is fully functional.

7. Audit Committee

An Audit Committee has been established and is fully functional. The committee reports quarterly to MPAC and Council on the effectiveness of governance, internal control and risk management.

8. Risk Management Committee

A Risk Management Committee has been established and is fully functional. The committee seats every quarter and whenever the need arises, reports are tabled to the audit committee on a quarterly basis as risk management is a standing item in all its meetings.

9. Municipal Public Accounts Committee

This committee ensures that the administration, municipal agencies and entities are held accountable for their management of municipal funds and assets, and to ensure the efficient and effective utilisation of council resources.

10. Disciplinary Board (Consequence Management in terms of Chapter 15 of the MFMA)

The Buffalo City Municipal Council has in accordance with Regulation 4(1) of the Financial Misconduct Regulations established a disciplinary board whose main task is to investigate allegations of financial misconduct in the municipality.

11. Service Delivery and Implementation Plan

The detail SDBIP document has been prepared as part of the Draft Revised 2022/2023 IDP and Draft MTREF budget preparation in compliance with MFMA, Section 53(1)(c).

12. Annual Report

The Annual Report is prepared in terms of the MFMA and National Treasury requirements.

13. National Treasury Minimum Competency Programme

BCMM senior management has already undergone training as required in the National Treasury Competency Programme; the programme is now being cascaded to junior managerial levels of staff. All subsequent appointments are required to complete the minimum competency requirements within a specified timeframe.

14. Policies

Policies are available on the BCMM website at www.buffalocity.gov.za

15. Councillors Remuneration

Remuneration of Councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the City's budget.

2.15 OTHER SUPPORTING DOCUMENTS

Table 83: MBRR Table SA1 – Supporting detail to consolidated budgeted financial performance

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
REVENUE ITEMS:										
Property rates										
Total Property Rates	1 405 020	1 574 471	1 699 497	2 068 291	2 068 291	2 068 291	2 068 291	2 207 456	2 304 584	2 408 290
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of</i>	109 517	107 071	110 082	233 527	233 527	233 527	233 527	249 239	260 206	271 915
Net Property Rates	1 295 503	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue										
Total Service charges - electricity revenue	1 785 465	1 887 765	1 993 565	2 444 587	2 449 256	2 449 256	2 449 256	2 684 629	2 926 246	3 189 608
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per Less Cost of Free Basis Services (50 kwh per indigent household per</i>	45 971	49 660	44 962	76 918	76 918	76 918	76 918	84 310	91 897	100 168
Net Service charges - electricity revenue	1 739 494	1 838 105	1 948 603	2 367 669	2 372 338	2 372 338	2 372 338	2 600 320	2 834 348	3 089 440
Service charges - water revenue										
Total Service charges - water revenue	686 471	916 160	1 433 156	989 265	989 265	989 265	989 265	1 084 630	1 182 246	1 288 649
<i>Less Revenue Foregone (in excess of 6 kilolitres per indigent household Less Cost of Free Basis Services (6 kilolitres per indigent household per</i>	182 891	206 416	218 559	193 557	193 557	193 557	193 557	212 215	231 315	252 133
Net Service charges - water revenue	503 580	709 744	1 214 597	795 708	795 708	795 708	795 708	872 414	950 932	1 036 515
Service charges - sanitation revenue										
Total Service charges - sanitation revenue	395 767	433 630	481 622	540 859	540 859	540 859	540 859	566 820	591 760	618 389
<i>Less Revenue Foregone (in excess of free sanitation service to indigent Less Cost of Free Basis Services (free sanitation service to indigent</i>	66 845	56 381	61 503	93 799	93 799	93 799	93 799	98 301	102 626	107 244
Net Service charges - sanitation revenue	328 923	377 249	420 119	447 060	447 060	447 060	447 060	468 519	489 134	511 145
Service charges - refuse revenue										
Total refuse removal revenue	369 603	440 156	464 829	526 908	526 908	526 908	526 908	552 200	576 497	602 439
Total landfill revenue										
<i>Less Revenue Foregone (in excess of one removal a week to indigent Less Cost of Free Basis Services (removed once a week to indigent</i>	117 687	104 312	110 803	158 955	158 955	158 955	158 955	166 585	173 914	181 740
Net Service charges - refuse revenue	251 916	335 843	354 026	367 954	367 954	367 954	367 954	385 616	402 583	420 699
Other Revenue by source										
Fuel Levy	513 844	547 497	593 337	652 199	652 199	652 199	652 199	-	-	-
Other Revenue	232 442	39 138	154 419	216 906	210 294	210 294	210 294	952 379	985 478	1 052 157
Total 'Other' Revenue	746 286	586 635	747 756	869 105	862 493	862 493	862 493	952 379	985 478	1 052 157

MBRR Table SA1 – Supporting detail to consolidated budgeted financial performance (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	1 261 135	1 371 425	1 469 348	1 620 311	1 637 687	1 637 687	1 637 687	1 710 756	1 787 586	1 867 601
Pension and UIF Contributions	224 653	252 506	288 422	286 563	289 084	289 084	289 084	302 958	316 288	330 521
Medical Aid Contributions	91 070	103 025	110 987	136 435	136 825	136 825	136 825	143 392	149 702	156 438
Overtime	128 012	152 201	156 216	145 793	139 658	139 658	139 658	146 362	152 802	159 678
Performance Bonus	92 960	122 593	121 700	121 081	130 505	130 505	130 505	136 769	142 787	149 212
Motor Vehicle Allowance	31 122	33 864	36 895	39 762	41 387	41 387	41 387	43 374	45 282	47 320
Cellphone Allowance	4 562	4 601	4 771	4 764	4 686	4 686	4 686	4 910	5 126	5 357
Housing Allowances	9 226	9 942	10 483	17 337	17 440	17 440	17 440	18 277	19 082	19 940
Other benefits and allowances	100 878	80 299	81 713	82 024	82 342	82 342	82 342	86 294	90 091	94 145
Payments in lieu of leave	48 353	71 371	58 427	3 103	180	180	180	188	196	205
Long service awards	24 955	28 082	31 421	31 333	31 492	31 492	31 492	33 003	34 455	36 006
Post-retirement benefit obligations	14 998	(23 898)	102 399	47 704	48 850	48 850	48 850	51 194	53 447	55 852
sub-total	2 031 924	2 206 010	2 472 782	2 536 210	2 560 136	2 560 136	2 560 136	2 677 479	2 796 845	2 922 276
Less: Employee costs capitalised to PPE										
Total Employee related costs	2 031 924	2 206 010	2 472 782	2 536 210	2 560 136	2 560 136	2 560 136	2 677 479	2 796 845	2 922 276
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment	1 291 096	1 704 390	1 398 960	647 720	647 866	647 866	647 866	616 191	642 952	729 792
Lease amortisation	4 539	5 333	1 828	1 453	1 453	1 453	1 453	1 206	1 493	1 753
Capital asset impairment		339	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1 295 635	1 710 062	1 400 787	649 173	649 319	649 319	649 319	617 397	644 445	731 545
Bulk purchases - electricity										
Electricity bulk purchases	1 395 329	1 528 586	1 631 905	2 010 261	2 010 261	2 010 261	2 010 261	2 203 447	2 401 757	2 617 915
Total bulk purchases	1 395 329	1 528 586	1 631 905	2 010 261	2 010 261	2 010 261	2 010 261	2 203 447	2 401 757	2 617 915
Transfers and grants										
Cash transfers and grants	62 477	126 215	103 655	156 209	142 468	142 468	142 468	166 074	136 766	127 908
Non-cash transfers and grants	14 563	4 804	1 053	4 850	5 515	5 515	5 515	7 172	6 922	10 347
Total transfers and grants	77 040	131 019	104 708	161 059	147 983	147 983	147 983	173 246	143 688	138 255
Contracted services										
Outsourced Services	-	484 952	67 516	608 020	121 574	121 574	121 574	130 006	107 999	92 565
Consultants and Professional Services	-	108 528	69 636	134 443	122 738	122 738	122 738	150 586	103 141	111 100
Contractors	-	88 572	488 859	158 914	689 700	689 700	689 700	670 325	668 419	688 173
Total contracted services	-	682 052	626 011	901 377	934 012	934 012	934 012	950 918	879 559	891 838
Other Expenditure By Type										
Collection costs		41 115	40 474	26 868	26 868	26 868	26 868	27 137	27 137	28 087
Contributions to 'other' provisions										
Audit fees		16 771	20 883	16 213	23 213	23 213	23 213	23 474	23 514	24 342
Other Expenditure	1 125 127	408 331	521 747	486 011	494 183	494 183	494 183	516 172	521 169	537 266
Total 'Other' Expenditure	1 125 127	466 217	583 103	529 092	544 264	544 264	544 264	566 783	571 820	589 694
Repairs and Maintenance										
Employee related costs										
Inventory Consumed (Project Maintenance)	652	372	320	16 241	16 897	16 897	16 897	17 150	17 493	18 893
Contracted Services	391 666	382 176	384 200	379 420	385 363	385 363	385 363	414 905	423 205	457 059
Other Expenditure	-	-	-	12 290	12 290	12 290	12 290	12 474	12 724	13 742
Total Repairs and Maintenance Expenditure	392 318	382 548	384 520	407 950	414 549	414 549	414 549	444 530	453 422	489 693
Inventory Consumed										
Inventory Consumed - Water	233 628	243 754	234 112	269 628	258 839	258 839	258 839	199 306	217 930	237 964
Inventory Consumed - Other	86 509	95 801	50 328	166 487	138 373	138 373	138 373	125 782	125 640	130 279
Total Inventory Consumed & Other Material	320 137	339 555	284 440	436 115	397 212	397 212	397 212	325 088	343 571	368 242

Table 84: MBRR Table SA2 – Matrix consolidated financial performance budget (revenue source/expenditure type and department)

Description	Vote 01 - Directorate - Executive Support Services	Vote 02 - Directorate - Municipal Manager	Vote 03 - Directorate - Human Settlement	Vote 04 - Directorate - Chief Financial Officer	Vote 05 - Directorate - Corporate Services	Vote 06 - Directorate - Infrastructur e Services	Vote 07 - Directorate - Spatial Planning And Development	Vote 08 - Directorate - Health / Public Safety & Emergency Services	Vote 10 - Directorate - Economic Development & Agencies	Vote 11 - Directorate - Solid Waste, Environment al & Health Management	Vote 12 - Directorate - Sport, Recreation & Community Development	Total
R thousand												
Revenue By Source												
Property rates	-	-	-	1 958 216	-	-	-	-	-	-	-	1 958 216
Service charges - electricity revenue	-	-	-	51 249	-	2 549 071	-	-	-	-	-	2 600 320
Service charges - water revenue	-	-	-	-	-	872 414	-	-	-	-	-	872 414
Service charges - sanitation revenue	-	-	-	-	-	468 519	-	-	-	-	-	468 519
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	385 616	-	385 616
Rental of facilities and equipment	-	-	108	-	-	-	11 608	-	3 683	-	6 567	21 965
Interest earned - external investments	-	-	-	30 239	-	-	-	-	637	-	-	30 876
Interest earned - outstanding debtors	-	-	-	121 249	-	-	-	-	-	-	-	121 249
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	1 670	-	-	-	20 187	-	9	569	22 435
Licences and permits	-	-	-	-	-	-	-	19 579	114	-	46	19 739
Agency services	-	-	-	-	-	-	-	40 945	3 768	-	-	44 713
Other revenue	-	-	-	736 171	739	26 111	21 355	88 528	167 094	7 892	22 315	1 070 205
Transfers and subsidies	-	31 321	113 450	435 631	11 600	431 294	6 022	49 407	55 258	178 585	17 370	1 329 937
Gains	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	-	31 321	113 558	3 334 426	12 339	4 347 409	38 984	218 646	230 554	572 101	46 866	8 946 204
Expenditure By Type												
Employee related costs	93 939	78 965	41 076	364 106	137 444	601 318	122 136	417 450	79 115	432 818	309 112	2 677 479
Remuneration of councillors	70 263	-	-	-	-	-	-	-	-	-	-	70 263
Debt impairment	-	-	-	381 852	-	743 704	-	24 841	-	75 195	-	1 225 592
Depreciation & asset impairment	987	131	119	163	1 920	472 880	98 312	1 053	3 342	3 669	34 821	617 397
Finance charges	-	-	-	-	-	43 062	896	2 188	1 232	150	1 833	49 361
Bulk purchases - electricity	-	-	-	-	-	2 203 447	-	-	-	-	-	2 203 447
Inventory consumed	-	-	-	124 483	-	199 306	-	-	1 299	-	-	325 089
Contracted services	14 483	53 774	118 554	100 830	11 334	417 226	32 172	22 751	118 729	40 471	20 593	950 918
Transfers and subsidies	58 032	-	-	-	-	-	-	722	89 140	12 000	13 352	173 246
Other expenditure	41 963	28 325	3 867	142 396	84 236	99 716	22 516	12 328	24 355	67 307	39 776	566 783
Losses	-	-	-	-	-	85 417	-	-	-	-	-	85 417
Total Expenditure	279 666	161 195	163 616	1 113 831	234 934	4 866 074	276 032	481 333	317 212	631 609	419 487	8 944 989
Surplus/(Deficit)	(279 666)	(129 874)	(50 058)	2 220 595	(222 595)	(518 665)	(237 048)	(262 687)	(86 658)	(59 508)	(372 620)	1 214
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	100	241 492	-	150	358 072	75 000	-	39 901	10 300	10 000	735 015
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(279 666)	(129 774)	191 434	2 220 595	(222 445)	(160 593)	(162 048)	(262 687)	(46 758)	(49 208)	(362 620)	736 230

MBRR Table SA3 – Supporting detail to consolidated Statement of Financial Position (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
ASSETS										
Agricultural										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Closing balance - Agricultural	-	-	-	-	-	-	-	-	-	-
Consumables										
Standard Rated										
Opening Balance	(83 309)	(135 900)	(183 834)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)
Acquisitions	34 436	49 408	1 839 020	166 487	138 373	138 373	138 373	125 782	125 640	130 279
Issues	(86 509)	(95 801)	(50 328)	(166 487)	(138 373)	(138 373)	(138 373)	(125 782)	(125 640)	(130 279)
Adjustments	119	162	(1 785 018)	-	-	-	-	-	-	-
Write-offs	(637)	(1 702)	(2 876)	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated	(135 900)	(183 834)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)	(183 036)
Zero Rated										
Opening Balance	-	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Closing balance - Consumables Zero Rated	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Finished Goods										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods	-	-	-	-	-	-	-	-	-	-
Materials and Supplies										
Opening Balance	-	(153)	(2 465)	(136)	(136)	(136)	(136)	(136)	(136)	(136)
Acquisitions	(153)	(2 337)	2 338	-	-	-	-	-	-	-
Adjustments	-	25	-	-	-	-	-	-	-	-
Write-offs	-	-	(10)	-	-	-	-	-	-	-
Closing balance - Materials and Supplies	(153)	(2 465)	(136)	(136)	(136)	(136)	(136)	(136)	(136)	(136)
Work-in-progress										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress	-	-	-	-	-	-	-	-	-	-
Housing Stock										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock	-	-	-	-	-	-	-	-	-	-
Land										
Opening Balance	83 334	130 466	421 704	420 054	420 054	420 054	420 054	423 394	421 301	421 801
Adjustments	-	291 237	(1 649)	3 339	3 339	3 339	3 339	(2 093)	500	500
Correction of Prior period errors	47 132	-	-	-	-	-	-	-	-	-
Closing Balance - Land	130 466	421 704	420 054	423 394	423 394	423 394	423 394	421 301	421 801	422 301
Closing Balance - Inventory & Consumables	37 178	34 469	37 026	40 366	40 366	40 366	40 366	38 273	38 773	39 273

MBRR Table SA3 – Supporting detail to consolidated Statement of Financial Position (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Property, plant and equipment (PPE)										
PPE at cost/v aluation (excl. finance leases)	41 281 991	45 170 385	49 996 270	48 038 859	48 064 442	48 064 442	48 064 442	44 338 300	46 143 026	47 472 463
Leases recognised as PPE	–	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation	21 560 690	25 969 329	28 479 784	26 647 355	26 647 355	26 647 355	26 647 355	21 433 200	22 859 618	23 962 969
Total Property, plant and equipment (PPE)	19 721 301	19 201 056	21 516 486	21 391 504	21 417 087	21 417 087	21 417 087	22 905 099	23 283 408	23 509 495
LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)										
Current portion of long-term liabilities	57 974	54 396	45 191	50 892	54 348	54 348	54 348	56 859	61 220	61 085
Total Current liabilities - Borrowing	57 974	54 396	45 191	50 892	54 348	54 348	54 348	56 859	61 220	61 085
Trade and other payables										
Trade Payables	558 706	1 232 540	1 270 154	865 779	865 779	865 779	865 779	512 580	535 942	559 354
Other creditors	428 752	51 034	25 698	53 024	53 024	53 024	53 024	55 569	58 014	60 625
Unspent conditional transfers	210 610	531 507	262 146	352 235	352 235	352 235	352 235	760 966	794 923	830 207
VAT	–	50 792	15 021	–	–	–	–	–	–	–
Total Trade and other payables	1 198 069	1 865 872	1 573 020	1 271 039	1 271 039	1 271 039	1 271 039	1 329 115	1 388 879	1 450 186
Non current liabilities - Borrowing										
Borrowing	287 581	233 185	187 994	451 974	368 635	368 635	368 635	1 422 411	1 501 191	1 440 106
Finance leases (including PPP asset element)	–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Borrowing	287 581	233 185	187 994	451 974	368 635	368 635	368 635	1 422 411	1 501 191	1 440 106
Provisions - non-current										
Retirement benefits	679 563	633 835	761 616	718 932	718 932	718 932	718 932	720 907	732 001	764 940
Refuse landfill site rehabilitation	11 159	10 952	52 983	11 460	11 460	11 460	11 460	48 716	50 860	53 148
Other	–	–	–	63 361	63 361	63 361	63 361	62 242	64 981	67 905
Total Provisions - non-current	690 722	644 787	814 599	793 754	793 754	793 754	793 754	831 865	847 841	885 993
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance	10 539 125	10 309 318	15 944 173	11 477 177	11 523 103	11 523 103	11 523 103	11 462 941	11 707 328	12 058 309
GRAP adjustments	–	–	–	–	–	–	–	–	–	–
Restated balance	10 539 125	10 309 318	15 944 173	11 477 177	11 523 103	11 523 103	11 523 103	11 462 941	11 707 328	12 058 309
Surplus/(Deficit)	547 221	(183 049)	688 828	736 066	740 115	740 115	740 115	736 230	753 316	798 294
Transfers to/from Reserves	67 274	–	–	–	–	–	–	–	–	–
Depreciation offsets	–	–	–	1 164 761	1 164 761	1 164 761	1 164 761	1 212 237	1 263 151	1 316 203
Other adjustments	33 511	65 493	(152 348)	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	11 187 131	10 191 762	16 480 653	13 378 003	13 427 979	13 427 979	13 427 979	13 411 407	13 723 795	14 172 806
Reserves										
Revaluation	9 877 100	10 941 050	11 603 250	9 767 840	9 767 840	9 767 840	9 767 840	10 112 643	10 162 643	10 212 643
Total Reserves	9 877 100	10 941 050	11 603 250	9 767 840	9 767 840	9 767 840	9 767 840	10 112 643	10 162 643	10 212 643
TOTAL COMMUNITY WEALTH/EQUITY	21 064 230	21 132 812	28 083 903	23 145 843	23 195 819	23 195 819	23 195 819	23 524 050	23 886 438	24 385 449

Table 86: MBRR Table SA9 – Social, Economic and Demographic Statistics and Assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population		705	724	781	835	835	900	910	921	931	943
Females aged 5 - 14		69	65	60	87	87	87	87	87	87	87
Males aged 5 - 14		69	66	62	87	87	87	87	87	87	87
Females aged 15 - 34		141	136	140	145	145	145	145	145	145	145
Males aged 15 - 34		128	146	134	143	143	143	143	143	143	143
Unemployment		158	112	100	100	100	100	100	100	100	100
Monthly household income (no. of households)											
No income		55 253	26 938	38 023	38 023	38 023	38 023	38 023	38 023	38 023	38 023
R1 - R1 600		12 943	11 400	11 650	11 650	11 650	11 650	11 650	11 650	11 650	11 650
R1 601 - R3 200		36 684	17 362	15 660	15 660	15 660	15 660	15 660	15 660	15 660	15 660
R3 201 - R6 400		29 375	40 353	41 421	41 421	41 421	41 421	41 421	41 421	41 421	41 421
R6 401 - R12 800		22 768	32 546	38 047	38 047	38 047	38 047	38 047	38 047	38 047	38 047
R12 801 - R25 600		15 836	20 369	24 916	24 916	24 916	24 916	24 916	24 916	24 916	24 916
R25 601 - R51 200		19 986	15 156	19 986	19 986	19 986	19 986	19 986	19 986	19 986	19 986
R52 201 - R102 400		6 434	9 487	17 765	17 765	17 765	17 765	17 765	17 765	17 765	17 765
R102 401 - R204 800		1 593	4 847	11 058	11 058	11 058	11 058	11 058	11 058	11 058	11 058
R204 801 - R409 600		443	1 110	3 448	3 448	3 448	3 448	3 448	3 448	3 448	3 448
R409 601 - R819 200		564	506	918	918	918	918	918	918	918	918
> R819 200		169	449	668	668	668	668	668	668	668	668
Poverty profiles (no. of households)											
< R2 060 per household per month											
Insert description											
Household/demographics (000)											
Number of people in municipal area		704 855	724 306	781 027	835	835	835	835	835	835	835
Number of poor people in municipal area											
Number of households in municipal area		191 046	208 389	223 568	253	253	253	253	253	253	253
Number of poor households in municipal area											
Definition of poor household (R per month)											
Housing statistics											
Formal		120 949	147 317	162 005	117 847	120 000	120 000	120 000	120 000	120 000	120 000
Informal		54 647	51 021	49 790	6 730	7 000	7 000	7 000	7 000	7 000	7 000
Total number of households		175 596	198 338	211 795	124 577	127 000	127 000	127 000	127 000	127 000	127 000
Dwellings provided by municipality		1 297	583	67	400	400	468	400	460	480	500
Dwellings provided by province/s		1 677	1 326	1 523	15	15	5	15	15	15	15
Dwellings provided by private sector											
Total new housing dwellings		2 974	1 909	1 590	415	415	473	415	475	495	515
Economic											
Inflation/inflation outlook (CPIX)					4,7%	4,1%	2,9%	4,5%	4,8%	4,4%	4,5%
Interest rate - borrowing					9,7%	10,1%	9,2%	9,9%	10,0%	10,3%	10,5%
Interest rate - investment					6,6%	6,3%	3,5%	3,3%	4,0%	4,3%	4,5%
Remuneration increases					6,3%	6,7%	6,3%	3,5%	4,8%	4,4%	4,5%
Consumption growth (electricity)					0,1%	-4,3%	-4,3%	-4,3%	-2,5%	-2,5%	-2,5%
Consumption growth (water)					-2,9%	-7,6%	1,5%	3,0%	2,5%	2,5%	2,5%
Collection rates											
Property tax/service charges					87,8%	81,6%	71,1%	85,0%	80,5%	80,5%	80,5%
Rental of facilities & equipment					100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Interest - external investments					100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Interest - debtors					87,8%	81,6%	71,1%	85,0%	80,5%	80,5%	80,5%
Revenue from agency services					100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

MBRR Table SA9 – Social, Economic and Demographic Statistics and Assumptions (continued)

Total municipal services	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets (000)									
Water:									
Piped water inside dwelling	40 769	122 000	123 791	124 100	124 100	124 100	124 410	124 721	125 032
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	126 407	126 607	126 739	126 430	126 430	126 430	126 120	126 809	127 498
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	167 176	248 607	250 530	250 530	250 530	250 530	250 530	251 530	252 530
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
<i>Below Minimum Service Level sub-total</i>	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
Total number of households	172 246	253 477	253 477	253 477	253 477	253 477	253 477	253 477	253 477
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	154 125	154 125	154 151	154 151	154 151	154 151	155 151	155 651	156 151
Flush toilet (with septic tank)	5 437	5 437	5 445	5 445	5 445	5 445	5 449	5 451	5 453
Chemical toilet	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544
Pit toilet (ventilated)	43 353	47 087	50 355	50 355	50 355	50 355	56 755	59 955	63 155
Other toilet provisions (> min.service level)	16 444	16 444	16 344	16 344	16 344	16 344	16 344	16 344	16 344
<i>Minimum Service Level and Above sub-total</i>	222 903	226 637	229 839	229 839	229 839	229 839	237 243	240 945	244 647
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
Total number of households	224 692	241 894	240 381	240 381	240 381	240 381	246 850	249 560	249 812
Energy:									
Electricity (at least min.service level)	7 002	5 692	5 598	5 692	5 692	5 692	5 164	5 164	5 164
Electricity - prepaid (min.service level)	121 060	127 623	130 292	131 292	131 292	131 292	131 992	132 492	132 992
<i>Minimum Service Level and Above sub-total</i>	128 062	133 315	135 890	136 984	136 984	136 984	137 156	137 656	138 156
Electricity (< min.service level)	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Total number of households	167 062	170 815	173 390	173 984	173 984	173 984	174 156	174 156	174 156
Refuse:									
Removed at least once a week	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
<i>Minimum Service Level and Above sub-total</i>	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
Removed less frequently than once a week	40 556	40 556	45 000	40 556	40 556	40 556	40 556	40 556	40 556
Using communal refuse dump	2	2	8	6	6	6	2	2	1
Using own refuse dump	1	1	6	4	4	4	4	3	2
Other rubbish disposal	4	4	4	4	4	4	4	3	2
No rubbish disposal	3	3	4	4	4	4	3	2	2
<i>Below Minimum Service Level sub-total</i>	40 566	40 566	45 022	40 574	40 574	40 574	40 569	40 566	40 563
Total number of households	169 110	169 239	181 539	178 374	178 374	178 374	178 569	179 566	179 563

MBRR Table SA9 – Social, Economic and Demographic Statistics and Assumptions (continued)

Municipal in-house services	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets (000)									
<u>Water:</u>									
Piped water inside dwelling	40 769	122 000	123 791	124 100	124 100	124 100	124 410	124 721	125 032
Piped water inside yard (but not in dwelling)									
Using public tap (at least min.service level)	126 407	126 607	126 739	126 430	126 430	126 430	126 120	126 809	127 498
Other water supply (at least min.service level)									
<i>Minimum Service Level and Above sub-total</i>	167 176	248 607	250 530	250 530	250 530	250 530	250 530	251 530	252 530
Using public tap (< min.service level)									
Other water supply (< min.service level)									
No water supply	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
<i>Below Minimum Service Level sub-total</i>	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
Total number of households	172 246	253 477	253 477	253 477	253 477	253 477	253 477	253 477	253 477
<u>Sanitation/sewerage:</u>									
Flush toilet (connected to sewerage)	154 125	154 125	154 151	154 151	154 151	154 151	155 151	155 651	156 151
Flush toilet (with septic tank)	5 437	5 437	5 445	5 445	5 445	5 445	5 449	5 451	5 453
Chemical toilet	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544
Pit toilet (ventilated)	43 353	47 087	50 355	50 355	50 355	50 355	56 755	59 955	63 155
Other toilet provisions (> min.service level)	16 444	16 444	16 344	16 344	16 344	16 344	16 344	16 344	16 344
<i>Minimum Service Level and Above sub-total</i>	222 903	226 637	229 839	229 839	229 839	229 839	237 243	240 945	244 647
Bucket toilet									
Other toilet provisions (< min.service level)	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
Total number of households	224 692	241 894	240 381	240 381	240 381	240 381	246 850	249 560	249 812
<u>Energy:</u>									
Electricity (at least min.service level)	7 002	5 692	5 598	5 692	5 692	5 692	5 164	5 164	5 164
Electricity - prepaid (min.service level)	121 060	127 623	130 292	131 292	131 292	131 292	131 992	132 492	132 992
<i>Minimum Service Level and Above sub-total</i>	128 062	133 315	135 890	136 984	136 984	136 984	137 156	137 656	138 156
Electricity (< min.service level)	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources									
<i>Below Minimum Service Level sub-total</i>	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Total number of households	167 062	170 815	173 390	173 984	173 984	173 984	174 156	174 156	174 156
<u>Refuse:</u>									
Removed at least once a week	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
<i>Minimum Service Level and Above sub-total</i>	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
Removed less frequently than once a week	40 556	40 556	45 000	40 556	40 556	40 556	40 556	40 556	40 556
Using communal refuse dump	2	2	8	6	6	6	2	2	1
Using own refuse dump	1	1	6	4	4	4	4	3	2
Other rubbish disposal	4	4	4	4	4	4	4	3	2
No rubbish disposal	3	3	4	4	4	4	3	2	2
<i>Below Minimum Service Level sub-total</i>	40 566	40 566	45 022	40 574	40 574	40 574	40 569	40 566	40 563
Total number of households	169 110	169 239	181 539	178 374	178 374	178 374	178 569	179 566	179 563

MBRR Table SA9 – Social, Economic and Demographic Statistics and Assumptions (continued)

Detail of Free Basic Services (FBS) provided		2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Electricity	<u>Location of households for each</u>									
List type of FBS service	Formal settlements - (50 kwh per indigent household per	45 971 453	49 660 147	44 961 885	76 917 743	76 917 743	76 917 743	84 309 538	91 897 397	100 168 162
	Number of HH receiving this type	77 394	81 304	72 569	61 194	61 194	61 194	63 694	66 194	68 694
	Informal settlements (Rands)	2 928 908	3 160 569	3 461 502	4 006 434	4 006 434	4 006 434	4 690 875	5 179 880	5 697 210
	Number of HH receiving this type	3 996	4 036	4 076	4 117	4 117	4 117	4 167	4 208	4 250
	Total cost of FBS - Electricity for informal settle	2 928 908	3 160 569	3 461 502	4 006 434	4 006 434	4 006 434	4 690 875	5 179 880	5 697 210
Water	<u>Location of households for each</u>									
List type of FBS service	Formal settlements - (6 kilolitre per indigent household per	182 890 848	206 415 858	218 559 220	193 556 599	193 556 599	193 556 599	212 215 455	231 314 846	252 133 182
	Number of HH receiving this type	40 119	40 321	40 321	40 321	40 321	40 321	42 821	45 321	47 821
	Informal settlements (Rands)	37 542 889	41 335 100	45 673 934	50 328 565	50 328 565	50 328 565	60 565 436	66 790 080	73 603 481
	Number of HH receiving this type	40 769	41 176	41 176	41 176	41 176	41 176	41 588	42 000	42 412
	Total cost of FBS - Water for informal settlemer	37 542 889	41 335 100	45 673 934	50 328 565	50 328 565	50 328 565	60 565 436	66 790 080	73 603 481
Sanitation	<u>Location of households for each</u>									
List type of FBS service	Formal settlements - (free sanitation service to indigent	66 844 691	56 381 145	61 503 070	93 798 637	93 798 637	93 798 637	98 300 972	102 626 214	107 244 394
	Number of HH receiving this type	32 576	38 219	38 219	38 219	38 219	38 219	35 076	37 576	40 076
	Informal settlements (Rands)	50 384 427	55 474 249	42 151 884	46 191 369	46 191 369	46 191 369	46 191 369	50 619 103	55 573 354
	Number of HH receiving this type	39 961	41 176	41 176	41 176	41 176	41 176	41 588	42 000	42 412
	Total cost of FBS - Sanitation for informal settle	50 384 427	55 474 249	42 151 884	46 191 369	46 191 369	46 191 369	46 191 369	50 619 103	55 573 354
Refuse Removal	<u>Location of households for each</u>									
List type of FBS service	Formal settlements - (removed once a week to indigent	117 686 507	104 312 299	110 803 192	158 954 695	158 954 695	158 954 695	166 584 520	173 914 239	181 740 380
	Number of HH receiving this type	34 619	42 191	42 191	42 191	42 191	42 191	44 691	47 191	49 691
	Informal settlements (Rands)	97 042 891	106 846 139	118 265 977	129 599 599	129 599 599	129 599 599	155 086 643	170 251 200	186 879 147
	Number of HH receiving this type	40 769	41 176	41 176	41 176	41 176	41 176	41 588	42 000	42 412
	Total cost of FBS - Refuse Removal for informal	97 042 891	106 846 139	118 265 977	129 599 599	129 599 599	129 599 599	155 086 643	170 251 200	186 879 147

Table 87: MBRR Table SA13(a) – Service Tariffs by Category

Description	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
						Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Property rates (rate in the Rand)								
Residential properties	Market Value	0,0107	0,0116	0,0126	0,0136	0,0143	0,0149	0,0156
Residential properties - vacant land	Vacant Land	-	-	-	-	-	-	-
Farm properties - used	Market Value	0,0027	0,0029	0,0032	0,0034	0,0036	0,0037	0,0039
Farm properties - not used	Market Value	0,0027	0,0029	0,0032	0,0034	0,0036	0,0037	0,0039
Industrial properties	Market Value	0,0266	0,0290	0,0315	0,0340	0,0357	0,0372	0,0389
Business and commercial properties	Market Value	0,0266	0,0290	0,0315	0,0340	0,0357	0,0372	0,0389
State-owned properties	Various depending on prop	0,0075	0,0081	0,0088	-	-	-	-
Public service infrastructure	Land	0,0027	0,0029	0,0032	0,0034	0,0036	0,0037	0,0039
State trust land	Land	0,0320	0,0349	0,0378	0,0408	0,0428	0,0447	0,0467
Exemptions, reductions and rebates (Rands)								
Residential properties								
R15 000 threshold rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
Pensioners/social grants rebate or exemption		17 932 735	19 546 681	21 208 149	22 904 801	24 004 232	25 060 418	26 188 137
Bona fide farmers rebate or exemption		5 197 548	5 665 328	6 146 880	6 638 631	6 957 285	7 263 406	7 590 259
Other rebates or exemptions								
Water tariffs								
Domestic								
Water usage - Block 1 (c/kl)	0 - 6 kl	14	16	17	19	20	22	24
Water usage - Block 2 (c/kl)	7 - 10 kl	15	16	17	19	21	23	25
Water usage - Block 3 (c/kl)	11 - 20 kl	20	22	24	26	29	31	34
Water usage - Block 4 (c/kl)	21 - 30 kl	26	29	31	34	37	41	44
Other								
Waste water tariffs								
Domestic								
Other								
Electricity tariffs								
Domestic								
FBE	Consumers are eligible to	-	-	-	-	-	-	-
Life-line tariff - meter	0 - 50kwh - Free	-	-	-	-	-	-	-
Life-line tariff - prepaid	0 - 50 kw h - Free	-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kwh)	0 - 50kwh - Indigent	1	1	2	2	2	2	2
Meter - IBT Block 2 (c/kwh)	0 - 50kwh - Non Indigent	2	2	2	2	3	3	3
Meter - IBT Block 3 (c/kwh)	51 - 350kwh - All	2	2	2	2	3	3	3
Meter - IBT Block 4 (c/kwh)	351 - 600kwh - All	2	2	2	2	3	3	3
Meter - IBT Block 5 (c/kwh)	601 - >kwh - All	2	2	2	2	3	3	3
Prepaid - IBT Block 1 (c/kwh)	0 - 50kwh - Indigent	1	1	2	2	2	2	2
Prepaid - IBT Block 2 (c/kwh)	0 - 50kwh - Non Indigent	2	2	2	2	3	3	3
Prepaid - IBT Block 3 (c/kwh)	51 - 350kwh - All	2	2	2	2	3	3	3
Prepaid - IBT Block 4 (c/kwh)	351 - 600kwh - All	2	2	2	2	3	3	3
Prepaid - IBT Block 5 (c/kwh)	601 - >kwh - All	2	2	2	2	3	3	3
Other								
Waste management tariffs								
Domestic								

Table 88: MBRR Table SA13(b) – Service Tariffs by Category – Explanatory

Description	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
						Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Exemptions, reductions and rebates (Rands)								
R15 000 threshold rebate	-	15 000	15 000	15 000	15 000	15 000	15 000	15 000
<i>Pensioners/social grants rebate or exemption</i>		17 932 735	19 546 681	21 208 149	22 904 801	24 004 232	25 060 418	26 188 137
<i>Temporary relief rebate or exemption</i>								
<i>Bona fide farmers rebate or exemption</i>		5 197 548	5 665 328	6 146 880	6 638 631	6 957 285	7 263 406	7 590 259
<i>Other rebates or exemptions</i>	Differential rebate - non availability of services							
Water tariffs								
Basic charge/fixd fee (Rands/month)	N/A	-	-	-	-	-	-	-
<i>Water usage - life line tariff</i>	0 - 6 kl							
<i>Water usage - Block 1 (c/kl)</i>	0 - 6 kl	14	16	17	19	20	22	24
<i>Water usage - Block 2 (c/kl)</i>	7 - 10 kl	15	16	17	19	21	23	25
<i>Water usage - Block 3 (c/kl)</i>	11 - 20 kl	20	22	24	26	29	31	34
<i>Water usage - Block 4 (c/kl)</i>	21 - 30 kl	26	29	31	34	37	41	44
<i>Water usage - Block 5 (c/kl)</i>	31 > kl	33	36	39	43	47	51	56
Waste water tariffs								
<i>Small</i>		-	-	-	-	-	-	-
<i>Erf 0 - 300 M2</i>	Erf 0 - 300 m2	72	79	86	102	107	112	117
<i>Erf 301 - 400 M2</i>	Erf 301 - 400 m2	115	125	137	162	170	177	185
<i>Ordinary</i>	Ordinary	201	219	240	284	298	311	325
<i>Complex</i>	Complex	182	198	217	257	269	281	294
<i>Semi's</i>	Semi's	201	219	240	284	298	311	325
<i>Cluster Houses/Townhouses</i>	Cluster Houses/Townhouses	249	271	297	352	368	385	402
<i>Erf 401 - 800 M2</i>	Erf 401 - 800 m2	299	326	356	422	443	462	483
<i>Erf 801 - 1200 M2</i>	Erf 801 - 1200 m2	323	352	385	456	478	499	521
<i>Erf > 1200 M2</i>	Erf > 1200 m2	352	383	419	497	520	543	568
Electricity tariffs								
Domestic								
<i>FBE</i>	Consumers are eligible to register as a Indigent Consumer and enjoy the privelages of a Welfare Package if the total monthly income per household does not exceed that of a monthly State Pension which is adjusted annually							
<i>Life-line tariff - meter</i>	0 - 50kwh - Free							
<i>Life-line tariff - prepaid</i>	0 - 50 kw h - Free							
<i>Meter - IBT Block 1 (c/kwh)</i>	0 - 50kwh - Indigent Consumers & Pensioners (Indigents Accounts Paid from Equitable Share)	1	1	2	2	2	2	2
<i>Meter - IBT Block 2 (c/kwh)</i>	0 - 50kwh - Non Indigent Consumers	2	2	2	2	3	3	3
<i>Meter - IBT Block 3 (c/kwh)</i>	51 - 350kwh - All Consumers	2	2	2	2	3	3	3
<i>Meter - IBT Block 4 (c/kwh)</i>	351 - 600kwh - All Consumers	2	2	2	2	3	3	3
<i>Meter - IBT Block 5 (c/kwh)</i>	601 - >kwh - All Consumers	2	2	2	2	3	3	3
<i>Prepaid - IBT Block 1 (c/kwh)</i>	0 - 50kwh - Indigent Consumers & Pensioners (Indigents Accounts Paid from Equitable Share)	1	1	2	2	2	2	2
<i>Prepaid - IBT Block 2 (c/kwh)</i>	0 - 50kwh - Non Indigent Consumers	2	2	2	2	3	3	3
<i>Prepaid - IBT Block 3 (c/kwh)</i>	51 - 350kwh - All Consumers	2	2	2	2	3	3	3
<i>Prepaid - IBT Block 4 (c/kwh)</i>	351 - 600kwh - All Consumers	2	2	2	2	3	3	3
<i>Prepaid - IBT Block 5 (c/kwh)</i>	601 - >kwh - All Consumers	2	2	2	2	3	3	3

Table 89: MBRR Table SA25 – Consolidated Budgeted Monthly Revenue and expenditure (Source and Type)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source																
Property rates	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	163 185	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue	234 804	241 724	228 141	208 150	205 844	222 503	260 177	154 073	182 265	209 688	217 633	235 317	2 600 320	2 834 348	3 089 440	
Service charges - water revenue	76 651	184 885	20 500	65 067	55 694	86 289	73 025	42 518	111 491	84 786	25 894	45 613	872 414	950 932	1 036 515	
Service charges - sanitation revenue	45 685	39 265	38 795	38 052	40 988	37 934	36 681	39 813	37 934	48 151	27 247	37 973	468 519	489 134	511 145	
Service charges - refuse revenue	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	32 135	385 616	402 583	420 699	
Rental of facilities and equipment	2 087	1 582	1 972	1 804	1 651	1 576	2 230	1 898	2 172	1 701	1 328	1 965	21 965	22 932	23 964	
Interest earned - external investments	2 879	2 776	3 112	2 519	2 123	1 869	2 280	2 797	1 470	3 039	2 725	3 289	30 876	31 206	31 505	
Interest earned - outstanding debtors	5 881	6 741	12 574	6 790	5 590	10 852	12 658	12 974	10 646	12 768	12 731	11 046	121 249	126 584	132 280	
Dividends received													-	-	-	
Fines, penalties and forfeits	1 587	1 862	1 681	2 030	1 295	1 961	850	1 112	1 459	2 445	3 145	3 008	22 435	23 422	24 476	
Licences and permits	681	2 052	1 222	1 693	1 248	1 531	1 141	840	2 746	1 574	1 432	3 579	19 739	20 607	21 535	
Agency services	3 792	3 357	3 194	2 653	970	3 181	2 932	344	2 424	2 530	5 347	13 988	44 713	44 187	44 670	
Transfers and subsidies	303 842	169 869	27 159	25 433	24 031	368 563	22 628	24 138	209 565	62 971	37 298	172 266	1 447 763	1 438 067	1 479 210	
Other revenue	68 385	76 857	66 428	69 138	68 894	76 424	68 028	68 781	158 727	75 087	68 818	86 812	952 379	985 478	1 052 157	
Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)	941 594	926 291	600 096	618 649	603 645	1 008 001	677 950	544 607	916 217	700 060	598 918	810 176	8 946 204	9 413 857	10 003 970	
Expenditure By Type																
Employee related costs	202 950	204 886	229 343	211 748	209 108	259 067	219 490	215 091	233 038	216 674	219 314	256 771	2 677 479	2 796 845	2 922 276	
Remuneration of councillors	5 650	5 853	5 678	5 657	5 657	5 650	5 650	7 271	5 811	5 762	5 853	5 769	70 263	73 354	76 655	
Debt impairment	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	102 133	1 225 592	1 310 668	1 402 864	
Depreciation & asset impairment	49 643	52 615	53 584	48 383	50 959	55 472	51 096	50 480	51 102	50 986	51 124	51 952	617 397	644 445	731 545	
Finance charges	4 372	4 358	4 239	4 291	8 285	165	4 069	3 737	4 069	3 889	3 993	3 893	49 361	153 640	161 565	
Bulk purchases - electricity	257 363	294 160	175 835	139 258	175 835	148 072	163 275	137 054	153 580	147 190	168 564	243 261	2 203 447	2 401 757	2 617 915	
Inventory consumed	22 696	24 550	28 326	31 316	24 323	30 452	27 651	27 108	27 479	27 352	24 528	29 308	325 089	343 571	368 242	
Contracted services	49 987	59 631	71 164	71 434	73 457	89 509	56 664	60 575	82 765	74 402	69 748	191 583	950 918	879 559	891 838	
Transfers and subsidies	27 547	13 125	7 035	12 567	15 563	12 753	15 886	15 984	12 342	14 809	8 817	16 818	173 246	143 688	138 255	
Other expenditure	48 509	43 623	42 637	43 376	43 582	78 686	54 503	39 230	23 423	54 749	42 022	52 442	566 783	571 820	589 694	
Losses	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	7 118	85 417	93 399	101 984	
Total Expenditure	777 967	812 052	727 093	677 281	716 021	789 077	707 534	665 781	702 859	705 064	703 212	961 048	8 944 989	9 412 745	10 002 834	
Surplus/(Deficit)	163 626	114 239	(126 997)	(58 632)	(112 376)	218 925	(29 584)	(121 174)	213 358	(5 004)	(104 294)	(150 872)	1 214	1 112	1 137	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	14 684	27 009	37 158	49 036	81 883	101 122	98 278	49 817	50 542	88 575	62 197	74 714	735 015	752 204	797 158	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)													-	-	-	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294	
Taxation													-	-	-	
Attributable to minorities													-	-	-	
Share of surplus/ (deficit) of associate													-	-	-	
Surplus/(Deficit)	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294	

Table 90: MBRR Table SA26 – Consolidated Budgeted Monthly Revenue and expenditure (Municipal Vote)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	R thousand												Budget Year	Budget Year	Budget Year
	July	August	Sept.	October	November	December	January	February	March	April	May	June	2022/23	+1 2023/24	+2 2024/25
Revenue by Vote															
Vote 01 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Directorate - Municipal Manager	7 204	4 038	664	625	598	8 750	568	595	4 981	1 520	908	969	31 421	19 687	19 738
Vote 03 - Directorate - Human Settlement	27 492	20 391	11 544	16 527	30 619	70 926	37 593	16 745	34 271	37 132	23 324	28 485	355 050	423 861	377 908
Vote 04 - Directorate - Chief Financial Officer	351 872	299 433	246 769	239 607	237 324	382 502	244 850	244 470	324 341	261 860	250 773	250 625	3 334 426	3 482 572	3 674 178
Vote 05 - Directorate - Corporate Services	3 091	1 684	108	100	84	3 819	66	85	2 432	527	227	266	12 489	12 771	14 306
Vote 06 - Directorate - Infrastructure Services	474 305	536 985	305 801	335 144	340 938	530 407	414 175	261 052	441 661	400 237	305 151	359 625	4 705 482	4 999 772	5 504 015
Vote 07 - Directorate - Spatial Planning And Development	3 585	5 492	5 694	7 153	10 544	13 412	12 647	7 267	17 755	12 004	8 174	10 257	113 984	134 066	125 853
Vote 08 - Directorate - Health / Public Safety & Emergency Services	21 686	20 722	8 123	9 570	6 584	29 012	7 556	5 332	60 409	14 227	13 426	21 999	218 646	228 316	231 961
Vote 10 - Directorate - Economic Development & Agencies	13 771	11 283	5 278	5 686	5 564	17 022	5 502	5 605	27 637	7 855	5 861	159 391	270 455	191 949	170 046
Vote 11 - Directorate - Solid Waste, Environmental & Health Managem	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	48 533	582 401	613 104	627 559
Vote 12 - Directorate - Sport, Recreation & Community Development	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	4 739	56 866	59 964	55 563
Total Revenue by Vote	956 278	953 299	637 254	667 685	685 528	1 109 124	776 229	594 424	966 759	788 634	661 115	884 890	9 681 219	10 166 060	10 801 128
Expenditure by Vote to be appropriated															
Vote 01 - Directorate - Executive Support Services	24 580	22 453	22 269	22 806	22 968	27 587	24 090	24 293	21 757	24 307	22 160	23 847	283 118	290 825	301 247
Vote 02 - Directorate - Municipal Manager	11 884	12 206	13 599	13 179	13 146	18 080	13 249	12 294	13 064	14 234	13 123	14 238	162 297	152 550	157 599
Vote 03 - Directorate - Human Settlement	10 643	11 936	14 076	13 768	13 804	17 527	12 069	12 312	15 448	14 281	13 556	15 844	165 264	161 587	164 239
Vote 04 - Directorate - Chief Financial Officer	78 259	78 205	83 606	81 025	80 544	103 027	84 130	78 705	79 137	85 835	81 327	84 083	997 883	1 005 674	1 035 253
Vote 05 - Directorate - Corporate Services	18 280	17 765	19 756	18 412	18 263	29 422	20 950	17 699	16 443	21 066	18 704	19 279	236 040	248 095	254 177
Vote 06 - Directorate - Infrastructure Services	461 937	507 148	406 783	363 460	401 001	405 841	382 412	353 094	386 908	375 621	391 017	479 120	4 914 341	5 367 320	5 817 989
Vote 07 - Directorate - Spatial Planning And Development	20 869	22 199	24 823	22 108	22 482	30 210	23 394	22 140	23 544	23 780	22 960	24 028	282 537	291 375	318 260
Vote 08 - Directorate - Health / Public Safety & Emergency Services	36 239	37 029	43 500	39 642	38 415	52 067	41 096	39 586	43 871	40 732	40 544	42 474	495 195	514 838	538 762
Vote 10 - Directorate - Economic Development & Agencies	24 450	12 285	7 854	12 054	14 570	14 490	15 318	14 832	11 860	14 381	8 995	167 314	318 404	253 501	234 171
Vote 11 - Directorate - Solid Waste, Environmental & Health Managem	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	54 376	652 507	670 497	700 466
Vote 12 - Directorate - Sport, Recreation & Community Development	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 451	36 447	437 403	456 483	480 671
Total Expenditure by Vote	777 967	812 052	727 093	677 281	716 021	789 077	707 534	665 781	702 859	705 064	703 212	961 048	8 944 989	9 412 745	10 002 834
Surplus/(Deficit) before assoc.	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294
Taxation													-	-	-
Attributable to minorities													-	-	-
Share of surplus/ (deficit) of associate													-	-	-
Surplus/(Deficit)	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294

Table 91: MBRR Table SA27 – Consolidated Budgeted Monthly Revenue and expenditure (Functional Classification)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional															
<i>Governance and administration</i>	364 564	307 217	249 862	242 542	240 114	397 129	247 976	247 421	334 207	266 048	253 801	254 177	3 405 058	3 542 202	3 735 375
Executive and council	7 227	4 094	680	652	623	8 805	590	620	5 358	1 570	933	1 007	32 158	20 457	20 543
Finance and administration	357 337	303 123	249 182	241 890	239 491	388 324	247 386	246 802	328 849	264 479	252 868	253 170	3 372 900	3 521 746	3 714 832
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	53 920	45 855	24 409	30 839	41 945	104 681	49 891	26 820	99 421	56 100	41 492	55 226	630 598	712 178	665 472
Community and social services	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	3 672	44 067	46 868	41 435
Sport and recreation	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	12 799	13 097	14 127
Public safety	21 686	20 722	8 123	9 570	6 584	29 012	7 556	5 332	60 409	14 227	13 426	21 999	218 646	228 316	231 961
Housing	27 492	20 391	11 544	16 527	30 619	70 926	37 593	16 745	34 271	37 132	23 324	28 485	355 050	423 861	377 908
Health	3	3	3	3	3	3	3	3	3	3	3	3	36	38	39
<i>Economic and environmental services</i>	2 620	8 539	11 338	16 399	29 466	38 068	35 955	16 675	28 093	32 906	21 570	179 272	420 899	297 332	319 632
Planning and development	1 888	3 430	3 373	4 944	8 436	11 354	10 154	4 996	15 302	9 863	6 281	160 633	239 954	203 948	184 210
Road transport	1 432	5 110	7 965	11 455	21 029	26 714	25 801	11 679	12 791	23 042	15 289	18 639	180 945	93 384	135 422
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	521 404	580 405	346 367	372 220	368 439	552 224	436 905	297 904	477 401	425 725	338 392	389 516	5 106 902	5 519 454	5 996 113
Energy sources	255 618	253 165	227 620	208 388	206 573	251 097	260 011	155 155	207 991	214 245	218 826	236 984	2 695 672	2 928 657	3 201 039
Water management	135 239	218 685	27 447	73 165	67 607	168 411	86 702	50 457	156 357	105 219	37 965	59 603	1 186 857	1 299 731	1 409 591
Waste water management	82 017	60 025	42 770	42 136	45 728	84 185	41 662	43 761	64 523	57 731	33 071	44 399	642 008	678 000	758 464
Waste management	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	48 530	582 356	613 066	627 020
Other	13 771	11 283	5 278	5 686	5 564	17 022	5 502	5 605	27 637	7 855	5 861	6 699	117 762	94 894	84 536
Total Revenue - Functional	956 278	953 299	637 254	667 685	685 528	1 109 124	776 229	594 424	966 759	788 634	661 115	884 890	9 681 219	10 166 060	10 801 128
Expenditure - Functional															
<i>Governance and administration</i>	144 894	144 566	155 341	148 265	148 859	198 203	156 649	146 185	144 827	160 035	149 204	156 268	1 853 296	1 883 985	1 951 270
Executive and council	36 302	33 851	34 369	34 723	34 848	45 690	37 181	35 343	31 657	37 901	33 910	36 116	431 889	433 722	443 711
Finance and administration	107 636	109 728	119 810	112 458	112 949	150 969	118 364	109 811	112 027	120 974	114 200	118 964	1 407 889	1 436 350	1 493 063
Internal audit	956	988	1 163	1 084	1 062	1 545	1 105	1 031	1 143	1 160	1 094	1 188	13 517	13 913	14 496
<i>Community and public safety</i>	99 473	101 555	110 166	106 001	104 810	122 184	105 756	104 488	111 910	107 604	106 690	110 904	1 291 542	1 334 102	1 401 934
Community and social services	13 887	13 895	13 975	13 928	13 942	14 061	13 948	13 921	13 969	13 941	13 934	13 956	167 357	176 138	184 399
Sport and recreation	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 825	34 822	417 902	436 157	463 822
Public safety	35 709	36 490	42 882	39 071	37 830	51 363	40 505	39 022	43 259	40 147	39 967	41 874	488 119	506 662	530 203
Housing	10 643	11 936	14 076	13 768	13 804	17 527	12 069	12 312	15 448	14 281	13 556	15 844	165 264	161 587	164 239
Health	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	4 408	52 899	53 559	59 271
<i>Economic and environmental services</i>	51 525	54 013	59 496	57 289	57 928	67 083	55 715	55 019	60 677	58 545	57 084	212 615	846 990	844 896	902 615
Planning and development	14 392	14 901	16 671	15 290	15 107	20 045	16 027	15 214	16 024	16 057	15 579	167 753	343 058	293 543	298 671
Road transport	37 133	39 112	42 825	41 999	42 821	47 039	39 689	39 805	44 654	42 488	41 505	44 862	503 932	551 353	603 944
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	457 625	499 633	394 236	353 671	389 854	387 116	374 096	345 257	373 584	364 500	381 239	465 500	4 786 311	5 192 085	5 597 023
Energy sources	328 896	368 042	254 679	216 782	253 561	234 928	238 319	211 930	234 524	226 029	245 887	324 931	3 138 510	3 404 172	3 705 403
Water management	63 592	64 618	68 688	67 966	67 164	76 116	67 571	65 640	67 628	68 679	66 438	69 102	813 203	893 941	963 445
Waste water management	26 902	28 737	32 632	30 687	30 894	37 836	29 969	29 451	33 196	31 556	30 679	33 232	375 770	424 668	445 971
Waste management	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	38 236	458 828	469 303	482 204
Other	24 450	12 285	7 854	12 054	14 570	14 490	15 318	14 832	11 860	14 381	8 995	15 762	166 852	157 677	149 991
Total Expenditure - Functional	777 967	812 052	727 093	677 281	716 021	789 077	707 534	665 781	702 859	705 064	703 212	961 048	8 944 989	9 412 745	10 002 834
Surplus/(Deficit) before assoc.	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	178 311	141 247	(89 839)	(9 596)	(30 493)	320 047	68 694	(71 357)	263 900	83 570	(42 097)	(76 159)	736 230	753 316	798 294

Table 92: MBRR Table SA31 – Aggregated Entity Budget

Description	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Investment revenue	439	520	488	467	632	632	637	664	657
Transfers recognised - operational	2 491	7 762	126 674	135 059	123 037	123 037	133 627	75 221	55 615
Other own revenue	30 491	41 243	6 985	12 399	7 464	7 464	18 429	21 170	29 237
Total Revenue (excluding capital transfers and contributions)	33 421	49 524	134 147	147 925	131 133	131 133	152 692	97 055	85 510
Employee costs	17 447	25 714	28 411	30 607	33 188	33 188	32 354	35 109	36 707
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	1 206	987	1 181	995	1 141	1 141	984	1 769	1 024
Finance charges	0	–	0	4	4	4	4	5	5
Inventory consumed and bulk purchases	570	1 238	556	727	1 850	1 850	1 299	1 300	801
Transfers and grants	100	197	203	–	200	200	200	200	200
Other expenditure	12 038	25 779	101 237	114 393	93 551	93 551	116 711	57 441	45 443
Total Expenditure	31 361	53 916	131 590	146 725	129 933	129 933	151 552	95 824	84 180
Surplus/(Deficit)	2 060	(4 391)	2 557	1 200	1 200	1 200	1 140	1 231	1 330
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational	491	13 811	–	–	–	–	–	–	–
contributions	2 550	9 420	3 795	2 400	2 400	2 400	2 280	2 462	2 659
Taxation	602	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	1 948	9 420	3 795	2 400	2 400	2 400	2 280	2 462	2 659
Capital expenditure & funds sources									
Capital expenditure	4 078	1 675	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Transfers recognised - capital	4 078	(1 425)	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	3 100	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Total sources of capital funds	4 078	1 675	1 238	1 200	1 200	1 200	1 140	1 231	1 330
Financial position									
Total current assets	5 645	22 505	37 608	8 677	8 677	8 677	10 120	8 913	6 713
Total non current assets	2 108	2 795	2 849	2 071	2 071	2 071	3 691	3 921	4 169
Total current liabilities	6 387	13 812	19 688	7 336	7 336	7 336	5 210	6 735	5 751
Total non current liabilities	–	–	99	–	–	–	–	–	–
Community wealth/Equity	1 366	11 488	20 670	3 413	3 413	3 413	8 601	6 098	5 131
Cash flows									
Net cash from (used) operating	5 362	13 797	4 434	2 195	2 529	2 529	2 124	3 000	2 353
Net cash from (used) investing	(1 742)	(1 651)	(1 238)	(1 200)	(1 200)	(1 200)	(1 140)	(1 231)	(1 330)
Net cash from (used) financing	–	–	–	–	(1 329)	(1 329)	–	–	–
Cash/cash equivalents at the year end	3 987	16 133	25 981	5 280	5 280	5 280	6 223	7 451	5 451

Table 93: MBRR Table SA32 – List of External Mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Afrocentric	Y	3	Supply , Implementation,Support And Maintenance Of An Integrated , Full Asset Life Cycle Managem	10 September 2022	55 439
By tes-Item 5335	M	60	Operating Leases For Print Machines	30 December 2022	2 833
By tes-Item78351	M	60	Operating Leases For Print Machines	30 December 2022	1 460
East London Golf Club	M	600	Recreational Purposes	31 August 2025	0
Elihle Resources (Pty) Ltd	M	60	Quarry Mining	30 September 2024	123
Eskom Fbe	M	36	Free Basic Electricity	30 June 2024	39 879
Gonubie Sports Club	M	300	Recreational Purposes	30 September 2024	105
Henning En Henning T/A Henchem	Y	3	Supply And Delivery Of Pesticides	26 May 2024	929
Joat Consulting (Pty) Ltd	Y	3	Data Logging And Leak Detection In Bulk Mains And Distribution Mains	01 July 2022	2 348
Km Sports	Y	3	Data Logging And Leak Detection In Bulk Mains And Distribution Mains	01 July 2022	2 348
Km Sports	Y	3	Supply And Deliver Sport Apparel, Cosumables For Sport Development	06 August 2024	6 000
Kmsa-B1052	M	60	Piped Water Inside Dwelling	30 December 2022	1 726
Kmsa-B1052	M	60	Operating Leases For Print Machines	30 December 2022	1 726
Kmsa-B1052 li	M	60	Operating Leases For Print Machines	30 December 2022	2 178
M.H Communications	Y	3	Supply And Delivery Of Radio Equipment	17 April 2024	7 082
Makinana Funeral Services	Y	3	Interments And Cremations Of Deceased Paupers And Unclaimed Bodies	01 December 2024	673
Masibambane Home Base Care	M	120	Home Base Care	30 September 2022	57
Mercedes Benz, Sa	M	60	Parking	28 February 2023	317
Mithlekuthi Trading	Y	3	Supply Of Pay As You Go Virtual Prepaid Airtime Solution	22 July 2023	10 444
Morgan Creek Properties -	M	36	Piped Water Inside Dwelling	30 December 2023	7 360
Morgan Creek Properties -	M	36	Operating Leases For Building	30 December 2023	7 360
Morgan Creek Properties 158 (Pty) Ltd	Y	3	Provision Of Office Accomodation: Buffalo City Metropolitan Municipality (Directorate Of Finance		
Motswako	M	60	Revenue Management Head Office)	30 November 2023	8 464
			Operating Leases For Print Machines	30 December 2022	1 153
			Support And Maintenance Of An Voip (Voice Over Internet Protocol) Enable Pabx Telephone		
Nashua Communications (Pty) Ltd	Y	3	System	01 June 2023	6 432
Nkqubela Community Developers	M	24	Social Facilitator	11 June 2023	2 050
Other	M	1	Procurement Of Banking Services For Bcmm For A Period Of Fiv e Years	25 September 2023	0
Outsource-Item 2802	M	60	Operating Leases For Print Machines	30 December 2022	3 097
Outsource-Item 347	M	60	Operating Leases For Print Machines	30 December 2022	2 178
Rt 27-2019 (Transversal Contract Through Nt)	M	36	Debt Collection (Legal)	30 June 2023	14 130
Sasol Oil(Pty) Ltd	M	240	Fuel	30 June 2024	643
Skg Africa (Pty) Ltd	Y	3	Provision Of 70 Covered/Uncovered Parking Bays	18 January 2024	4 704
Skg Africa-Caxton House	M	36	Operating Leases For Building	31 January 2024	4 090
Standard Bank	M	60	Procurement Of Banking Services For Bcmm For A Period Of Fiv e Years	25 September 2023	6 774
Stirling High School	M	360	Sportsfields	31 January 2025	53
Winter Rose Rugby	M	300	Recreational Purposes	30 October 2022	58

2.16 BUDGET TABLES OF THE PARENT MUNICIPALITY

The tables of the parent municipality, as required in terms of section 9 of the MBRR, are presented in the ten main budget tables on the following pages.

Table 94: MBRR Table A1 – Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands										
Financial Performance										
Property rates	1 299 753	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges	3 000 623	3 260 941	3 937 345	3 978 391	3 983 060	3 983 060	3 983 060	4 326 869	4 676 997	5 057 799
Investment revenue	98 251	70 130	40 801	36 022	30 022	30 022	30 022	30 239	30 542	30 847
Transfers recognised - operational	918 696	979 243	1 202 782	1 167 537	1 248 276	1 248 276	1 248 276	1 315 276	1 364 078	1 424 924
Other own revenue	847 222	796 081	980 376	1 070 672	1 076 672	1 076 672	1 076 672	1 164 051	1 202 039	1 269 845
Total Revenue (excluding capital transfers and contributions)	6 164 546	6 573 796	7 750 719	8 087 386	8 172 794	8 172 794	8 172 794	8 794 651	9 318 033	9 919 790
Employee costs	2 472 782	2 180 296	2 472 782	2 505 603	2 526 948	2 526 948	2 526 948	2 645 125	2 761 736	2 885 569
Remuneration of councillors	62 316	64 687	63 813	76 550	67 045	67 045	67 045	70 263	73 354	76 655
Depreciation & asset impairment	1 400 787	1 709 074	1 400 787	648 178	648 178	648 178	648 178	616 412	642 676	730 521
Finance charges	38 467	32 564	25 757	59 932	23 231	23 231	23 231	49 356	153 635	161 560
Inventory consumed and bulk purchases	1 718 414	1 866 902	1 916 345	2 445 649	2 405 624	2 405 624	2 405 624	2 527 236	2 744 027	2 985 356
Transfers and grants	91 603	130 821	104 708	161 059	147 783	147 783	147 783	173 045	143 488	138 054
Other expenditure	1 141 192	1 792 332	2 161 206	2 188 050	2 351 619	2 351 619	2 351 619	2 711 999	2 798 004	2 940 937
Total Expenditure	6 925 562	7 776 677	8 145 398	8 085 019	8 170 428	8 170 428	8 170 428	8 793 437	9 316 921	9 918 653
Surplus/(Deficit)	(761 015)	(1 202 882)	(394 679)	2 367	2 367	2 367	2 367	1 214	1 112	1 137
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	997 754	1 010 413	1 069 736	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	279 067	-	11 214	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	515 806	(192 468)		734 866	738 915	738 915	738 915	735 090	752 084	796 965
Share of surplus/ (deficit) of associate	29 467	105 684	(26 628)	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	545 273	(86 785)	(26 628)	734 866	738 915	738 915	738 915	735 090	752 084	796 965

MBRR Table A1 – Budget Summary (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands										
<u>Capital expenditure & funds sources</u>										
Capital expenditure	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132
Transfers recognised - capital	894 057	905 526	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Borrowing	–	–	3 079	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Internally generated funds	860 189	642 141	616 049	700 179	854 491	854 491	854 491	617 733	435 484	349 304
Total sources of capital funds	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132
<u>Financial position</u>										
Total current assets	2 761 624	3 255 894	3 529 825	3 453 910	3 399 898	3 399 898	3 399 898	3 512 215	3 530 986	3 706 986
Total non current assets	20 788 548	20 373 351	22 689 423	22 637 880	22 661 838	22 661 838	22 661 838	24 114 663	24 545 171	24 825 652
Total current liabilities	1 610 493	2 361 978	2 071 305	1 703 606	1 707 062	1 707 062	1 707 062	1 857 153	1 940 727	2 025 168
Total non current liabilities	978 302	877 139	996 095	1 245 728	1 162 389	1 162 389	1 162 389	2 254 276	2 349 032	2 326 099
Community wealth/Equity	20 961 378	20 390 127	23 151 848	23 142 456	23 192 286	23 192 286	23 192 286	23 515 449	23 786 400	24 181 370
<u>Cash flows</u>										
Net cash from (used) operating	1 139 685	1 890 315	1 451 404	1 419 886	1 518 857	1 518 857	1 518 857	1 038 740	1 070 817	1 186 290
Net cash from (used) investing	(1 744 597)	(1 642 409)	(1 628 508)	(1 802 392)	(1 826 350)	(1 826 350)	(1 826 350)	(2 084 222)	(1 808 952)	(1 285 132)
Net cash from (used) financing	(52 572)	(57 974)	(54 396)	318 822	189 799	189 799	189 799	677 964	569 059	82 435
Cash/cash equivalents at the year end	1 167 646	1 357 578	1 126 078	1 305 637	1 251 626	1 251 626	1 251 626	884 108	715 032	698 625
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	1 167 646	1 357 578	1 126 078	1 305 637	1 251 626	1 251 626	1 251 626	884 108	715 032	698 625
Application of cash and investments	121 939	521 567	151 833	(238 724)	(300 001)	(300 001)	(300 001)	(392 560)	(467 986)	(558 741)
Balance - surplus (shortfall)	1 045 707	836 011	974 245	1 544 361	1 551 627	1 551 627	1 551 627	1 276 668	1 183 018	1 257 366
<u>Asset management</u>										
Asset register summary (WDV)	16 176 165	15 434 501	17 447 510	20 696 363	20 239 122	20 239 122	20 239 122	16 723 328	17 400 827	18 313 166
Depreciation	1 400 787	1 709 074	1 400 787	648 178	648 178	648 178	648 178	616 412	642 676	730 521
Renewal and Upgrading of Existing Assets	577 141	637 015	706 277	986 483	1 081 848	1 081 848	1 081 848	1 379 030	1 040 287	627 079
Repairs and Maintenance	384 520	382 245	384 520	407 609	414 258	414 258	414 258	444 472	453 362	489 631
<u>Free services</u>										
Cost of Free Basic Services provided	601 293	623 586	645 381	753 354	753 354	753 354	827 945	827 945	892 593	963 039
Revenue cost of free services provided	110 082	107 071	110 082	233 527	233 527	233 527	249 239	249 239	260 206	271 915
<u>Households below minimum service level</u>										
Water:	5	5	3	3	3	3	3	3	2	1
Sanitation/sewerage:	2	15	11	11	11	11	10	10	9	5
Energy :	39	38	38	37	37	37	37	37	37	36
Refuse:	41	41	45	41	41	41	41	41	41	41

Table 95: MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by function classification)

Functional Classification Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional									
<i>Governance and administration</i>	2 726 403	2 674 764	3 016 488	3 121 485	3 130 035	3 130 035	3 405 058	3 542 202	3 735 375
Executive and council	22 482	32 555	31 399	30 377	30 377	30 377	32 158	20 457	20 543
Finance and administration	2 703 921	2 642 208	2 985 088	3 091 108	3 099 658	3 099 658	3 372 900	3 521 746	3 714 832
Internal audit	–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>	381 581	472 593	679 485	642 764	719 742	719 742	630 598	712 178	665 472
Community and social services	24 784	24 613	26 858	33 233	33 233	33 233	44 067	46 868	41 435
Sport and recreation	4 521	4 363	1 100	10 782	10 782	10 782	12 799	13 097	14 127
Public safety	166 093	153 127	182 627	206 645	206 645	206 645	218 646	228 316	231 961
Housing	185 279	290 187	468 827	392 070	469 048	469 048	355 050	423 861	377 908
Health	903	304	73	35	35	35	36	38	39
<i>Economic and environmental services</i>	500 797	435 006	419 513	244 196	248 684	248 684	268 206	200 277	234 123
Planning and development	217 044	229 024	153 012	77 198	80 785	80 785	87 261	106 893	98 700
Road transport	282 681	205 143	266 257	166 998	167 898	167 898	180 945	93 384	135 422
Environmental protection	1 071	839	243	–	–	–	–	–	–
<i>Trading services</i>	3 836 635	4 071 822	4 664 916	4 703 226	4 715 036	4 715 036	5 106 902	5 519 454	5 996 113
Energy sources	2 013 104	1 978 938	2 039 214	2 467 771	2 467 771	2 467 771	2 695 672	2 928 657	3 201 039
Water management	796 939	921 274	1 457 580	1 077 420	1 077 420	1 077 420	1 186 857	1 299 731	1 409 591
Waste water management	602 556	603 286	654 124	623 622	623 622	623 622	642 008	678 000	758 464
Waste management	424 035	568 323	513 998	534 413	546 223	546 223	582 365	613 066	627 020
<i>Other</i>	25 418	35 708	51 266	108 213	95 846	95 846	117 762	94 894	84 536
Total Revenue - Functional	7 470 834	7 689 893	8 831 669	8 819 885	8 909 343	8 909 343	9 528 527	10 069 005	10 715 618
Expenditure - Functional									
<i>Governance and administration</i>	1 181 172	1 313 645	1 579 913	1 667 677	1 700 957	1 700 957	1 853 296	1 883 985	1 951 270
Executive and council	420 679	437 806	416 534	422 139	413 906	413 906	431 889	433 722	443 711
Finance and administration	751 450	866 396	1 153 811	1 231 507	1 273 989	1 273 989	1 407 889	1 436 350	1 493 063
Internal audit	9 043	9 442	9 568	14 031	13 062	13 062	13 517	13 913	14 496
<i>Community and public safety</i>	1 013 339	1 005 038	1 077 077	1 258 280	1 310 237	1 310 237	1 291 542	1 334 102	1 401 934
Community and social services	116 114	137 194	166 950	166 543	161 398	161 398	167 357	176 138	184 399
Sport and recreation	317 639	353 214	351 805	439 276	408 334	408 334	417 902	436 157	463 822
Public safety	480 926	425 979	468 151	461 918	458 823	458 823	488 119	506 662	530 203
Housing	57 397	45 567	45 592	147 616	231 216	231 216	165 264	161 587	164 239
Health	41 263	43 084	44 579	42 927	50 465	50 465	52 899	53 559	59 271
<i>Economic and environmental services</i>	1 244 516	1 524 961	1 067 715	704 921	685 520	685 520	695 438	749 072	818 435
Planning and development	416 763	519 987	232 966	187 464	180 799	180 799	191 506	197 719	214 491
Road transport	803 260	977 756	804 804	517 456	504 720	504 720	503 932	551 353	603 944
Environmental protection	24 493	27 218	29 945	–	–	–	–	–	–
<i>Trading services</i>	3 399 668	3 812 482	4 340 546	4 303 537	4 330 235	4 330 235	4 786 311	5 192 085	5 597 023
Energy sources	2 108 066	2 232 541	2 259 948	2 809 519	2 836 947	2 836 947	3 138 510	3 404 172	3 705 403
Water management	599 867	654 320	1 207 117	725 390	716 357	716 357	813 203	893 941	963 445
Waste water management	301 628	377 346	410 269	352 025	350 287	350 287	375 770	424 668	445 971
Waste management	390 107	548 274	463 213	416 603	426 645	426 645	458 828	469 303	482 204
<i>Other</i>	86 867	120 552	106 775	150 605	143 479	143 479	166 852	157 677	149 991
Total Expenditure - Functional	6 925 562	7 776 677	8 172 026	8 085 019	8 170 428	8 170 428	8 793 437	9 316 921	9 918 653
Surplus/(Deficit) for the year	545 273	(86 785)	659 643	734 866	738 915	738 915	735 090	752 084	796 965

Table 96: MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote									
Vote 01 - Directorate - Executive Support Services	419	90	442	-	381	381	-	-	-
Vote 02 - Directorate - Municipal Manager	22 544	32 547	31 520	29 673	29 673	29 673	31 421	19 687	19 738
Vote 03 - Directorate - Human Settlement	185 279	290 187	468 827	392 070	469 048	469 048	355 050	423 861	377 908
Vote 04 - Directorate - Chief Financial Officer	2 658 911	2 610 630	2 915 858	3 046 979	3 051 648	3 051 648	3 334 426	3 482 572	3 674 178
Vote 05 - Directorate - Corporate Services	14 021	10 957	11 216	11 205	11 205	11 205	12 489	12 771	14 306
Vote 06 - Directorate - Infrastructure Services	3 695 281	3 708 641	4 417 176	4 335 812	4 336 712	4 336 712	4 705 482	4 999 772	5 504 015
Vote 07 - Directorate - Spatial Planning And Development	247 553	249 564	210 464	110 826	117 914	117 914	113 984	134 066	125 853
Vote 08 - Directorate - Health / Public Safety & Emergency Services	166 997	153 431	182 700	206 645	206 645	206 645	218 646	228 316	231 961
Vote 09 - Directorate - Municipal Services	454 412	598 138	542 199	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	25 418	35 708	51 266	108 213	95 846	95 846	117 762	94 894	84 536
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	534 448	546 258	546 258	582 401	613 104	627 559
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	44 015	44 015	44 015	56 866	59 964	55 563
Total Revenue by Vote	7 470 834	7 689 893	8 831 669	8 819 885	8 909 343	8 909 343	9 528 527	10 069 005	10 715 618
Expenditure by Vote to be appropriated									
Vote 01 - Directorate - Executive Support Services	294 524	310 518	281 388	284 844	275 617	275 617	283 118	290 825	301 247
Vote 02 - Directorate - Municipal Manager	199 632	134 884	136 201	147 650	149 579	149 579	162 297	152 550	157 599
Vote 03 - Directorate - Human Settlement	57 397	45 567	45 592	147 616	231 216	231 216	165 264	161 587	164 239
Vote 04 - Directorate - Chief Financial Officer	380 705	434 456	679 917	831 804	861 405	861 405	997 883	1 005 674	1 035 253
Vote 05 - Directorate - Corporate Services	154 396	224 517	245 516	225 588	241 069	241 069	236 040	248 095	254 177
Vote 06 - Directorate - Infrastructure Services	3 881 490	4 343 414	4 790 750	4 486 420	4 490 206	4 490 206	4 914 341	5 367 320	5 817 989
Vote 07 - Directorate - Spatial Planning And Development	500 010	627 806	361 243	283 225	272 191	272 191	282 537	291 375	318 260
Vote 08 - Directorate - Health / Public Safety & Emergency Services	526 944	474 180	517 919	467 715	465 313	465 313	495 195	514 838	538 762
Vote 09 - Directorate - Municipal Services	843 598	1 060 783	1 006 724	55 193	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	86 867	120 552	106 775	150 605	143 479	143 479	166 852	157 677	149 991
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	536 456	611 768	611 768	652 507	670 497	700 466
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	467 902	428 586	428 586	437 403	456 483	480 671
Total Expenditure by Vote	6 925 562	7 776 677	8 172 026	8 085 019	8 170 428	8 170 428	8 793 437	9 316 921	9 918 653
Surplus/(Deficit) for the year	545 273	(86 785)	659 643	734 866	738 915	738 915	735 090	752 084	796 965

Table 97: MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure by source and type)

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	1 299 753	1 467 400	1 589 415	1 834 764	1 834 764	1 834 764	1 834 764	1 958 216	2 044 378	2 136 375
Service charges - electricity revenue	1 724 599	1 838 105	1 948 603	2 367 669	2 372 338	2 372 338	2 372 338	2 600 320	2 834 348	3 089 440
Service charges - water revenue	618 711	709 744	1 214 597	795 708	795 708	795 708	795 708	872 414	950 932	1 036 515
Service charges - sanitation revenue	347 213	377 249	420 119	447 060	447 060	447 060	447 060	468 519	489 134	511 145
Service charges - refuse revenue	310 101	335 843	354 026	367 954	367 954	367 954	367 954	385 616	402 583	420 699
Rental of facilities and equipment	20 440	22 652	24 222	20 959	20 959	20 959	20 959	21 965	22 932	23 964
Interest earned - external investments	98 251	70 130	40 801	36 022	30 022	30 022	30 022	30 239	30 542	30 847
Interest earned - outstanding debtors	67 093	122 587	119 421	109 696	115 696	115 696	115 696	121 249	126 584	132 280
Dividends received										
Fines, penalties and forfeits	24 938	10 864	16 659	21 407	21 407	21 407	21 407	22 435	23 422	24 476
Licences and permits	15 156	12 587	12 411	18 835	18 835	18 835	18 835	19 739	20 607	21 535
Agency services	26 198	21 676	25 112	39 070	39 070	39 070	39 070	40 945	42 747	44 670
Transfers and subsidies	918 696	979 243	1 202 782	1 167 537	1 248 276	1 248 276	1 248 276	1 315 276	1 364 078	1 424 924
Other revenue	693 396	601 462	748 140	860 706	860 706	860 706	860 706	937 718	965 748	1 022 920
Gains	-	4 254	34 411	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	6 164 546	6 573 796	7 750 719	8 087 386	8 172 794	8 172 794	8 172 794	8 794 651	9 318 033	9 919 790
Expenditure By Type										
Employee related costs	2 472 782	2 180 296	2 472 782	2 505 603	2 526 948	2 526 948	2 526 948	2 645 125	2 761 736	2 885 569
Remuneration of councillors	62 316	64 687	63 813	76 550	67 045	67 045	67 045	70 263	73 354	76 655
Debt impairment	373 183	601 842	926 950	871 973	966 894	966 894	966 894	1 225 592	1 310 668	1 402 864
Depreciation & asset impairment	1 400 787	1 709 074	1 400 787	648 178	648 178	648 178	648 178	616 412	642 676	730 521
Finance charges	38 467	32 564	25 757	59 932	23 231	23 231	23 231	49 356	153 635	161 560
Bulk purchases - electricity	1 631 905	1 528 586	1 631 905	2 010 261	2 010 261	2 010 261	2 010 261	2 203 447	2 401 757	2 617 915
Inventory consumed	86 509	338 317	284 440	435 388	395 363	395 363	395 363	323 789	342 271	367 441
Contracted services	626 011	663 059	626 011	795 239	849 774	849 774	849 774	845 334	832 797	865 601
Transfers and subsidies	91 603	130 821	104 708	161 059	147 783	147 783	147 783	173 045	143 488	138 054
Other expenditure	102 639	513 749	586 045	520 837	534 952	534 952	534 952	555 657	561 140	570 488
Losses	39 359	13 683	22 200	-	-	-	-	85 417	93 399	101 984
Total Expenditure	6 925 562	7 776 677	8 145 398	8 085 019	8 170 428	8 170 428	8 170 428	8 793 437	9 316 921	9 918 653
Surplus/(Deficit)	(761 015)	(1 202 882)	(394 679)	2 367	2 367	2 367	2 367	1 214	1 112	1 137
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	997 754	1 010 413	1 069 736	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	1 178	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	279 067	-	10 036	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	515 806	(192 468)	686 271	734 866	738 915	738 915	738 915	735 090	752 084	796 965
Taxation										
Surplus/(Deficit) after taxation	515 806	(192 468)	686 271	734 866	738 915	738 915	738 915	735 090	752 084	796 965
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	515 806	(192 468)	686 271	734 866	738 915	738 915	738 915	735 090	752 084	796 965
Share of surplus/ (deficit) of associate	29 467	105 684	(26 628)	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	545 273	(86 785)	659 643	734 866	738 915	738 915	738 915	735 090	752 084	796 965

Table 98: MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote										
Multi-year expenditure to be appropriated										
Vote 01 - Directorate - Executive Support Services	2 699	2 783	480	3 800	6 387	6 387	6 387	500	500	500
Vote 02 - Directorate - Municipal Manager	138 443	777	89	4 969	3 907	3 907	3 907	600	600	500
Vote 03 - Directorate - Human Settlement	154 871	268 249	433 952	292 385	285 885	285 885	285 885	241 992	315 298	268 944
Vote 04 - Directorate - Chief Financial Officer	23 152	69 252	112 064	254 515	185 382	185 382	185 382	254 714	235 028	13 500
Vote 05 - Directorate - Corporate Services	655	30 114	10 638	12 082	16 691	16 691	16 691	4 980	4 650	11 650
Vote 06 - Directorate - Infrastructure Services	1 020 173	737 607	663 463	932 660	954 744	954 744	954 744	1 280 245	943 321	746 371
Vote 07 - Directorate - Spatial Planning And Development	229 832	232 207	143 363	110 118	130 389	130 389	130 389	102 341	131 617	83 458
Vote 08 - Directorate - Health / Public Safety & Emergency Services	34 533	8 257	22 932	22 000	30 299	30 299	30 299	22 900	27 188	15 500
Vote 09 - Directorate - Municipal Services	120 108	137 421	76 063	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	29 780	60 999	127 070	122 500	141 593	141 593	141 593	103 561	79 100	43 139
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	23 862	27 390	27 390	27 390	32 819	36 000	72 020
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	23 500	43 683	43 683	43 683	39 570	35 650	29 550
Capital multi-year expenditure sub-total	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132
Single-year expenditure to be appropriated										
Vote 01 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-	-
Vote 02 - Directorate - Municipal Manager	-	-	-	-	-	-	-	-	-	-
Vote 03 - Directorate - Human Settlement	-	-	-	-	-	-	-	-	-	-
Vote 04 - Directorate - Chief Financial Officer	-	-	-	-	-	-	-	-	-	-
Vote 05 - Directorate - Corporate Services	-	-	-	-	-	-	-	-	-	-
Vote 06 - Directorate - Infrastructure Services	-	-	-	-	-	-	-	-	-	-
Vote 07 - Directorate - Spatial Planning And Development	-	-	-	-	-	-	-	-	-	-
Vote 08 - Directorate - Health / Public Safety & Emergency Services	-	-	-	-	-	-	-	-	-	-
Vote 09 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	-	-	-	-	-	-	-	-	-
Vote 11 - Directorate - Solid Waste, Environmental & Health Management	-	-	-	-	-	-	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132

MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source (continued)

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Capital Expenditure - Functional										
<i>Governance and administration</i>	252 178	133 207	170 418	328 367	266 805	266 805	266 805	287 794	265 278	51 650
Executive and council	137 947	32 649	9 500	10 930	21 913	21 913	21 913	4 830	1 000	8 000
Finance and administration	114 232	100 558	160 919	317 437	244 891	244 891	244 891	282 964	264 278	43 650
Internal audit										
<i>Community and public safety</i>	248 314	316 498	488 865	343 900	367 510	367 510	367 510	307 812	380 136	323 714
Community and social services	22 562	12 081	20 665	14 800	15 313	15 313	15 313	26 400	24 950	17 450
Sport and recreation	37 560	27 961	16 687	10 900	34 129	34 129	34 129	16 520	13 200	16 820
Public safety	31 692	7 107	17 180	20 700	26 840	26 840	26 840	20 900	25 688	14 000
Housing	154 871	268 249	433 952	292 385	285 885	285 885	285 885	241 992	315 298	268 944
Health	1 628	1 102	380	5 115	5 343	5 343	5 343	2 000	1 000	6 500
<i>Economic and environmental services</i>	707 056	542 865	489 013	420 408	506 541	506 541	506 541	475 569	274 953	234 189
Planning and development	214 045	213 624	130 682	82 118	90 951	90 951	90 951	80 341	107 117	67 958
Road transport	491 793	327 124	358 331	338 290	415 590	415 590	415 590	395 228	167 837	166 232
Environmental protection	1 218	2 117	-	-	-	-	-	-	-	-
<i>Trading services</i>	516 918	494 097	314 748	587 217	543 902	543 902	543 902	909 486	809 484	632 439
Energy sources	143 106	133 475	120 908	123 420	122 870	122 870	122 870	145 513	148 874	167 834
Water management	166 997	122 702	78 202	121 543	111 543	111 543	111 543	166 980	277 205	314 028
Waste water management	146 835	142 609	71 555	324 406	289 741	289 741	289 741	567 524	349 405	88 778
Waste management	59 981	95 312	44 082	17 847	19 747	19 747	19 747	29 469	34 000	61 800
<i>Other</i>	29 780	60 999	127 070	122 500	141 593	141 593	141 593	103 561	79 100	43 139
Total Capital Expenditure - Functional	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132
Funded by:										
National Government	886 601	903 947	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Provincial Government	7 456	1 579	-	-	-	-	-	-	-	-
District Municipality										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	894 057	905 526	970 986	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Borrowing	-	-	3 079	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Internally generated funds	860 189	642 141	616 049	700 179	854 491	854 491	854 491	617 733	435 484	349 304
Total Capital Funding	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132

Table 99: MBRR Table A6 - Budgeted Financial Position

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS										
Current assets										
Cash	243 026	238 711	231 447	80 000	80 000	80 000	80 000	80 000	80 000	80 000
Call investment deposits	924 619	1 118 867	894 632	1 225 637	1 171 626	1 171 626	1 171 626	804 108	635 032	618 625
Consumer debtors	973 267	1 183 764	1 581 274	1 498 419	1 498 419	1 498 419	1 498 419	1 766 723	1 917 850	2 071 082
Other debtors	583 300	680 143	785 494	609 549	609 549	609 549	609 549	823 198	859 419	898 092
Current portion of long-term receivables	-	-	-	-	-	-	-	-	-	-
Inventory	37 412	34 408	36 978	40 305	40 305	40 305	40 305	38 187	38 687	39 187
Total current assets	2 761 624	3 255 894	3 529 825	3 453 910	3 399 898	3 399 898	3 399 898	3 512 215	3 530 986	3 706 986
Non current assets										
Long-term receivables	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Investment property	401 546	406 526	436 049	419 941	419 941	419 941	419 941	440 098	459 462	480 138
Investment in Associate	597 392	703 076	676 449	755 757	755 757	755 757	755 757	708 919	740 111	773 416
Property, plant and equipment	19 720 993	19 199 672	21 514 676	21 390 306	21 416 567	21 416 567	21 416 567	22 902 833	23 281 101	23 506 990
Biological	-	-	-	-	-	-	-	-	-	-
Intangible	18 103	13 563	11 736	19 392	14 092	14 092	14 092	12 299	13 983	14 595
Other non-current assets	50 513	50 513	50 513	52 483	55 481	55 481	55 481	50 513	50 513	50 513
Total non current assets	20 788 548	20 373 351	22 689 423	22 637 880	22 661 838	22 661 838	22 661 838	24 114 663	24 545 171	24 825 652
TOTAL ASSETS	23 550 173	23 629 244	26 219 248	26 091 789	26 061 736	26 061 736	26 061 736	27 626 878	28 076 158	28 532 637
LIABILITIES										
Current liabilities										
Bank overdraft	-	-	-	-	-	-	-	-	-	-
Borrowing	57 974	54 396	45 191	50 892	54 348	54 348	54 348	56 859	61 220	61 085
Consumer deposits	64 109	70 143	74 226	69 607	69 607	69 607	69 607	77 789	81 212	84 866
Trade and other payables	1 194 187	1 860 581	1 573 455	1 265 497	1 265 497	1 265 497	1 265 497	1 325 908	1 384 247	1 446 538
Provisions	294 224	376 859	378 433	317 610	317 610	317 610	317 610	396 598	414 048	432 680
Total current liabilities	1 610 493	2 361 978	2 071 305	1 703 606	1 707 062	1 707 062	1 707 062	1 857 153	1 940 727	2 025 168
Non current liabilities										
Borrowing	287 581	233 185	187 994	451 974	368 635	368 635	368 635	1 422 411	1 501 191	1 440 106
Provisions	690 722	643 954	808 101	793 754	793 754	793 754	793 754	831 865	847 841	885 993
Total non current liabilities	978 302	877 139	996 095	1 245 728	1 162 389	1 162 389	1 162 389	2 254 276	2 349 032	2 326 099
TOTAL LIABILITIES	2 588 795	3 239 118	3 067 400	2 949 333	2 869 451	2 869 451	2 869 451	4 111 429	4 289 758	4 351 268
NET ASSETS	20 961 378	20 390 127	23 151 848	23 142 456	23 192 286	23 192 286	23 192 286	23 515 449	23 786 400	24 181 370
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	11 084 278	9 460 565	11 562 643	13 374 616	13 424 446	13 424 446	13 424 446	13 402 806	13 623 757	13 968 727
Reserves	9 877 100	10 929 562	11 589 205	9 767 840	9 767 840	9 767 840	9 767 840	10 112 643	10 162 643	10 212 643
TOTAL COMMUNITY WEALTH/EQUITY	20 961 378	20 390 127	23 151 848	23 142 456	23 192 286	23 192 286	23 192 286	23 515 449	23 786 400	24 181 370

Table 100: MBRR Table A7 - Budgeted Cash Flow Statement

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	1 299 753	1 468 355	1 589 415	1 577 897	1 577 897	1 577 897	1 577 897	1 576 364	1 645 724	1 719 782
Service charges	3 000 623	3 180 242	3 937 345	3 421 416	3 426 085	3 426 085	3 426 085	3 483 129	3 764 982	4 071 528
Other revenue	224 698	69 564	(623 535)	955 045	955 045	955 045	955 045	851 289	878 095	928 650
Transfers and Subsidies - Operational	918 696	979 243	1 202 782	1 167 537	1 248 276	1 248 276	1 248 276	1 315 276	1 364 078	1 424 924
Transfers and Subsidies - Capital	997 754	1 010 413	1 069 736	732 499	736 548	736 548	736 548	733 875	750 972	795 828
Interest	188 481	192 171	160 222	130 361	130 361	130 361	130 361	30 239	30 542	30 847
Dividends								-	-	-
Payments										
Suppliers and employees	(5 349 403)	(4 846 287)	(5 754 095)	(6 343 878)	(6 384 342)	(6 384 342)	(6 384 342)	(6 729 032)	(7 066 454)	(7 485 653)
Finance charges	(38 467)	(32 564)	(25 757)	(59 932)	(23 231)	(23 231)	(23 231)	(49 356)	(153 635)	(161 560)
Transfers and Grants	(102 451)	(130 821)	(104 708)	(161 059)	(147 783)	(147 783)	(147 783)	(173 045)	(143 488)	(138 054)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 139 685	1 890 315	1 451 404	1 419 886	1 518 857	1 518 857	1 518 857	1 038 740	1 070 817	1 186 290
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	9 191	10 324	36 769	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables								-	-	-
Decrease (increase) in non-current investments								-	-	-
Payments										
Capital assets	(1 753 788)	(1 652 733)	(1 665 277)	(1 802 392)	(1 826 350)	(1 826 350)	(1 826 350)	(2 084 222)	(1 808 952)	(1 285 132)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 744 597)	(1 642 409)	(1 628 508)	(1 802 392)	(1 826 350)	(1 826 350)	(1 826 350)	(2 084 222)	(1 808 952)	(1 285 132)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-	-	-
Borrowing long term/refinancing	-	-	-	369 714	235 311	235 311	235 311	732 614	622 495	140 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	8 182	3 423	3 655
Payments										
Repayment of borrowing	(52 572)	(57 974)	(54 396)	(50 892)	(45 512)	(45 512)	(45 512)	(62 833)	(56 859)	(61 220)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(52 572)	(57 974)	(54 396)	318 822	189 799	189 799	189 799	677 964	569 059	82 435
NET INCREASE/ (DECREASE) IN CASH HELD	(657 484)	189 932	(231 500)	(63 683)	(117 694)	(117 694)	(117 694)	(367 518)	(169 076)	(16 407)
Cash/cash equivalents at the year begin:	1 825 130	1 167 646	1 357 578	1 369 320	1 369 320	1 369 320	1 369 320	1 251 626	884 108	715 032
Cash/cash equivalents at the year end:	1 167 646	1 357 578	1 126 078	1 305 637	1 251 626	1 251 626	1 251 626	884 108	715 032	698 625

Table 101: MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available										
Cash/cash equivalents at the year end	1 167 646	1 357 578	1 126 078	1 305 637	1 251 626	1 251 626	1 251 626	884 108	715 032	698 625
Other current investments > 90 days	(0)	-	-	0	-	-	-	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-	-	-
Cash and investments available:	1 167 646	1 357 578	1 126 078	1 305 637	1 251 626	1 251 626	1 251 626	884 108	715 032	698 625
Application of cash and investments										
Unspent conditional transfers	207 657	527 613	259 995	520 211	520 211	520 211	520 211	760 966	794 923	830 207
Unspent borrowing	-	-	-	-	-	-	-	-	-	-
Statutory requirements										
Other working capital requirements	(381 794)	(311 428)	(495 139)	(1 078 060)	(1 076 666)	(1 076 666)	(1 076 666)	(1 490 123)	(1 614 990)	(1 741 029)
Other provisions	296 076	305 382	386 978	319 125	256 453	256 453	256 453	336 597	352 081	352 081
Long term investments committed	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments										
Total Application of cash and investments:	121 939	521 567	151 833	(238 724)	(300 001)	(300 001)	(300 001)	(392 560)	(467 986)	(558 741)
Surplus(shortfall)	1 045 707	836 011	974 245	1 544 361	1 551 627	1 551 627	1 551 627	1 276 668	1 183 018	1 257 366

MBRR Table A9 – Asset Management (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand									
CAPITAL EXPENDITURE									
Total Upgrading of Existing Assets	403 642	311 922	493 299	673 972	762 460	762 460	1 065 087	590 708	273 218
Roads Infrastructure	169 777	70 505	232 087	252 224	344 067	344 067	364 539	152 698	107 732
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	28 020	43 348	13 906	10 000	10 000	10 000	25 000	30 000	36 000
Water Supply Infrastructure	66 431	19 459	15 228	7 155	7 155	7 155	7 204	7 155	10 000
Sanitation Infrastructure	28 518	65 638	63 519	301 376	272 711	272 711	557 524	338 405	69 278
Solid Waste Infrastructure	2 794	-	-	-	142	142	-	-	-
Infrastructure	295 540	198 949	324 739	570 755	634 076	634 076	954 267	528 258	223 010
Community Facilities	67 539	64 547	36 612	34 744	39 411	39 411	50 900	28 450	39 408
Sport and Recreation Facilities	15 819	16 095	94 686	54 700	76 042	76 042	52 450	24 400	4 500
Community Assets	83 359	80 641	131 298	89 444	115 454	115 454	103 350	52 850	43 908
Heritage Assets	-	1 544	152	1 000	3 223	3 223	1 000	1 000	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	23 706	28 793	36 571	10 873	8 458	8 458	5 070	7 000	4 600
Housing	-	-	-	-	-	-	-	-	-
Other Assets	23 706	28 793	36 571	10 873	8 458	8 458	5 070	7 000	4 600
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	1 500	850	850	1 000	1 000	1 000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	1 037	1 995	539	400	400	400	400	600	700
Total Capital Expenditure	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132
Roads Infrastructure	735 592	558 282	570 267	480 264	607 856	607 856	510 044	337 316	281 445
Storm water Infrastructure	16 250	156 443	27 334	28 860	31 925	31 925	20 800	28 710	26 310
Electrical Infrastructure	173 580	163 336	180 913	182 692	167 971	167 971	241 332	234 895	168 834
Water Supply Infrastructure	186 233	149 787	114 957	393 312	270 108	270 108	403 181	522 038	426 903
Sanitation Infrastructure	207 793	168 143	169 425	386 206	343 698	343 698	612 366	416 305	154 324
Solid Waste Infrastructure	49 727	39 919	3 434	-	653	653	-	-	-
Information and Communication Infrastructure	88 336	17 253	2 987	3 000	4 937	4 937	2 500	-	4 500
Infrastructure	1 457 512	1 253 162	1 069 316	1 474 334	1 427 149	1 427 149	1 790 222	1 539 264	1 062 315
Community Facilities	92 049	77 635	51 396	70 144	69 596	69 596	92 900	78 538	72 827
Sport and Recreation Facilities	18 478	16 933	94 735	55 150	77 792	77 792	56 150	26 500	7 620
Community Assets	110 527	94 567	146 131	125 294	147 388	147 388	149 050	105 038	80 447
Heritage Assets	839	5 526	160	2 500	6 315	6 315	2 500	2 000	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	30 238	34 166	40 997	33 173	37 272	37 272	38 539	39 500	22 900
Housing	-	-	176 873	41 000	54 790	54 790	21 200	43 000	5 000
Other Assets	30 238	34 166	217 869	74 173	92 062	92 062	59 739	82 500	27 900
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	4 506	53 718	27 844	7 500	18 470	18 470	8 500	3 000	3 000
Intangible Assets	4 506	53 718	27 844	7 500	18 470	18 470	8 500	3 000	3 000
Computer Equipment	5 222	2 836	3 750	2 300	3 927	3 927	-	400	1 400
Furniture and Office Equipment	11 777	7 938	5 462	21 079	28 716	28 716	9 650	14 350	15 750
Machinery and Equipment	39 996	46 466	43 908	27 048	31 089	31 089	16 161	19 800	38 119
Transport Assets	92 592	47 292	75 135	46 763	44 761	44 761	33 000	27 000	40 500
Land	-	-	-	21 000	26 073	26 073	15 000	15 000	15 000
Zoo's, Marine and Non-biological Animals	1 037	1 995	539	400	400	400	400	600	700
TOTAL CAPITAL EXPENDITURE - Asset class	1 754 246	1 547 666	1 590 115	1 802 392	1 826 350	1 826 350	2 084 222	1 808 952	1 285 132

MBRR Table A9 – Asset Management (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand									
ASSET REGISTER SUMMARY - PPE (WDV)	16 176 165	15 434 501	17 447 510	20 696 363	20 239 122	20 239 122	16 723 328	17 400 827	18 313 166
<i>Roads Infrastructure</i>	4 869 820	4 752 462	5 463 769	4 759 078	4 741 488	4 741 488	4 186 472	4 184 831	4 189 831
<i>Storm water Infrastructure</i>	(71 241)	(96 470)	(96 279)	18 162	16 662	16 662	1 000	500	500
<i>Electrical Infrastructure</i>	3 777 319	3 423 469	3 903 095	5 264 436	4 943 461	4 943 461	4 133 767	4 127 331	4 147 790
<i>Water Supply Infrastructure</i>	2 598 080	2 468 644	2 816 347	3 445 354	3 408 449	3 408 449	1 632 674	1 631 125	1 749 969
<i>Sanitation Infrastructure</i>	1 742 648	1 765 574	1 910 251	3 666 801	3 657 301	3 657 301	1 801 416	1 793 416	1 793 416
<i>Solid Waste Infrastructure</i>	(3 069)	107 939	4 839	1 112 962	1 113 616	1 113 616	–	–	–
<i>Rail Infrastructure</i>	(133)	(226)	(293)	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	75	75	(141)	184 474	186 410	186 410	2 500	–	4 500
Infrastructure	12 913 500	12 421 467	14 001 587	18 451 267	18 067 387	18 067 387	11 757 829	11 737 203	11 886 007
Community Assets	1 276 985	1 121 344	1 272 318	347 060	297 633	297 633	11 830	35 830	(550)
Heritage Assets	49 780	50 513	50 513	52 483	55 481	55 481	50 513	50 513	50 513
Investment properties	401 546	406 526	436 049	419 941	419 941	419 941	440 098	459 462	480 138
Other Assets	980 728	916 328	1 101 231	1 626 007	1 602 440	1 602 440	366 882	366 482	374 982
Biological or Cultivated Assets									
Intangible Assets	19 339	13 563	11 736	19 392	14 092	14 092	12 299	13 983	14 595
Computer Equipment	306	306	(2 288)	29 677	31 354	31 354	5 048	4 948	6 448
Furniture and Office Equipment	49 134	56 518	124 786	(427 906)	(425 527)	(425 527)	3 896 579	4 552 117	5 298 226
Machinery and Equipment	46 109	38 137	45 833	83 808	84 229	84 229	38 515	42 554	56 574
Transport Assets	356 676	328 140	324 088	94 633	92 091	92 091	143 734	137 734	146 234
Land	81 658	81 658	81 658	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	404	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	16 176 165	15 434 501	17 447 510	20 696 363	20 239 122	20 239 122	16 723 328	17 400 827	18 313 166
EXPENDITURE OTHER ITEMS	1 785 307	2 091 319	1 785 307	1 055 787	1 062 436	1 062 436	1 060 885	1 096 038	1 220 152
Depreciation	1 400 787	1 709 074	1 400 787	648 178	648 178	648 178	616 412	642 676	730 521
Repairs and Maintenance by Asset Class	384 520	382 245	384 520	407 609	414 258	414 258	444 472	453 362	489 631
<i>Roads Infrastructure</i>	112 702	103 553	105 276	104 742	104 728	104 728	106 299	108 425	117 099
<i>Storm water Infrastructure</i>	11 713	10 266	10 047	10 929	10 929	10 929	11 093	11 315	12 220
<i>Electrical Infrastructure</i>	36 743	35 473	35 299	36 306	36 306	36 306	36 851	37 588	40 595
<i>Water Supply Infrastructure</i>	2 162	2 711	2 911	3 270	3 270	3 270	3 320	3 386	3 657
<i>Sanitation Infrastructure</i>	29 232	32 199	25 986	26 546	27 015	27 015	27 421	27 969	30 206
<i>Solid Waste Infrastructure</i>	2 010	1 121	1 201	1 268	1 268	1 268	1 287	1 313	1 418
<i>Rail Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	–	–	–	–	–	–	–	–
Infrastructure	194 562	185 323	180 719	183 062	183 518	183 518	186 271	189 996	205 196
Community Facilities	5 830	5 245	6 857	4 726	5 126	5 126	5 203	5 307	5 732
Sport and Recreation Facilities	1 805	1 769	2 081	1 722	1 722	1 722	1 748	1 783	1 926
Community Assets	7 635	7 014	8 938	6 449	6 849	6 849	6 951	7 090	7 658
Heritage Assets	–	9	9	9	9	9	9	10	10
<i>Revenue Generating</i>	–	–	–	–	–	–	–	–	–
<i>Non-revenue Generating</i>	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
<i>Operational Buildings</i>	23 151	24 548	26 692	29 282	29 352	29 352	34 292	34 978	37 776
<i>Housing</i>	–	–	–	–	–	–	–	–	–
Other Assets	23 151	24 548	26 692	29 282	29 352	29 352	34 292	34 978	37 776
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
<i>Servitudes</i>	–	–	–	–	–	–	–	–	–
<i>Licences and Rights</i>	–	–	–	653	653	653	663	676	731
Intangible Assets	–	–	–	653	653	653	663	676	731
Computer Equipment	1 233	672	604	1 181	1 181	1 181	1 198	1 222	1 320
Furniture and Office Equipment	7 651	5 146	6 831	7 826	7 821	7 821	7 939	8 097	8 745
Machinery and Equipment	127 316	132 224	134 004	149 881	154 160	154 160	175 472	178 982	193 300
Transport Assets	22 972	27 308	26 724	29 266	30 716	30 716	31 677	32 310	34 895
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS	1 785 307	2 091 319	1 785 307	1 055 787	1 062 436	1 062 436	1 060 885	1 096 038	1 220 152

Table 103: MBRR Table A10 – Basic Service Delivery Measurement

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets									
Water:									
Piped water inside dwelling	40 769	122 000	123 791	124 100	124 100	124 100	124 410	124 721	125 032
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	126 407	126 607	126 739	126 430	126 430	126 430	126 120	126 809	127 498
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	167 176	248 607	250 530	250 530	250 530	250 530	250 530	251 530	252 530
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
<i>Below Minimum Service Level sub-total</i>	5 070	4 870	2 947	2 947	2 947	2 947	2 947	1 947	947
Total number of households	172 246	253 477	253 477	253 477	253 477	253 477	253 477	253 477	253 477
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	154 125	154 125	154 151	154 151	154 151	154 151	155 151	155 651	156 151
Flush toilet (with septic tank)	5 437	5 437	5 445	5 445	5 445	5 445	5 449	5 451	5 453
Chemical toilet	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544	3 544
Pit toilet (ventilated)	43 353	47 087	50 355	50 355	50 355	50 355	56 755	59 955	63 155
Other toilet provisions (> min.service level)	16 444	16 444	16 344	16 344	16 344	16 344	16 344	16 344	16 344
<i>Minimum Service Level and Above sub-total</i>	222 903	226 637	229 839	229 839	229 839	229 839	237 243	240 945	244 647
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	1 789	15 257	10 542	10 542	10 542	10 542	9 607	8 615	5 165
Total number of households	224 692	241 894	240 381	240 381	240 381	240 381	246 850	249 560	249 812
Energy:									
Electricity (at least min.service level)	7 002	5 692	5 598	5 692	5 692	5 692	5 164	5 164	5 164
Electricity - prepaid (min.service level)	121 060	127 623	130 292	131 292	131 292	131 292	131 992	132 492	132 992
<i>Minimum Service Level and Above sub-total</i>	128 062	133 315	135 890	136 984	136 984	136 984	137 156	137 656	138 156
Electricity (< min.service level)	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	39 000	37 500	37 500	37 000	37 000	37 000	37 000	36 500	36 000
Total number of households	167 062	170 815	173 390	173 984	173 984	173 984	174 156	174 156	174 156
Refuse:									
Removed at least once a week	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
<i>Minimum Service Level and Above sub-total</i>	128 544	128 673	136 517	137 800	137 800	137 800	138 000	139 000	139 000
Removed less frequently than once a week	40 556	40 556	45 000	40 556	40 556	40 556	40 556	40 556	40 556
Using communal refuse dump	2	2	8	6	6	6	2	2	1
Using own refuse dump	1	1	6	4	4	4	4	3	2
Other rubbish disposal	4	4	4	4	4	4	4	3	2
No rubbish disposal	3	3	4	4	4	4	3	2	2
<i>Below Minimum Service Level sub-total</i>	40 566	40 566	45 022	40 574	40 574	40 574	40 569	40 566	40 563
Total number of households	169 110	169 239	181 539	178 374	178 374	178 374	178 569	179 566	179 563

MBRR Table A10 – Basic Service Delivery Measurement (continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	40 119	40 321	40 321	40 321	40 321	40 321	42 821	45 321	47 821
Sanitation (free minimum level service)	32 576	38 219	38 219	38 219	38 219	38 219	35 076	37 576	40 076
Electricity/other energy (50kwh per household per month)	77 394	81 304	72 569	61 194	61 194	61 194	63 694	66 194	68 694
Refuse (removed at least once a week)	34 619	42 191	42 191	42 191	42 191	42 191	44 691	47 191	49 691
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	182 891	206 416	218 559	193 557	193 557	193 557	212 215	231 315	252 133
Sanitation (free sanitation service to indigent households)	66 845	56 381	61 503	93 799	93 799	93 799	98 301	102 626	107 244
Electricity/other energy (50kwh per indigent household per month)	45 971	49 660	44 962	76 918	76 918	76 918	84 310	91 897	100 168
Refuse (removed once a week for indigent households)	117 687	104 312	110 803	158 955	158 955	158 955	166 585	173 914	181 740
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	187 899	206 816	209 553	230 126	230 126	230 126	266 534	292 840	321 753
Total cost of FBS provided	601 293	623 586	645 381	753 354	753 354	753 354	827 945	892 593	963 039
Highest level of free service provided per household									
Property rates (R value threshold)	120 000	120 000	120 000	120 000	120 000	120 000	120 000	120 000	120 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)	114	86	94	102	102	102	107	112	117
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	170	170	170	170	170	170	170	170	170
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)									
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	110 082	107 071	110 082	233 527	233 527	233 527	249 239	260 206	271 915
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates									
Housing - top structure subsidies									
Other									
Total revenue cost of subsidised services provided	110 082	107 071	110 082	233 527	233 527	233 527	249 239	260 206	271 915

2.17 CITY MANAGER'S QUALITY CERTIFICATE

I **Andile Sihlahla**, City Manager of Buffalo City Metropolitan Municipality, hereby certify that the Draft 2022/2023 Medium-Term Revenue and Expenditure Framework and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Andile Sihlahla

City Manager of Buffalo City Metropolitan Municipality (BUF)

Signature _____

Date _____

ANNEXURES:

- C.1. 2022/2023 MTREF Capital Projects - Per Programme/Project
- C.2. 2022/2023 MTREF Capital Projects – Detailed Schedule
- D.1. 2022/2023 MTREF Operating Projects-Per Programme/Project
- D.2. 2022/2023 MTREF Operating Projects – Detailed Schedule
- E: BCMM mSCOA Systems Implementation Status Report
- F: 2022/2023 Tariff Book
- G: 2022/2023 Tariff Policy
- H: 2022/2023 Property Rates Policy & Property Rates By-Law
- I: 2022/2023 Supply Chain Management Policy
- J: 2022/2023 Immovable Asset Policy
- K: 2022/2023 Movable Asset Policy
- L: 2022/2023 Budget Virement Policy
- M: 2022/2023 Funding and Reserves Policy
- N: 2022/2023 Credit Control Policy
- O: 2022/2023 Indigent Support Policy
- P: 2022/2023 Long-Term Borrowing Policy
- Q: 2022/2023 Capital Infrastructure Investment Policy
- R: 2022/2023 Long-Term Financial Planning Policy
- S: 2022/2023 Budget Management and Oversight Policy
- T: 2022/2023 Investment & Cash Management Policy
- U: 2022/2023 Cost Containment Policy
- V: 2022/2023 Service Level Standards
- W: MFMA Circular 112 and 115
- X: Consolidated Draft 2022/2023 MTREF A-Schedules
- Y: Draft 2022/2023 MTREF A-Schedules (Parent)
- Z: Draft 2022/2023 MTREF D-Schedules (Municipal Entity: BCMDA)
- AA: Draft 2022/2023 Built Environmental Performance Plan