



ANNUAL BUDGET OF BUFFALO CITY METROPOLITAN MUNICIPALITY

2023/2024 to 2025/2026

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



31 MAY 2023

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ABBREVIATIONS AND ACRONYMS

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

PART 1 – ANNUAL BUDGET

1.1 EXECUTIVE MAYOR’S REPORT

The City is tabling a budget under subdued economic times that are characterized by an uneven recovery, resulting to high levels of unemployment, high cost of living and constrained business environment. This time requires the City to be agile, responsive and efficient in order for it to rescue the City’s economy from the severe effects of the COVID-19 pandemic, the international fluctuations affecting food and related prices, the energy crisis and other attendant matters.

The City is tabling a total budget of R10.62 billion consisting of the operating expenditure budget of R9.40 billion and the capital budget of R1.22 billion for 2023/2024 budget year. This budget increases to R11.26 billion in the 2024/2025 financial year, made up of R10.09 billion for operating expenditure budget and R1.17 billion for capital budget. It further increases to R12.08 billion in 2025/2026 financial year made up of R10.89 billion for operating expenditure and R1.19 billion for capital budget.

The proposed annual budget for 2023/2024 to 2025/2026 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.

The 2023/2024 MTREF is being prepared under a very challenging economic reality. While the City is still recovering from the effects of COVID-19, the heightened geopolitical tensions at a global level and recurring natural disasters are also felt. The war between Russia and Ukraine is dragging on for far too long. It is a fact that the war will continue to impair the production and trade of many commodities, more particularly energy and food.

The City is familiar with the new normal of natural disasters as it experienced devastating flash floods at the beginning of year 2022. These realities have meant that the economy globally and domestically has not been able to recover, leading to many pressures, more

particularly the reality of high inflation. All these realities have made the South African Reserve Bank lower the economic growth forecast whilst simultaneously raising the repo rate.

The challenges of energy reliability have added additional pressures, with load-shedding currently something that has gained some form of permanence in our country. In the context of this bleak reality of continued darkness, Eskom has been granted an 18.65 percent tariff increase by NERSA, a reality that will surely pit us against consumers.

The rising unemployment rates and economic contraction has affected business and residents' ability to pay their accounts, including municipal accounts. The City had to eliminate nice to have items by enforcing cost containment measures to be able to keep the rates and tariff increases as low as possible so as to not over burden the consumer.

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).

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 Eastern Cape Department of Health's Daily Epidemiological Reports
- Financial Performance of BCMM during 2020, 2021 and 2022 financial years
- The provincial budget speech 2023

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

On 14 March 2023, the Honourable MEC for Finance in our Province tabled the provincial budget speech premised upon the following principles:

- Resourcing economic development initiatives whilst protecting social services.
- Strengthening government capacity to implement infrastructure projects and deliver services; and
- Encouraging good governance and transparency to realise value.

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 5,500 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;
- **KWT & Bisho Infrastructure** - Design and construction of Kei Road / Border Post Water Treatment Works and Conveyance Project seeks to improve the treated drinking water supply to the Upper Buffalo Water Supply Scheme; 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 four largest capital projects for **sanitation services** are:

- **Bisho, KWT & Zwelitsha Bulk Regional Sewer Scheme** to allow for decommission of Schornville, Bisho, and Breidbach treatment works and diversion of flows to Zwelitsha.
- **Renewal of Infrastructure Treatment Works** to upgrade the existing wastewater treatment works.
- **Mdantsane Wastewater Treatment Works** to refurbish Mdantsane wastewater treatment works.
- **Sanitation Facilities in Informal Settlements** to provide new ablution facilities in informal settlements around BCMM.

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:

- **Construction of Road Infrastructure (Toyana Road)** Pedestrianization and landscaping of the Toyana Road to enhance the movement of pedestrians from Mount Ruth Train station to the Mdantsane Urban Hub.
- **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.
- **Sleeper Site Road** Upgrading of Currie Street to Dual Carriageway with Central Island, Stormwater Works, Electrical Lighting. The desired outcome is to provide Safe Linkage between the N2 & R72 to the King Phalo Airport.

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 2021/2022, the City had completed 213 top structures, 269 internal services and 2,024 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 electrification, 627 dwellings have been electrified. In order to effectively reduce electricity losses and other effects of illegal connections, electrification of informal areas that can be made safe to install electricity needs to be increased. To aid in increasing electrification ready areas, a standard operations process has been finalised that clearly defines the role of each directorate in ensuring areas are ready for electricity and other services. 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 2023/2024 MTREF period.

Yours in Public Service,

Cllr Malibongwe Mfazwe
BCMM Acting Executive Mayor

1.2 COUNCIL RESOLUTIONS

On 31 May 2023 the Council of Buffalo City Metropolitan Municipality convenes to consider the Revised 2023/2024 Integrated Development Plan (IDP), 2023/2024 Medium Term Revenue and Expenditure Framework (MTREF) and Final Built Environment Performance Plan (BEPP) 2023/2024: BCMM Catalytic Land Development Programmes. 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 Revised 2023/2024 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 Final Built Environment Performance Plan (BEPP) 2023/2024: BCMM Catalytic Land Development Programmes.
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 Annual Budget of the municipality for the 2023/2024 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 Annual Budget of the parent municipality for the 2023/2024 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 Annual Budget of the municipal entity (BCMDA) for the 2023/2024 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 2023:
 - 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 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. Property Rates Policy – as set out in Annexure H
 - 6.2. Supply Chain Management Policy – as set out in Annexure I
 - 6.3. Immovable Asset Policy – as set out in Annexure J
 - 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. Budget Management and Oversight Policy – as set out in Annexure S

6.9. 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 Revised 2023/2024 Integrated Development Plan be **approved**.
10. Council **notes** that the Consolidated 2023/2024 MTREF Budget tabled for adoption is structured in terms of the Buffalo City Metropolitan Municipality votes and functions.
11. MFMA Circular 122 and 123 for the 2023/2024 MTREF attached as Annexure W be **noted** by Council.

M. MFAZWE

ACTING 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 2023/2024 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 two years 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 completely lift water restrictions and punitive tariffs to consumers as from the 1st of November 2022, which was a welcome relief to the pockets of consumers. The dams that supply raw water to the City are all between 99% and 103% full, which is good for the security of water supply.

Water and electricity losses remain unacceptably high. Electricity losses decreased from 22.80 per cent in 2020/2021 to 20.47 per cent in 2021/2022 and water loses slightly increased from 36.27 per cent in 2020/2021 to 37.50 per cent in 2021/2022. The impact that rural to urban migration has on electricity losses cannot be ignored. Electricity losses associated with "load shedding" is more of a critical concern with high end customers migrating to SSEG solutions to mitigate their business risk associated to load shedding outages. The end result is that BCMM is losing electricity sales from high end customers. This risk is now even greater with a National incentive being offered to businesses as a tax reduction for SSEG systems being installed on the business premises to decrease National electricity demand.

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, e.g. rural areas 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 budget for the 2023/2024 MTREF period is R10.62 billion (2023/2024), R11.26 billion (2024/2025) and R12.08 billion (2025/2026) with the table below summarising the consolidated overview of the 2023/2024 MTREF Budget.

Table 1: Consolidated Overview of the 2023/2024 MTREF Budget

DESCRIPTION	2022/2023 ADJUSTMENT BUDGET	2023/2024 FINAL BUDGET	INCREASE OR (DECREASE) %	2024/2025 FINAL BUDGET	2025/2026 FINAL BUDGET
Total Operating Revenue	8 865 515 490	9 415 556 940	6,20	10 102 818 139	10 895 461 779
Total Operating Expenditure	8 705 464 659	9 405 341 830	8,04	10 092 605 994	10 887 882 649
Surplus/(Deficit) for the year	160 050 831	10 215 110		10 212 145	7 579 130
Total Capital Expenditure	1 396 664 897	1 219 326 304	(12,70)	1 167 806 254	1 193 096 633
Total Opex and Capex Budget	10 102 129 556	10 624 668 134		11 260 412 248	12 080 979 282

The following budget principles informed the compilation of the 2023/2024 MTREF:

- Consumer Price Inflation (CPI), 5.3% in 2023/2024, 4.9% in 2024/2025 and 4.7% in 2025/2026 financial year;

- b) High unemployment rate resulting in high bad debts, the revenue collection rate has been projected at 80.5% in 2023/2024, 82.5% in 2024/2025 and 85% in 2025/2026 financial year;
- c) On Electricity, the tariff will increase by 15.10% in 2023/2024 financial year and increase by 12.74% in both 2024/2025 and 2025/2026 financial years. The Electricity tariff applied is in line with the NERSA consultation paper that was published on 04 April 2023.
- d) The guidance provided on MFMA Circular No. 123 as well as the existing Salary and Wage Collective Agreement has been followed in projecting salary and wage increases of 5.4% in 2023/2024, 4.9% in 2024/2025 and 4.7% in 2025/2026;
- e) Amatola Water Board has approved an increase in bulk water tariffs of 9.86% from 01 July 2023. Therefore, in pursuit for full cost of recovery for the Metro, the water service tariff increase is projected at 9.86% throughout the 2023/2024 MTREF.

Considering the above indicators, the City's consolidated operating revenue increased by 6.2% for the 2023/2024 financial year when compared to the 2022/2023 adjustment budget. The operating revenue increase is mainly attributable to tariff increases and the implementation of the new general valuation roll. For the two outer years, operational revenue will increase by 7.3% and 7.85% respectively.

The consolidated operating expenditure increase is 8.04% from 2022/2023 adjustment budget to the 2023/2024 budget year. The operating expenditure increase is mainly attributable to employee costs, electricity bulk purchases, debt impairment and inventory consumed.

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.

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 2023/2024 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 2023/2024 MTREF (classified by main revenue source):

Table 2: Summary revenue classified by revenue source

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue									
Exchange Revenue									
Service charges - Electricity	1 838 105	1 940 773	2 199 541	2 549 552	2 469 552	2 469 552	2 614 161	2 947 205	3 322 679
Service charges - Water	709 744	1 146 063	1 255 133	849 617	849 617	849 617	933 423	1 025 496	1 126 651
Service charges - Waste Water Management	377 249	429 316	470 773	468 519	468 519	468 519	493 351	517 525	541 848
Service charges - Waste Management	335 843	353 492	387 546	385 616	385 616	385 616	406 053	425 950	445 969
Sale of Goods and Rendering of Services	39 138	103 397	109 848	138 763	138 612	138 612	145 958	153 110	160 306
Agency services	23 428	31 910	30 536	44 713	27 879	27 879	27 261	28 737	29 501
Interest earned from Receivables	122 587	118 562	176 561	121 249	201 249	201 249	211 915	222 299	232 747
Interest earned from Current and Non Current Assets	70 650	41 289	33 086	30 876	30 876	30 876	24 054	25 224	26 402
Rental from Fixed Assets	22 652	24 222	21 116	21 965	21 965	21 965	23 129	24 263	25 403
Operational Revenue	-	52 796	38 298	94 413	94 564	94 564	84 138	88 261	92 409
Non-Exchange Revenue									
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Fines, penalties and forfeits	10 864	16 659	12 408	22 435	19 070	19 070	20 080	21 064	22 054
Licences or permits	12 587	12 411	12 128	19 739	16 778	16 778	17 667	18 533	19 404
Transfer and subsidies - Operational	987 005	1 248 804	1 099 887	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Fuel Levy	547 497	593 337	652 199	719 203	719 203	719 203	741 926	779 747	819 383
Gains on disposal of Assets	4 254	34 411	16 618	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	6 569 003	7 738 963	8 249 591	8 871 639	8 865 515	8 865 515	9 415 557	10 102 818	10 895 462

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

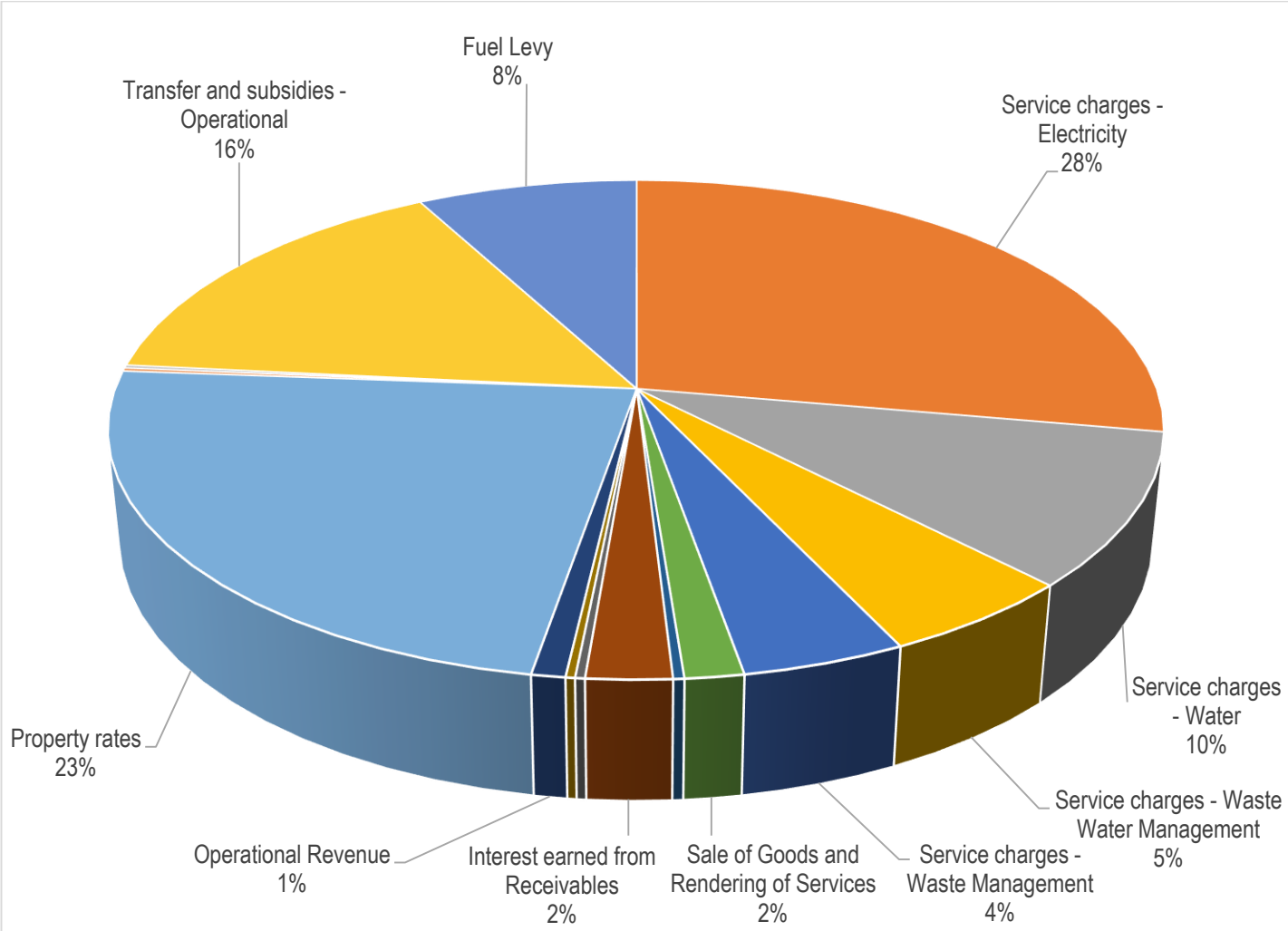
Table 3: Percentage growth in revenue by main revenue source

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework								
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	%	%	Budget Year +1 2024/25	%	%	Budget Year +2 2025/26	%	%
Revenue															
Exchange Revenue															
Service charges - Electricity	1 838 105	1 940 773	2 199 541	2 549 552	2 469 552	2 469 552	2 614 161	5,86	28%	2 947 205	12,74	29%	3 322 679	12,74	30%
Service charges - Water	709 744	1 146 063	1 255 133	849 617	849 617	849 617	933 423	9,86	10%	1 025 496	9,86	10%	1 126 651	9,86	10%
Service charges - Waste Water Management	377 249	429 316	470 773	468 519	468 519	468 519	493 351	5,30	5%	517 525	4,90	5%	541 848	4,70	5%
Service charges - Waste Management	335 843	353 492	387 546	385 616	385 616	385 616	406 053	5,30	4%	425 950	4,90	4%	445 969	4,70	4%
Sale of Goods and Rendering of Services	39 138	103 397	109 848	138 763	138 612	138 612	145 958	5,30	2%	153 110	4,90	2%	160 306	4,70	1%
Agency services	23 428	31 910	30 536	44 713	27 879	27 879	27 261	-2,22	0%	28 737	5,42	0%	29 501	2,66	0%
Interest earned from Receivables	122 587	118 562	176 561	121 249	201 249	201 249	211 915	5,30	2%	222 299	4,90	2%	232 747	4,70	2%
Interest earned from Current and Non Current Assets	70 650	41 289	33 086	30 876	30 876	30 876	24 054	-22,09	0%	25 224	4,86	0%	26 402	4,67	0%
Rental from Fixed Assets	22 652	24 222	21 116	21 965	21 965	21 965	23 129	5,30	0%	24 263	4,90	0%	25 403	4,70	0%
Operational Revenue	-	52 796	38 298	94 413	94 564	94 564	84 138	-11,02	1%	88 261	4,90	1%	92 409	4,70	1%
Non-Exchange Revenue															
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	12,79	23%	2 316 798	4,90	23%	2 425 687	4,70	22%
Fines, penalties and forfeits	10 864	16 659	12 408	22 435	19 070	19 070	20 080	5,30	0%	21 064	4,90	0%	22 054	4,70	0%
Licences or permits	12 587	12 411	12 128	19 739	16 778	16 778	17 667	5,30	0%	18 533	4,90	0%	19 404	4,70	0%
Transfer and subsidies - Operational	987 005	1 248 804	1 099 887	1 446 763	1 463 800	1 463 800	1 463 862	0,00	16%	1 508 607	3,06	15%	1 605 017	6,39	15%
Fuel Levy	547 497	593 337	652 199	719 203	719 203	719 203	741 926	3,16	8%	779 747	5,10	8%	819 383	5,08	8%
Gains on disposal of Assets	4 254	34 411	16 618	-	-	-	-	-	0%	-	-	0%	-	-	0%
Total Revenue (excluding capital transfers and contributions)	6 569 003	7 738 963	8 249 591	8 871 639	8 865 515	8 865 515	9 415 557	6,20	100%	10 102 818	7,30	100%	10 895 462	7,85	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 2023/2024 financial year:

Figure 1: Main Operating Revenue categories for the 2023/2024 financial year



In 2023/2024 the City’s own revenue generated property rates and service charges is 71% of the total revenue totalling to R6.65 billion, slightly increases to 72% (R7.23 billion) in 2024/2025 and remains stagnant at 72% (R7.86 billion) in 2025/2026 financial year.

Electricity service remains the largest contributor to the total revenue mix as it contributes 28% of revenue in the 2023/2024 financial year. Electricity revenue increases from R2.61 billion in 2023/2024 to R2.95 billion and R3.32 billion respectively in the two outer years of the 2023/2024 MTREF period.

Property rates are the second largest own revenue source with 23% contribution in the 2023/2024 financial year. Property rates increases from R2.21 billion in 2023/2024 to R2.32 billion and R2.43 billion respectively in the two outer years of the 2023/2024 MTREF period.

The revenue for water services contributes 10% to the operating revenue in the 2023/2024 financial year. Water services revenue increases from R0.933 billion in 2023/2024 to R1.02 billion in 2024/2025 and further increases to R1.13 billion in 2025/2026 financial year.

Transfers and subsidies (Transfers recognised - operational) contribute 16% to the operating revenue in the 2023/2024 financial year. Transfers and subsidies totals R1.46 billion in the 2023/2024 financial year and increases to R1.60 billion by 2025/2026. 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 2023/2024 MTREF period.

Table 4: Table SA18 - Operating Transfers and Grant Receipts

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
RECEIPTS:									
Operating Transfers and Grants									
National Government:	959 619	1 179 969	1 034 896	1 166 696	1 188 070	1 188 070	1 268 758	1 330 655	1 420 815
Local Government Equitable Share	847 431	1 053 614	936 811	1 045 448	1 045 448	1 045 448	1 138 058	1 226 701	1 313 633
Expanded Public Works Programme Integrated Grant	9 956	8 449	7 300	10 728	10 728	10 728	6 093	–	–
Infrastructure Skills Development Grant	7 167	7 173	10 350	11 600	11 600	11 600	10 850	11 850	12 350
Local Government Financial Management Grant	942	1 000	1 000	1 000	977	977	1 000	1 000	1 138
Metro Informal Settlements Partnership Grant	–	–	5 172	18 359	18 359	18 359	27 408	24 768	23 992
Neighbourhood Development Partnership Grant	–	–	20 581	21 000	38 773	38 773	21 000	–	–
Programme And Project Preparation Support Grant	–	–	8 941	13 776	18 000	18 000	18 908	19 298	19 696
Public Transport Network Grant	2 767	733	–	–	–	–	–	–	–
Urban Settlement Development Grant	91 357	108 134	44 741	44 785	44 185	44 185	45 441	47 038	50 006
Integrated City Development Grant	–	866	–	–	–	–	–	–	–
Provincial Government:	15 870	16 873	15 870	115 983	128 931	128 931	128 570	116 470	127 081
Dsrac	15 870	15 870	15 870	15 870	15 870	15 870	15 870	15 870	16 581
Human Settlement Development Office of the Premier	–	1 003	–	100 113	113 061	113 061	112 700	100 600	110 500
District Municipality: <i>[insert description]</i>	–	–	–	–	–	–	–	–	–
Other grant providers:	11 515	131 377	62 700	164 085	146 800	146 800	66 534	61 482	57 121
European Union	–	2 569	15 685	31 598	31 598	31 598	–	–	–
OTHER - BCMDA	7 762	125 436	47 015	132 487	115 012	115 012	66 534	61 482	57 121
Local Government Water and Related Service SETA	3 680	2 929	–	–	–	–	–	–	–
Unsp. Salaida/Galve	74	442	–	–	190	190	–	–	–
Total Operating Transfers and Grants	987 005	1 328 219	1 113 466	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Capital Transfers and Grants									
National Government:	903 947	970 986	624 464	734 875	735 475	735 475	759 472	800 428	833 050
Energy Efficiency and Demand Side Management Grant	–	6 195	9 000	–	–	–	–	–	–
Infrastructure Skills Development Grant	110	77	150	150	150	150	150	150	150
Integrated City Development Grant	9 992	1 757	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant	–	–	233 086	263 763	263 763	263 763	267 148	283 017	297 581
Neighbourhood Development Partnership Grant	1 805	9 923	13 000	19 581	19 581	19 581	19 581	23 000	20 000
Public Transport Network Grant	133 329	67 690	–	–	–	–	–	–	–
Urban Settlement Development Grant	758 660	885 345	369 228	451 381	451 981	451 981	472 593	494 261	515 319
Local Government Financial Management Grant	50	–	–	–	–	–	–	–	–
Provincial Government:	1 579	–	–	–	–	–	–	–	–
LGTH C/O	1 579	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
Other grant providers:	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Eastern Cape Arts Coun	–	–	–	–	–	–	–	–	–
OTHER - BCMDA	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Total Capital Transfers and Grants	919 337	972 224	625 095	736 015	736 615	736 615	760 580	801 580	834 177
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 906 342	2 300 443	1 738 561	2 182 779	2 200 416	2 200 416	2 224 443	2 310 187	2 439 194

Breakdown of major components for the 2023/2024 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.

The City has successfully undertaken a General Valuation exercise in terms of the Municipal Property Rates Act and the new values will be implemented from 01 July 2023. The compilation of the valuation roll was completed in January 2023 and was submitted to the City Manager. The valuation roll was open for appeals and objections until 28 April 2023. The ratepayers were required to inspect and object to any particulars appearing on the valuation roll. 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 total number of properties on the valuation roll is 164,712.

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. 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 and/or senior citizens, there is a proposal in the Draft Property Rates Policy to grant rebate to all senior citizens within BCMM according to age bracket and disregard income bracket of R15,000 per month in terms of the current policy.

The proposal in the draft Property Rates Policy is as follows:

Senior citizens will be categorized into three age groups and a percentage rebate will be applied according to age category as follows:

AGE GROUP	% REBATE
60 – 64 Years	40%
65 – 74 years	62.5%
75 years and over	85%

- 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 rates tariff will not be increased in the 2023/2024 financial year due to implementation of the new general valuation roll, an increase of 4.9% is proposed for 2024/2025 financial

year and it is then reduced to 4.7% in the 2025/2026 financial year as indicated by the table below:

Table 5: Comparison of proposed rates to be levied for the 2023/2024 financial year

CATEGORY	Existing tariff (from 1 July 2022)	New tariff (from 1 July 2023)
	Cents	Cents
Residential Property (incl. farms or smallholdings used for Residential purposes)	0,014269	0,014269
Agricultural Property (used for Bona-fide Farming)	0,003567	0,003567
Public Service Infrastructure	0,003567	0,003567
Business, Commercial & Industrial Property (incl. farms used for Game- / Eco Tourism)	0,035672	0,035672
Mining / Quarry Property	0,035672	0,035672
Vacant Land	0,042806	0,042806
Public Benefit Organisations	0,003567	0,003567
Public Service Purposes	0,022831	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 9.86% increase in 2023/2024 financial year, and the main cost driver is above the CPI increase that is charged by Amatola Water Board on bulk purchases. The same increase of 9.86% is proposed for the two outer years (2024/2025 and 2025/2026). 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 2023/2024 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 R50.1010 per kilolitre for consumption in excess of 30kℓ per 30-day period from a rate of R21.7481 for the consumption that does not exceed 6kl per 30-day period (refer to table 6 below). Amatola Water has proposed an increase of 9.86% in its bulk water tariffs from 01 July 2023. 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 2022/2023 Rand per kℓ	NEW TARIFFS 2023/2024 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)	19,7962	21,7481
7 to 10 kℓ per 30-day period	20,1844	22,1746
11 to 20 kℓ per 30-day period	28,0335	30,7976
21 to 30 kℓ per 30-day period	36,3398	39,9229
More than 30 kℓ per 30-day period:	45,6044	50,1010
NON-RESIDENTIAL		
From the 1 st kℓ per 30-day period	31,9195	35,0668

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	199,52	219,19	19,67	9,86%
20	479,85	527,16	47,31	9,86%
30	843,25	926,39	83,14	9,86%
50	1 755,34	1 928,41	173,08	9,86%
75	2 895,44	3 180,94	285,49	9,86%
100	4 035,55	4 433,46	397,91	9,86%

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. During the 2022/2023 financial year BCMM conducted a cost of service (COS) exercise. This was concluded by a National Treasury appointed consultant, VIZ Ricardo Consulting, and the analysis outcome report recommendations has already been

issued to NERSA for approval and acceptance thereof. It will be a requirement that BCMM implements changes to the current tariffs as the existing tariffs are not cost reflective and BCMM is running the electricity business at a loss. Once NERSA has evaluated the COS report recommendations and changes, these will have to be submitted to the BCMM Executive Council for approval prior to implementation. Further to the COS study inputs being considered, the impact on electricity sales, as a direct result of the National Load Shedding crisis will also have to be considered, as Electricity sales have decreased as a direct result of high-end customers introducing SSEG business solutions at their business premises. SALGA has also voiced concern on anticipated National municipal reduced electricity sales income as a direct result of this.

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 2023.

In terms of the guidelines provided by the National Energy Regulator of South Africa (NERSA), they have published that they expect the cost of bulk electricity purchases to the Metro to increase by 18.49% in 2023/2024 financial year. Following due consideration being given to the NERSA guidelines a decision has been made to increase electricity tariffs by 15.10% in 2023/2024 financial year (in line with the NERSA consultation paper that was published on 04 April 2023). Registered indigents will again in the 2023/2024 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 kWh	Current amount Payable R	New amount payable R	Difference (Increase) R	% change
100	250,99	288,89	37,90	15,10%
250	627,48	722,23	94,75	15,10%
500	1 254,96	1 444,46	189,50	15,10%
750	1 882,44	2 166,69	284,25	15,10%
1,000	2 509,92	2 888,92	379,00	15,10%
2,000	5 019,84	5 777,83	758,00	15,10%

1.4.4 Sanitation and Impact of Tariff Increases

The tariff will increase by 5.3% for sanitation from 1 July 2023. 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. Buffalo City in the year under review (2022/2023) has undergone an exercise to review the pans tariff to water consumption-based tariff because all metros are on the same tariff structure and when consumers erect building plan changes, they do not update the Council, thus a qualification paragraph with the Auditor-General; the process of this tariff change is still under consideration.

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	1 283,48	1 351,30	67,83	5,30%
Erf: 301 – 400m ²	2 038,26	2 146,29	108,03	5,30%
Flat: Complex	3 232,17	3 403,48	171,30	5,30%
Flat: Ordinary	3 571,30	3 760,87	189,57	5,30%
Flat: Semi	3 571,30	3 760,87	189,57	5,30%
Cluster/Town Houses	4 420,87	4 654,78	233,91	5,30%
Erf: 401 – 800m ²	5 312,17	5 593,91	281,74	5,30%
Erf: 801 – 1200m ²	5 731,30	6 034,78	303,48	5,30%
Erf: > 1200m ²	6 245,22	6 576,52	331,30	5,30%

1.4.5 Refuse Removal and Impact of Tariff Increases

It is widely accepted that the rendering of this service should be cost reflective and generate sufficient revenue to finance support services. The performance of the service continues to be difficult to support secondary cost drivers through increased overtime costs. The other contributing factor to limited revenue generation is that the tariffs are greater than consumer affordability and influx of indigents in the City.

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. An increase of 5.3% in the refuse removal tariff is proposed from 1 July 2023. For the two outer years, the proposed increase is 4.9% and 4.7% respectively. The following table compares current and proposed amounts payable from 1 July 2023:

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	679,13	715,12	35,99	5,30%
240ℓ Bins – Once weekly	956,52	1 007,22	43,48	5,30%
240ℓ Bins – Twice weekly	1 911,30	2 012,60	87,83	5,30%
420ℓ Bins – Once weekly	1 671,30	1 759,88	76,52	5,30%
420ℓ Bins – Twice weekly	3 338,26	3 515,19	153,04	5,30%
1.1m ³ Sprico – Once weekly	1 146,09	1 206,83	52,17	5,30%
1.1m ³ Sprico – Twice weekly	2 283,48	2 404,50	104,35	5,30%
1.1m ³ Sprico – Three x a week	3 431,30	3 613,16	157,39	5,30%
1.1m ³ Sprico – Four x a week	4 566,96	4 809,01	209,57	5,30%
1.1m ³ Sprico – Five x a week	5 708,70	6 011,26	261,74	5,30%

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 2023/2024 financial year is based on the market value, the impact of increase in market value is contained below:

Table 11: SA14 – Household bills

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent										
<u>Monthly Account for Household - 'Middle Income Range'</u>										
Rates and services charges:										
Property rates	677,78	735,41	794,24	832,36	832,36	832,36	–	832,36	873,15	914,18
Electricity : Consumption	1 948,50	2 106,33	2 335,46	2 509,92	2 509,92	2 509,92	15,1%	2 888,92	3 256,97	3 671,90
Water: Consumption	662,85	723,84	789,71	843,21	843,21	843,21	9,9%	926,38	1 017,76	1 118,15
Sanitation	352,26	385,37	422,39	442,66	442,66	442,66	5,3%	466,12	488,96	511,94
Refuse removal	220,87	264,35	286,96	300,73	300,87	300,87	5,3%	316,82	332,34	347,96
Other	46,96	55,65	60,00	62,88	62,61	62,61	5,3%	65,93	69,16	72,41
sub-total	3 909,22	4 270,95	4 688,76	4 991,76	4 991,63	4 991,63	10,1%	5 496,53	6 038,33	6 636,55
VAT on Services	484,72	530,33	584,18	612,22	612,22	612,22	14,3%	699,63	774,78	858,36
Total large household bill:	4 393,94	4 801,28	5 272,94	5 603,98	5 603,85	5 603,85	10,6%	6 196,15	6 813,11	7 494,91
% increase/-decrease		9,3%	9,8%	6,3%	(0,0%)	–	10,6%	10,0%	10,0%	10,0%
<u>Monthly Account for Household - 'Affordable Range'</u>										
Rates and services charges:										
Property rates	484,13	525,29	567,29	594,52	594,52	594,52	–	594,52	623,65	652,96
Electricity : Consumption	974,25	1 053,16	1 167,73	1 254,96	1 254,96	1 254,96	15,1%	1 444,46	1 628,48	1 835,95
Water: Consumption	520,03	567,87	619,54	661,52	661,52	661,52	9,9%	726,77	798,46	877,22
Sanitation	125,35	137,13	162,10	169,88	169,88	169,88	5,3%	178,88	187,65	196,47
Refuse removal	220,87	264,35	286,96	300,73	300,87	300,87	5,3%	316,82	332,34	347,96
Other	46,96	55,65	60,00	62,88	62,61	62,61	5,3%	65,93	69,16	72,41
sub-total	2 371,59	2 603,45	2 863,62	3 044,49	3 044,36	3 044,36	9,3%	3 327,38	3 639,74	3 982,97
VAT on Services	283,12	311,72	344,45	360,98	360,98	360,98	13,6%	409,93	452,41	499,50
Total small household bill:	2 654,71	2 915,17	3 208,07	3 405,47	3 405,34	3 405,34	9,7%	3 737,31	4 092,15	4 482,47
% increase/-decrease		9,8%	10,0%	6,2%	(0,0%)	–	9,7%	9,5%	9,5%	9,5%
<u>Monthly Account for Household - 'Indigent'</u>										
<u>Household receiving free basic services</u>										
Rates and services charges:										
Property rates	290,48	315,18	135,89	142,41	142,41	142,41	–	142,41	149,39	156,41
Electricity : Consumption	70,77	76,50	86,14	92,57	92,57	92,57	15,1%	106,55	120,13	135,43
Water: Consumption	93,37	101,96	111,24	118,77	118,77	118,77	9,9%	130,49	143,36	157,50
Sanitation	114,53	86,16	102,03	106,93	106,93	106,93	5,3%	112,59	118,11	123,66
Refuse removal	220,87	264,35	286,96	300,73	300,87	300,87	5,3%	316,82	332,34	347,96
Other	46,96	55,65	60,00	62,88	62,61	62,61	5,3%	65,93	69,16	72,41
sub-total	836,98	899,80	782,26	824,29	824,16	824,16	6,1%	874,79	932,49	993,38
VAT on Services	81,97	87,69	96,95	101,61	101,61	101,61	8,1%	109,86	117,46	125,54
Total small household bill:	918,95	987,49	879,21	925,90	925,77	925,77	6,3%	984,65	1 049,95	1 118,92
% increase/-decrease		7,5%	(11,0%)	5,3%	(0,0%)	–	6,4%	6,6%	6,6%	6,6%

1.5 OPERATING EXPENDITURE FRAMEWORK

The City's expenditure framework for the 2023/2024 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;
- Economic Recovery Plan;
- 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 2023/2024 MTREF has also been developed along with the following principles namely cost containment, wasteful expenditure elimination, and reprioritised spending. The operating expenditure equates to R9.40 billion in the 2023/2024 financial year and escalates to R10.89 billion in the 2025/2026 financial year. Total operating expenditure has increased by 8.04% against the 2022/2023 Adjustments Budget.

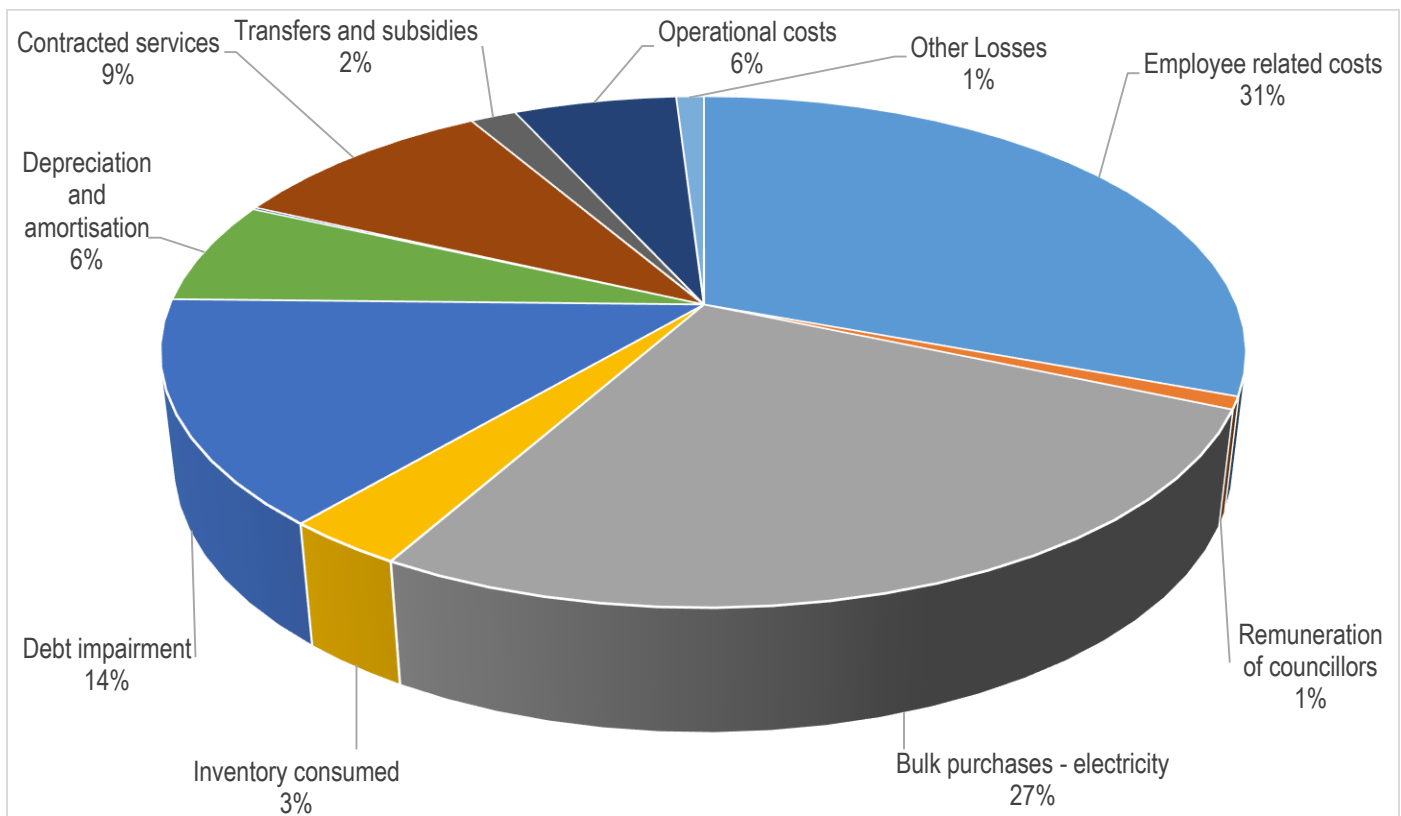
The following table is a high-level summary of the operating expenditure budget of the 2023/2024 MTREF (classified per main type of operating expenditure):

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

Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Expenditure									
Employee related costs	2 206 010	2 539 080	2 536 403	2 686 871	2 608 061	2 608 061	2 884 448	3 017 062	3 158 220
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
Bulk purchases - electricity	1 528 586	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 512 494	2 832 586	3 193 457
Inventory consumed	339 555	327 361	369 179	314 839	267 442	267 442	286 314	311 305	337 810
Debt impairment	601 842	911 741	1 385 422	1 211 246	1 211 246	1 211 246	1 328 917	1 295 031	1 205 684
Depreciation and amortisation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412
Interest	32 564	25 757	20 684	49 361	49 361	49 361	13 567	13 906	14 254
Contracted services	682 052	641 601	595 813	977 494	977 645	977 645	903 924	923 516	966 061
Transfers and subsidies	131 019	104 708	127 078	170 553	189 856	189 856	154 110	139 091	144 170
Operational costs	466 217	550 528	608 458	532 823	514 631	514 631	545 352	564 616	594 029
Other Losses	13 683	22 215	1 302	82 136	82 136	82 136	92 540	101 554	111 446
Total Expenditure	7 776 276	8 207 573	9 201 071	8 870 409	8 705 465	8 705 465	9 405 342	10 092 606	10 887 883

The following figure gives a breakdown of the main expenditure categories for the 2023/2024 financial year:

Figure 2: Main operational expenditure categories for the 2023/2024 financial year



Employee Costs equates to 31% 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 5.4% in 2023/2024, 4.9% in 2024/2025 and 4.7% in 2025/2026.

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 2023/2024 financial year this amounts to R1.33 billion, it slightly decreases to R1.29 billion in 2024/2025 and further decreases to R1.21 billion in the 2025/2026 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 R610 million for the 2023/2024 financial year and equates to 6% 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. The depreciation resulting from the revaluation of PPE is budgeted against the Revaluation reserve account in the Statement of Financial Position.

Interest consist primarily of the repayment of interest on long-term borrowing (cost of capital). Interest makes up 0.1% (R14 million) of operating expenditure excluding annual redemption for 2023/2024.

Electricity bulk purchases equate to 27% 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 3% of total operating expenditure, this includes water inventory consumed.

Contracted services equate to 10% 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 122 and 123 guiding principles as issued by National Treasury, the institution undertook a line by line analysis of expenditure in an attempt to improve efficiencies and cut non-essential expenditure by implementing cost containment measures.

1.5.1 Repairs and Maintenance

Aligned to the priority being given to preserving and maintaining the City's current infrastructure, the 2023/2024 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 5.3% 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 R1.6 billion has been provided for repairs and maintenance over the 2023/2024 MTREF. Expenditure levels are projected at R497 million in 2023/2024 escalating to R562 million by 2025/2026. It should however be noted that this figure is mainly a 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Repairs and Maintenance by Expenditure Item									
Employee related costs									
Inventory Consumed (Project Maintenance)	372	320	12 271	17 150	17 150	17 150	17 849	19 276	20 182
Contracted Services	381 873	384 200	369 824	416 505	442 778	442 778	466 486	503 823	527 502
Operational Costs	-	-	19 295	12 474	12 474	12 474	13 135	14 186	14 853
Total Repairs and Maintenance Expenditure	382 245	384 520	401 390	446 130	472 403	472 403	497 470	537 286	562 538

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

Table 14: Table SA34c – Repairs and Maintenance expenditure by asset type

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	185 323	180 719	182 189	186 271	202 064	202 064	212 773	229 795	240 595
Roads Infrastructure	103 553	105 276	101 197	106 299	111 098	111 098	116 986	126 345	132 284
<i>Roads</i>	98 074	98 553	96 174	101 162	105 961	105 961	111 577	120 504	126 167
<i>Road Structures</i>	5 480	6 724	5 023	5 137	5 137	5 137	5 409	5 842	6 116
Storm water Infrastructure	10 266	10 047	11 846	11 093	11 093	11 093	11 681	12 616	13 209
<i>Drainage Collection</i>	10 266	10 047	11 846	11 093	11 093	11 093	11 681	12 616	13 209
Electrical Infrastructure	35 473	35 299	39 245	36 851	42 851	42 851	45 122	48 732	51 022
<i>HV Transmission Conductors</i>	5 374	5 468	7 228	5 783	6 783	6 783	7 142	7 714	8 076
<i>MV Substations</i>	9 501	9 642	11 488	10 028	15 028	15 028	15 824	17 090	17 893
<i>MV Networks</i>	1 175	869	999	1 203	1 203	1 203	1 267	1 368	1 433
<i>LV Networks</i>	19 423	19 319	19 531	19 837	19 837	19 837	20 889	22 560	23 620
Water Supply Infrastructure	2 711	2 911	2 998	3 320	3 363	3 363	3 541	3 824	4 004
<i>Reservoirs</i>	1 280	1 293	1 174	1 398	1 441	1 441	1 518	1 639	1 716
<i>Water Treatment Works</i>	–	–	190	240	240	240	253	273	286
<i>Bulk Mains</i>	1 431	1 618	1 634	1 682	1 682	1 682	1 771	1 913	2 002
Sanitation Infrastructure	32 199	25 986	25 619	27 421	32 421	32 421	34 139	36 870	38 603
<i>Reticulation</i>	32 199	25 986	25 619	27 421	32 421	32 421	34 139	36 870	38 603
Solid Waste Infrastructure	1 121	1 201	1 285	1 287	1 237	1 237	1 303	1 407	1 473
<i>Landfill Sites</i>	1 121	1 201	1 285	1 287	1 237	1 237	1 303	1 407	1 473
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	7 014	8 938	12 571	6 901	6 901	6 901	7 266	7 848	8 216
Community Facilities	5 245	6 857	10 207	5 203	5 203	5 203	5 479	5 917	6 195
<i>Halls</i>	1 686	1 791	2 502	1 717	1 717	1 717	1 808	1 953	2 044
<i>Libraries</i>	456	453	559	463	463	463	488	527	552
<i>Cemeteries/Crematoria</i>	988	3 204	5 305	1 219	1 219	1 219	1 284	1 386	1 451
<i>Parks</i>	2 114	1 408	1 841	1 804	1 804	1 804	1 900	2 052	2 148
Sport and Recreation Facilities	1 769	2 081	2 364	1 697	1 697	1 697	1 787	1 930	2 021
<i>Outdoor Facilities</i>	1 769	2 081	2 364	1 697	1 697	1 697	1 787	1 930	2 021

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class									
Heritage assets	9	9	8	9	9	9	10	11	11
Other Heritage	9	9	8	9	9	9	10	11	11
Investment properties	–	–	–	–	–	–	10	16	16
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	10	16	16
Improved Property	–	–	–	–	–	–	10	16	16
Other assets	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
Operational Buildings	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
Municipal Offices	20 479	22 811	23 957	25 426	28 762	28 762	30 287	32 709	34 247
Pay/Enquiry Points	3 741	3 650	3 702	8 504	8 504	8 504	8 954	9 671	10 125
Workshops	328	231	298	362	362	362	381	412	431
Housing	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	663	–	–	–	–	–
Licences and Rights	–	–	–	663	–	–	–	–	–
Computer Software and Applications	–	–	–	663	–	–	–	–	–
Computer Equipment	672	604	425	1 256	1 198	1 198	1 262	1 363	1 427
Computer Equipment	672	604	425	1 256	1 198	1 198	1 262	1 363	1 427
Furniture and Office Equipment	5 146	6 831	4 161	7 939	8 706	8 706	9 167	9 901	10 366
Furniture and Office Equipment	5 146	6 831	4 161	7 939	8 706	8 706	9 167	9 901	10 366
Machinery and Equipment	132 224	134 004	149 865	177 118	183 631	183 631	193 373	208 845	218 661
Machinery and Equipment	132 224	134 004	149 865	177 118	183 631	183 631	193 373	208 845	218 661
Transport Assets	27 308	26 724	24 215	31 682	32 267	32 267	33 987	36 717	38 443
Transport Assets	27 308	26 724	24 215	31 682	32 267	32 267	33 987	36 717	38 443
Land	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Living resources	–	–	–	–	–	–	–	–	–
Mature	–	–	–	–	–	–	–	–	–
Immature	–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	382 245	384 520	401 390	446 130	472 403	472 403	497 470	537 286	562 538

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 2022, the breakdown of the total number of Indigents is as follows:

Electricity - A total of 57,422 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 2023/2024 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 2022/2023	Total Per Household 2023/2024	Total Per Household 2024/2025	Total Per Household 2025/2026
Rates	142,41	142,41	149,39	156,41
Refuse	300,87	316,82	332,34	347,96
Sewerage	106,93	112,59	118,11	123,66
Fire Levy	62,61	65,93	69,16	72,41
Total Monthly Subsidy	612,82	637,75	669,00	700,44
Electricity - 50kwh p.m	92,57	106,55	120,13	135,43
Water - 6kl p.m.	118,77	130,49	143,35	157,49
Total Poor Relief	824,16	874,79	932,48	993,36

1.6 CAPITAL EXPENDITURE FRAMEWORK

The total consolidated capital budget amounts to R1.22 billion for the 2023/2024 financial year, R1.17 billion and R1.19 billion for 2024/2025 and for 2025/2026 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 2023/2024 Medium-Term Capital Budget Per Funding Source

CAPITAL BUDGET PER FUNDING	2023/2024 CAPITAL BUDGET	2024/2025 CAPITAL BUDGET	2025/2026 CAPITAL BUDGET
OWN FUNDING	459 854 004	367 378 225	360 046 302
TOTAL OWN FUNDING	459 854 004	367 378 225	360 046 302
URBAN SETTLEMENT DEVELOPMENT GRANT	472 592 980	494 260 828	515 319 384
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT	267 148 320	283 017 201	297 580 924
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	19 581 000	23 000 000	20 000 000
INFRASTRUCTURE SKILLS DEVELOPMENT GRANT	150 000	150 000	150 000
TOTAL GRANTS	759 472 300	800 428 029	833 050 307
TOTAL CONSOLIDATED CAPITAL BUDGET	1 219 326 304	1 167 806 254	1 193 096 609

Own Funding (Internally Generated Funds)

Funding from internally generated funds represents 38% of the 2023/2024 capital funding. The City will continue to make funding available in support of priorities in 2023/2024, which are not limited to the following:

- Smart Metering Water Solutions amounting to R56.4 million
- Employee Performance Management System amounting to R4 million
- Bridge Designs & Implementation amounting to R11 million
- Land Acquisition & Buildings – R5 million
- Sleeper Site Road – R9 million
- Taxi Rank Infrastructure – R5 million
- Construction of New Disaster Management Centre amounting to R10 million
- Construction on New Fire Station at Berlin amounting to R12 million
- Upgrading of Bulk Electricity Infrastructure amounting to R105 million
- Roads Provision Programme amounting to R65.5 million
- East Beach Gravity Sewer Upgrade amounting to R8 million
- Pipe and Water Meter Replacement Programme amounting to R23 million
- Procurement of Fleet amounting to R10 million
- Development, Upgrade and Refurbishment of Sports Fields and Stadiums amounting to R5 million
- Fleet for Solid Waste and Environmental Management – R7.5 million
- Esplanade Beachfront Upgrade – R5 million

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

Borrowings

No new loans are projected to be taken during the 2023/2024 MTREF. The City is in a process of appointing a panel of transactional advisers with sole responsibility of sourcing funds for economically viable Capital projects. With the assistance of National Treasury, BCMM has also developed a Long-Term Financial Model (LTFM) to assist in the financial

sustainability of the City. The LTFM is a tool that the municipality may apply to determine an affordable future infrastructure investment programme. The LTFM's processing logic has also been developed with a cash flow management theory in mind, to determine, inter alia, a sustainable capital investment envelope that can be sustainably financed over the longer term.

The municipality has capacity to take on additional financing from borrowing to invest in infrastructure projects. However, due to weak economic performance as well as a weak collection rate, the process for additional loans is undertaken with caution.

Grants Funding

Grant funding represents 62% of the 2023/2024 capital funding and consists of National Government allocations. For purposes of the 2023/2024 budget compilation, National Allocations are based on the 2023 Division of Revenue Bill (DoRB).

The following table indicates the 2023/2024 Medium-Term Capital Budget per function. It depicts that for 2023/2024 financial year an amount of R133 million has been appropriated for Electricity, R278 million for Human Settlements, R64 million for Local Economic Development, R174 million for Roads and Storm Water, R104 million for Waste Water Infrastructure, R100 million for Water Infrastructure and R367 million for all the other services.

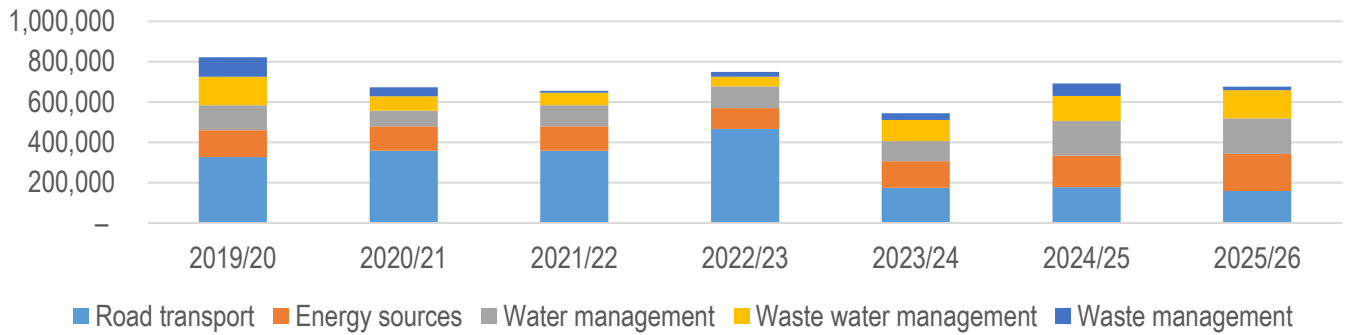
Table 17: Consolidated Capital Budget Per Function

FUNCTION	2023/2024 CAPITAL BUDGET	2024/2025 CAPITAL BUDGET	2025/2026 CAPITAL BUDGET
<i>Governance and administration</i>	118 178	51 650	57 322
Executive and council	1 100	1 000	1 000
Finance and administration	117 078	50 650	56 322
<i>Community and public safety</i>	379 038	304 114	325 578
Community and social services	45 950	22 950	28 808
Sport and recreation	33 200	26 820	15 668
Public safety	20 688	11 500	31 500
Human Settlements	278 200	236 344	249 601
Health	1 000	6 500	0
<i>Economic and environmental services</i>	287 386	247 910	231 268
Planning and development	113 550	69 478	72 480
Road transport	173 837	178 432	158 788
<i>Trading services</i>	370 624	513 994	517 105
Energy sources (Electricity)	132 820	156 388	183 557
Water management	100 205	171 028	176 440
Waste water management	103 598	124 278	139 412
Waste management	34 000	62 300	17 694
<i>Other - LED</i>	64 100	50 139	61 825
TOTAL CAPITAL BUDGET PER FUNCTION	1 219 326	1 167 806	1 193 097

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

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands									
Financial Performance									
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Service charges	3 260 941	3 869 644	4 312 993	4 253 303	4 173 303	4 173 303	4 446 988	4 916 176	5 437 148
Investment revenue	70 650	41 289	33 086	30 876	30 876	30 876	24 054	25 224	26 402
Transfer and subsidies - Operational	987 005	1 248 804	1 099 887	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Other own revenue	783 007	987 706	1 069 712	1 182 480	1 239 319	1 239 319	1 272 075	1 336 014	1 401 208
Total Revenue (excluding capital transfers and contributions)	6 569 003	7 738 963	8 249 591	8 871 639	8 865 515	8 865 515	9 415 557	10 102 818	10 895 462
Employee costs	2 206 010	2 539 080	2 536 403	2 686 871	2 608 061	2 608 061	2 884 448	3 017 062	3 158 220
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
Depreciation and amortisation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412
Interest	32 564	25 757	20 684	49 361	49 361	49 361	13 567	13 906	14 254
Inventory consumed and bulk purchases	1 868 140	1 959 266	2 291 433	2 475 266	2 387 869	2 387 869	2 798 808	3 143 890	3 531 267
Transfers and subsidies	131 019	104 708	127 078	170 553	189 856	189 856	154 110	139 091	144 170
Other expenditure	1 763 793	2 126 085	2 590 995	2 803 699	2 785 658	2 785 658	2 870 733	2 884 716	2 877 221
Total Expenditure	7 776 276	8 207 573	9 201 071	8 870 409	8 705 465	8 705 465	9 405 342	10 092 606	10 887 883
Surplus/(Deficit)	(1 207 273)	(468 610)	(951 480)	1 229	160 051	160 051	10 215	10 212	7 579
Transfers and subsidies - capital (monetary allocations)	1 010 413	1 065 032	686 434	736 015	736 638	736 638	760 580	801 580	834 177
Transfers and subsidies - capital (in-kind)	13 811	14 979	2 495	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(183 049)	611 401	(262 551)	737 245	896 689	896 689	770 796	811 792	841 757
Share of Surplus/Deficit attributable to Associate	105 684	(26 628)	29 869	-	-	-	-	-	-
Surplus/(Deficit) for the year	(77 365)	584 773	(232 682)	737 245	896 689	896 689	770 796	811 792	841 757
Capital expenditure & funds sources									
Capital expenditure	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097
Transfers recognised - capital	905 526	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Borrowing	-	3 079	11 727	732 614	-	-	-	-	-
Internally generated funds	642 141	617 287	772 324	618 873	661 167	661 167	459 854	367 378	360 046
Total sources of capital funds	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097

MBRR Table A1 – Consolidated Budget Summary (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands									
Financial position									
Total current assets	3 272 148	3 734 446	3 453 553	3 516 679	3 633 206	3 633 206	3 594 852	4 061 252	4 888 361
Total non current assets	20 376 146	22 699 614	25 670 881	24 120 494	23 430 797	23 430 797	25 874 155	28 918 334	30 483 376
Total current liabilities	2 368 707	2 348 360	2 168 468	1 862 363	1 862 363	1 862 363	2 204 107	2 257 693	2 310 498
Total non current liabilities	877 972	1 002 593	1 077 205	2 254 276	1 521 661	1 521 661	1 061 163	1 060 926	1 065 274
Community wealth/Equity	20 401 615	23 083 107	25 878 762	23 520 534	23 679 978	23 679 978	26 203 738	29 660 967	31 995 966
Cash flows									
Net cash from (used) operating	1 904 087	1 467 295	1 064 221	1 036 020	1 114 865	1 114 865	1 146 286	1 380 007	1 660 283
Net cash from (used) investing	(1 644 036)	(1 641 203)	(1 466 981)	(2 086 362)	(1 396 065)	(1 396 065)	(1 219 326)	(1 167 806)	(1 193 097)
Net cash from (used) financing	(57 974)	(54 396)	(45 191)	677 964	(54 650)	(54 650)	(43 136)	(26 246)	(24 814)
Cash/cash equivalents at the year end	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Cash backing/surplus reconciliation									
Cash and investments available	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Application of cash and investments	1 249 758	1 089 255	816 523	579 839	563 650	563 650	(1 281 561)	(1 644 394)	(2 123 825)
Balance - surplus (shortfall)	123 953	56 152	(119 066)	304 835	357 552	357 552	1 974 033	2 522 821	3 444 624
Asset management									
Asset register summary (WDV)	15 437 296	17 450 359	20 299 294	16 731 359	16 753 897	16 753 897	19 342 969	22 443 175	24 003 937
Depreciation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412
Renewal and Upgrading of Existing Assets	637 015	706 277	797 993	1 393 230	851 821	851 821	644 073	635 834	654 528
Repairs and Maintenance	382 245	384 520	401 390	446 130	472 403	472 403	537 286	562 538	–
Free services									
Cost of Free Basic Services provided	623 586	645 381	710 967	820 753	820 753	820 753	893 966	971 065	1 048 770
Revenue cost of free services provided	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739
Households below minimum service level									
Water:	5	5	2	2	2	2	2	2	1
Sanitation/sew erage:	15	11	9	7	7	7	4	4	4
Energy :	38	38	40	37	37	37	37	36	36
Refuse:	41	45	66	30	30	30	30	30	30

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 2023/2024 financial year indicates an operating surplus excluding capital transfers of R82.05 million, it also reflects a surplus of R88.40 million and R61.73 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. 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional									
<i>Governance and administration</i>	2 674 764	3 016 488	3 130 086	3 404 043	3 484 132	3 484 132	3 809 862	4 013 641	4 218 122
Executive and council	32 555	31 399	27 407	24 215	24 215	24 215	19 918	18 738	19 466
Finance and administration	2 642 208	2 985 088	3 102 680	3 379 828	3 459 917	3 459 917	3 789 944	3 994 903	4 198 657
Internal audit	–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>	472 593	679 485	450 333	638 480	639 034	639 034	704 913	635 142	670 341
Community and social services	24 613	26 858	25 320	47 067	46 982	46 982	60 942	43 877	45 886
Sport and recreation	4 363	1 100	8 435	24 210	33 502	33 502	27 466	22 473	23 507
Public safety	153 127	182 627	179 714	219 117	197 516	197 516	205 616	215 355	225 477
Housing	290 187	468 827	236 851	348 050	360 998	360 998	410 850	353 397	375 428
Health	304	73	13	36	36	36	38	40	42
<i>Economic and environmental services</i>	444 024	473 011	288 637	420 899	428 100	428 100	275 093	292 418	293 083
Planning and development	238 043	206 511	140 658	239 954	234 155	234 155	177 392	165 106	164 119
Road transport	205 143	266 257	147 979	180 945	193 945	193 945	97 701	127 312	128 964
Environmental protection	839	243	–	–	–	–	–	–	–
<i>Trading services</i>	4 071 822	4 598 723	4 990 728	5 025 896	4 941 046	4 941 046	5 293 190	5 877 935	6 459 142
Energy sources	1 978 938	1 973 021	2 248 953	2 645 758	2 560 758	2 560 758	2 707 089	3 057 191	3 451 031
Water management	921 274	1 457 580	1 541 833	1 152 514	1 144 514	1 144 514	1 240 971	1 412 101	1 544 014
Waste water management	603 286	654 124	650 803	642 008	642 008	642 008	723 711	774 498	800 182
Waste management	568 323	513 998	549 140	585 615	593 766	593 766	621 419	634 145	663 915
<i>Other</i>	35 708	51 266	78 761	118 337	109 841	109 841	93 080	85 261	88 951
Total Revenue - Functional	7 698 911	8 818 974	8 938 545	9 607 654	9 602 154	9 602 154	10 176 137	10 904 398	11 729 639
Expenditure - Functional									
<i>Governance and administration</i>	1 313 645	1 570 294	1 671 206	1 813 110	1 779 496	1 779 496	1 881 909	1 920 613	1 965 462
Executive and council	437 806	343 353	346 987	360 044	352 421	352 421	368 376	381 607	391 813
Finance and administration	866 396	1 217 360	1 313 220	1 438 849	1 413 238	1 413 238	1 498 577	1 523 313	1 557 215
Internal audit	9 442	9 580	10 998	14 216	13 838	13 838	14 957	15 693	16 435
<i>Community and public safety</i>	1 005 038	1 097 119	1 211 276	1 306 265	1 252 872	1 252 872	1 405 847	1 468 449	1 550 552
Community and social services	137 194	171 679	178 875	169 963	162 673	162 673	221 363	233 621	245 359
Sport and recreation	353 214	362 721	435 689	419 859	395 805	395 805	444 515	479 491	512 983
Public safety	425 979	470 259	496 627	496 608	469 524	469 524	502 980	524 824	546 410
Housing	45 567	45 918	48 631	162 205	172 836	172 836	187 830	175 564	188 432
Health	43 084	46 542	51 454	57 631	52 035	52 035	49 160	54 949	57 368
<i>Economic and environmental services</i>	1 524 559	1 122 566	1 151 812	849 083	827 779	827 779	784 675	909 837	1 069 904
Planning and development	519 586	284 929	257 688	343 116	323 656	323 656	281 969	306 612	346 123
Road transport	977 756	805 485	894 124	505 966	504 122	504 122	502 707	603 225	723 781
Environmental protection	27 218	32 152	–	–	–	–	–	–	–
<i>Trading services</i>	3 812 482	4 330 985	4 999 525	4 724 022	4 670 614	4 670 614	5 173 555	5 637 130	6 136 733
Energy sources	2 232 541	2 203 325	2 708 470	3 022 224	2 974 066	2 974 066	3 432 312	3 810 648	4 218 508
Water management	654 320	1 222 202	1 230 632	812 623	804 565	804 565	852 332	913 889	973 374
Waste water management	377 346	434 035	526 763	415 022	412 098	412 098	393 769	413 012	432 164
Waste management	548 274	471 423	533 661	474 152	479 885	479 885	495 141	499 580	512 688
<i>Other</i>	120 552	113 237	137 726	177 930	174 704	174 704	159 355	156 577	165 232
Total Expenditure - Functional	7 776 276	8 234 201	9 171 545	8 870 409	8 705 465	8 705 465	9 405 342	10 092 606	10 887 883
Surplus/(Deficit) for the year	(77 365)	584 773	(232 999)	737 245	896 689	896 689	770 796	811 792	841 757

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 R771 million reflected in the 2023/2024 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote									
Vote 1 - Directorate - Executive Support Services	90	442	191	522	712	712	377	–	–
Vote 2 - Directorate - Municipal Manager	32 547	31 520	27 415	23 693	23 693	23 693	19 541	18 738	19 466
Vote 3 - Directorate - Human Settlement	290 187	468 827	236 851	348 050	360 998	360 998	410 850	353 397	375 428
Vote 4 - Directorate - Chief Financial Officer	2 610 630	2 915 858	3 035 621	3 340 617	3 420 366	3 420 366	3 750 743	3 954 629	4 156 589
Vote 5 - Directorate - Corporate Services	10 957	11 216	12 451	12 489	12 489	12 489	11 778	12 816	13 354
Vote 6 - Directorate - Infrastructure Services	3 708 641	4 350 983	4 589 568	4 621 226	4 541 226	4 541 226	4 769 472	5 371 103	5 924 191
Vote 7 - Directorate - Spatial Planning And Development	249 564	210 464	140 429	113 984	127 208	127 208	135 746	128 302	133 473
Vote 8 - Directorate - Public Safety & Emergency Services	153 431	182 700	179 714	219 117	197 516	197 516	205 616	215 355	225 477
Vote 9 - Directorate - Municipal Services	598 138	542 199	–	–	–	–	–	–	–
Vote 10 - Directorate - Economic Development & Agencies	44 726	104 765	133 397	271 029	243 661	243 661	162 150	149 523	148 310
Vote 11 - Directorate - Solid Waste And Environmental Management	–	–	549 405	591 151	608 802	608 802	627 167	639 906	669 935
Vote 12 - Directorate - Sport, Recreation & Community Development	–	–	33 503	65 776	65 484	65 484	82 698	60 629	63 416
Total Revenue by Vote	7 698 911	8 818 974	8 938 545	9 607 654	9 602 154	9 602 154	10 176 137	10 904 398	11 729 639
Expenditure by Vote to be appropriated									
Vote 1 - Directorate - Executive Support Services	310 518	281 388	278 459	291 865	282 531	282 531	304 739	317 183	329 977
Vote 2 - Directorate - Municipal Manager	134 884	136 201	148 509	154 574	153 479	153 479	153 112	158 345	160 227
Vote 3 - Directorate - Human Settlement	45 567	45 592	48 283	161 814	172 446	172 446	187 439	175 156	188 006
Vote 4 - Directorate - Chief Financial Officer	434 456	690 997	752 638	970 076	948 379	948 379	1 012 840	1 005 554	994 471
Vote 5 - Directorate - Corporate Services	224 517	245 516	243 555	227 076	227 678	227 678	240 909	242 326	253 317
Vote 6 - Directorate - Infrastructure Services	4 343 414	4 790 750	5 493 492	4 869 537	4 804 397	4 804 397	5 291 826	5 862 170	6 482 629
Vote 7 - Directorate - Spatial Planning And Development	627 806	361 243	356 036	281 535	283 011	283 011	297 599	344 706	406 355
Vote 8 - Directorate - Public Safety & Emergency Services	474 180	517 919	501 899	501 008	473 471	473 471	516 559	538 671	560 791
Vote 9 - Directorate - Municipal Services	1 060 783	1 006 724	–	–	–	–	–	–	–
Vote 10 - Directorate - Economic Development & Agencies	120 151	157 870	184 357	322 856	300 857	300 857	220 691	212 770	216 235
Vote 11 - Directorate - Solid Waste And Environmental Management	–	–	695 442	656 627	644 938	644 938	659 806	680 538	701 799
Vote 12 - Directorate - Sport, Recreation & Community Development	–	–	468 558	433 442	414 277	414 277	519 821	555 188	594 076
Total Expenditure by Vote	7 776 276	8 234 201	9 171 227	8 870 409	8 705 465	8 705 465	9 405 342	10 092 606	10 887 883
Surplus/(Deficit) for the year	(77 365)	584 773	(232 682)	737 245	896 689	896 689	770 796	811 792	841 757

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)

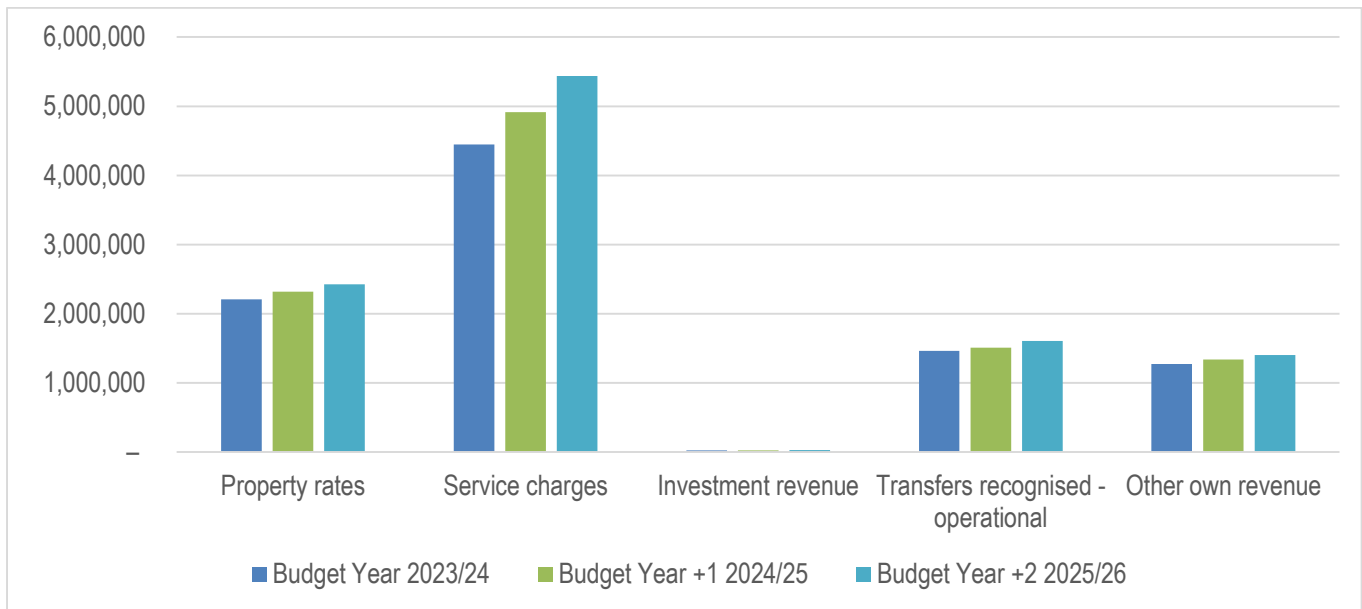
Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Revenue									
Exchange Revenue									
Service charges - Electricity	1 838 105	1 940 773	2 199 541	2 549 552	2 469 552	2 469 552	2 614 161	2 947 205	3 322 679
Service charges - Water	709 744	1 146 063	1 255 133	849 617	849 617	849 617	933 423	1 025 496	1 126 651
Service charges - Waste Water Management	377 249	429 316	470 773	468 519	468 519	468 519	493 351	517 525	541 848
Service charges - Waste Management	335 843	353 492	387 546	385 616	385 616	385 616	406 053	425 950	445 969
Sale of Goods and Rendering of Services	39 138	103 397	109 848	138 763	138 612	138 612	145 958	153 110	160 306
Agency services	23 428	31 910	30 536	44 713	27 879	27 879	27 261	28 737	29 501
Interest earned from Receivables	122 587	118 562	176 561	121 249	201 249	201 249	211 915	222 299	232 747
Interest earned from Current and Non Current Assets	70 650	41 289	33 086	30 876	30 876	30 876	24 054	25 224	26 402
Rental from Fixed Assets	22 652	24 222	21 116	21 965	21 965	21 965	23 129	24 263	25 403
Operational Revenue	-	52 796	38 298	94 413	94 564	94 564	84 138	88 261	92 409
Non-Exchange Revenue									
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Fines, penalties and forfeits	10 864	16 659	12 408	22 435	19 070	19 070	20 080	21 064	22 054
Licences or permits	12 587	12 411	12 128	19 739	16 778	16 778	17 667	18 533	19 404
Transfer and subsidies - Operational	987 005	1 248 804	1 099 887	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Fuel Levy	547 497	593 337	652 199	719 203	719 203	719 203	741 926	779 747	819 383
Gains on disposal of Assets	4 254	34 411	16 618	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	6 569 003	7 738 963	8 249 591	8 871 639	8 865 515	8 865 515	9 415 557	10 102 818	10 895 462
Expenditure									
Employee related costs	2 206 010	2 539 080	2 536 403	2 686 871	2 608 061	2 608 061	2 884 448	3 017 062	3 158 220
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
Bulk purchases - electricity	1 528 586	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 512 494	2 832 586	3 193 457
Inventory consumed	339 555	327 361	369 179	314 839	267 442	267 442	286 314	311 305	337 810
Debt impairment	601 842	911 741	1 385 422	1 211 246	1 211 246	1 211 246	1 328 917	1 295 031	1 205 684
Depreciation and amortisation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412
Interest	32 564	25 757	20 684	49 361	49 361	49 361	13 567	13 906	14 254
Contracted services	682 052	641 601	595 813	977 494	977 645	977 645	903 924	923 516	966 061
Transfers and subsidies	131 019	104 708	127 078	170 553	189 856	189 856	154 110	139 091	144 170
Operational costs	466 217	550 528	608 458	532 823	514 631	514 631	545 352	564 616	594 029
Other Losses	13 683	22 215	1 302	82 136	82 136	82 136	92 540	101 554	111 446
Total Expenditure	7 776 276	8 207 573	9 201 071	8 870 409	8 705 465	8 705 465	9 405 342	10 092 606	10 887 883
Surplus/(Deficit)	(1 207 273)	(468 610)	(951 480)	1 229	160 051	160 051	10 215	10 212	7 579
Transfers and subsidies - capital (monetary allocations)	1 010 413	1 065 032	686 434	736 015	736 638	736 638	760 580	801 580	834 177
Transfers and subsidies - capital (in-kind)	13 811	14 979	2 495	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(183 049)	611 401	(262 551)	737 245	896 689	896 689	770 796	811 792	841 757
Income Tax									
Surplus/(Deficit) after income tax	(183 049)	611 401	(262 551)	737 245	896 689	896 689	770 796	811 792	841 757
Share of Surplus/Deficit attributable to Joint Venture									
Share of Surplus/Deficit attributable to Minorities									
Surplus/(Deficit) attributable to municipality	(183 049)	611 401	(262 551)	737 245	896 689	896 689	770 796	811 792	841 757
Share of Surplus/Deficit attributable to Associate	105 684	(26 628)	29 869						
Intercompany/Parent subsidiary transactions									
Surplus/(Deficit) for the year	(77 365)	584 773	(232 682)	737 245	896 689	896 689	770 796	811 792	841 757

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

1. Total operating revenue is R9.41 billion in 2023/2024 and escalates to R10.10 billion and R10.89 billion by 2024/2025 and 2025/2026 respectively. This represents a year-on-year increase of 6.20% for 2023/2024 financial year, 7.30% for 2024/2025 financial year and remains at 7.85% for the 2025/2026 financial year.
2. Revenue to be generated from property rates is R2.21 billion in the 2023/2024 financial year and increases to R2.32 billion in 2024/2025 and further increases to R2.43 billion in 2025/2026. The property rates represent 23% 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. Property Rates tariff will not be increased in the 2023/2024 financial year due to implementation of the new general valuation roll, an increase of 4.9% is proposed for 2024/2025 financial year and it is then reduced to 4.7% in the 2025/2026 financial year.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the City totalling R4.45 billion for the 2023/2024 financial year and increasing to R5.44 billion by 2025/2026. For the 2023/2024 financial year, service charges amount to 47% of the total revenue base and it slightly increases to 50% in 2025/2026.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. Transfers & Subsidies slightly increases from R1.46 billion in 2023/2024 to R1.60 billion in 2025/2026.

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 2023/2024 financial year as a result of an annual increase, escalating from R2.51 billion to R3.19 billion in 2025/2026.
6. Employee Related Costs are one of the main cost drivers within the City's operating expenditure budget increasing from R2.88 billion in 2023/2024 to R3.16 billion in 2025/2026. The existing Salary and Wage Collective Agreement has been followed in projecting employee costs increases of 5.4% in 2023/2024, 4.9% in 2024/2025 and 4.7% in 2025/2026.
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 R610 million for the 2023/2024 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. The depreciation resulting from the revaluation of PPE is budgeted against the Revaluation reserve account in the Statement of Financial Position.

9. Contracted Services increases from R904 million in 2023/2024 to R966 million in 2025/2026 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

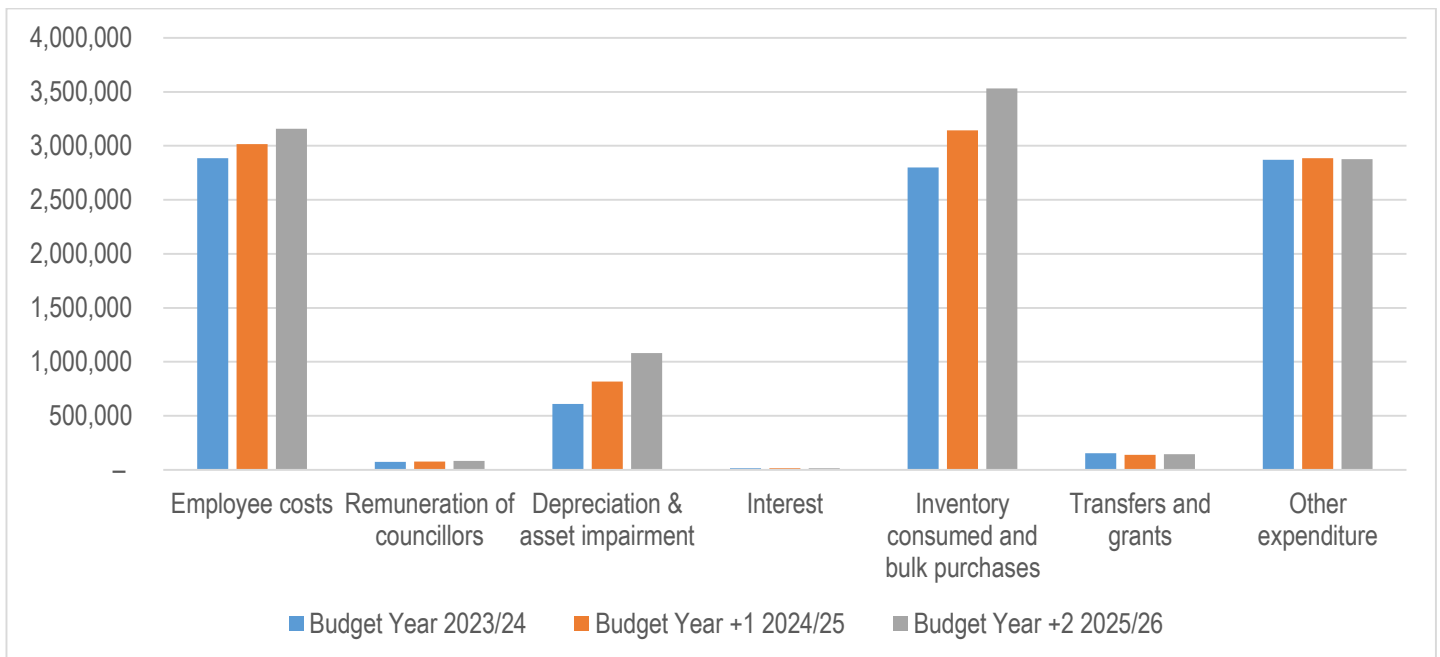


Table 22: MBRR Table A5 - Consolidated Budgeted Capital Expenditure by vote, functional classification and funding source

Vote Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Directorate - Executive Support Services	2 783	480	5 369	500	1 200	1 200	500	500	500
Vote 2 - Directorate - Municipal Manager	777	89	2 946	600	1 650	1 650	600	500	500
Vote 3 - Directorate - Human Settlement	268 249	433 952	214 662	235 992	235 992	235 992	278 200	236 344	249 601
Vote 4 - Directorate - Chief Financial Officer	69 252	112 064	205 433	250 714	84 138	84 138	71 938	13 500	33 500
Vote 5 - Directorate - Corporate Services	30 114	10 638	4 494	4 980	14 664	14 664	10 640	11 650	6 650
Vote 6 - Directorate - Infrastructure Services	737 607	663 463	653 787	1 274 245	732 891	732 891	520 461	640 126	658 198
Vote 7 - Directorate - Spatial Planning And Development	232 207	143 363	115 477	105 341	100 399	100 399	136 617	83 458	87 062
Vote 8 - Directorate - Public Safety & Emergency Services	8 257	22 932	8 836	22 900	39 805	39 805	32 188	15 500	43 500
Vote 9 - Directorate - Municipal Services	137 421	76 063	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	60 999	128 308	140 761	104 701	79 117	79 117	65 533	51 659	63 415
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	13 027	38 319	50 919	50 919	42 000	77 570	26 661
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	43 723	48 070	55 889	55 889	60 650	37 000	23 510
Capital multi-year expenditure sub-total	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097
Single-year expenditure to be appropriated									
Vote 1 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-
Vote 2 - Directorate - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Directorate - Human Settlement	-	-	-	-	-	-	-	-	-
Vote 4 - Directorate - Chief Financial Officer	-	-	-	-	-	-	-	-	-
Vote 5 - Directorate - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 6 - Directorate - Infrastructure Services	-	-	-	-	-	-	-	-	-
Vote 7 - Directorate - Spatial Planning And Development	-	-	-	-	-	-	-	-	-
Vote 8 - Directorate - Public Safety & Emergency Services	-	-	-	-	-	-	-	-	-
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	-	-	-	-	-	-	-	-
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	-	-	-	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097

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

Vote Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Capital Expenditure - Functional									
Government and administration	133 207	170 418	260 451	283 794	133 001	133 001	118 178	51 650	57 322
Executive and council	32 649	9 500	7 969	1 100	2 400	2 400	1 100	1 000	1 000
Finance and administration	100 558	160 919	252 482	282 694	130 150	130 150	117 078	50 650	56 322
Internal audit	-	-	-	-	450	450	-	-	-
Community and public safety	316 498	488 865	271 363	318 812	358 635	358 635	379 038	304 114	325 578
Community and social services	12 081	20 665	15 882	29 400	27 400	27 400	45 950	22 950	28 808
Sport and recreation	27 961	16 687	32 823	27 520	52 308	52 308	33 200	26 820	15 668
Public safety	7 107	17 180	6 033	20 900	37 805	37 805	20 688	11 500	31 500
Housing	268 249	433 952	214 662	235 992	235 992	235 992	278 200	236 344	249 601
Health	1 102	380	1 963	5 000	5 129	5 129	1 000	6 500	-
Economic and environmental services	542 865	490 251	440 972	479 709	543 657	543 657	287 386	247 910	231 268
Planning and development	213 624	131 920	81 611	84 481	77 477	77 477	113 550	69 478	72 480
Road transport	327 124	358 331	359 361	395 228	466 180	466 180	173 837	178 432	158 788
Environmental protection	2 117	-	-	-	-	-	-	-	-
Trading services	494 097	314 748	295 599	900 486	283 396	283 396	370 624	513 994	517 105
Energy sources	133 475	120 908	120 634	145 513	104 149	104 149	132 820	156 388	183 557
Water management	122 702	78 202	104 762	160 980	107 275	107 275	100 205	171 028	176 440
Waste water management	142 609	71 555	61 318	567 524	48 000	48 000	103 598	124 278	139 412
Waste management	95 312	44 082	8 886	26 469	23 971	23 971	34 000	62 300	17 694
Other	60 999	127 070	140 130	103 561	77 977	77 977	64 100	50 139	61 825
Total Capital Expenditure - Functional	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097
Funded by:									
National Government	903 947	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Provincial Government	1 579	-	-	-	-	-	-	-	-
District Municipality									
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	905 526	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Borrowing	-	3 079	11 727	732 614	-	-	-	-	-
Internally generated funds	642 141	617 287	772 324	618 873	661 167	661 167	459 854	367 378	360 046
Total Capital Funding	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097

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 2023/2024 R1.22 billion has been allocated, R1.17 billion in 2024/2025 and R1.19 billion in 2025/2026.
3. The capital programme is funded from National Government Grants (Capital Transfers), Internally Generated Funds from prior and current year surpluses and depreciation. For 2023/2024, Capital transfers represent 62% of Capital Expenditure and increases to 70% by 2025/2026.
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 R460 million in 2023/2024, it decreases to R367 million and R360 million in 2024/2025 and 2025/2026 respectively.
5. No new borrowing has been provided for until there's improvement in the collection rate and sufficient operating surplus is available to allow for the repayments that will be required. The City is in a process of appointing a panel of transactional advisers with sole responsibility of sourcing funds for economically viable Capital projects.

Table 23: MBRR Table A6 - Consolidated Budgeted Financial Position

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
ASSETS									
Current assets									
Cash and cash equivalents	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Trade and other receivables from exchange transactions	1 183 825	1 776 482	1 883 652	1 766 723	1 846 723	1 846 723	1 988 297	2 173 596	2 408 784
Receivables from non-exchange transactions	680 143	775 462	828 235	827 009	827 009	827 009	867 830	960 974	1 108 519
Current portion of non-current receivables									
Inventory	34 469	37 094	44 210	38 273	38 273	38 273	46 253	48 256	50 259
VAT									
Other current assets									
Total current assets	3 272 148	3 734 446	3 453 553	3 516 679	3 633 206	3 633 206	3 594 852	4 061 252	4 888 361
Non current assets									
Investments									
Investment property	406 526	436 049	451 398	440 098	440 098	440 098	467 196	483 548	500 472
Property, plant and equipment	19 201 056	21 523 594	24 451 806	22 907 239	22 217 542	22 217 542	24 613 967	27 622 822	29 159 269
Biological assets									
Living and non-living resources									
Heritage assets	50 513	50 513	50 513	50 513	50 513	50 513	50 513	50 513	50 513
Intangible assets	14 975	13 010	10 847	13 724	13 724	13 724	11 440	12 136	12 567
Trade and other receivables from exchange transactions									
Non-current receivables from non-exchange transactions									
Other non-current assets	703 076	676 449	706 317	708 919	708 919	708 919	731 038	749 314	760 554
Total non current assets	20 376 146	22 699 614	25 670 881	24 120 494	23 430 797	23 430 797	25 874 155	28 918 334	30 483 376
TOTAL ASSETS	23 648 294	26 434 060	29 124 434	27 637 173	27 064 003	27 064 003	29 469 007	32 979 586	35 371 737
LIABILITIES									
Current liabilities									
Bank overdraft									
Financial liabilities	54 396	45 191	49 141	56 859	56 859	56 859	30 246	28 814	25 086
Consumer deposits	70 143	74 226	79 793	77 789	77 789	77 789	83 793	87 793	91 793
Trade and other payables from exchange transactions	1 332 968	1 555 515	1 346 673	1 329 115	1 329 115	1 329 115	1 397 989	1 439 928	1 483 126
Trade and other payables from non-exchange transactions	532 904	267 004	283 485				282 535	291 011	299 741
Provision	378 296	406 424	409 375	398 601	398 601	398 601	409 544	410 147	410 751
VAT									
Other current liabilities									
Total current liabilities	2 368 707	2 348 360	2 168 468	1 862 363	1 862 363	1 862 363	2 204 107	2 257 693	2 310 498
Non current liabilities									
Financial liabilities	233 185	187 994	138 854	1 422 411	689 797	689 797	108 608	79 794	54 708
Provision	644 787	814 599	938 351	831 865	831 865	831 865	952 555	981 132	1 010 566
Long term portion of trade payables									
Other non-current liabilities									
Total non current liabilities	877 972	1 002 593	1 077 205	2 254 276	1 521 661	1 521 661	1 061 163	1 060 926	1 065 274
TOTAL LIABILITIES	3 246 679	3 350 954	3 245 673	4 116 639	3 384 025	3 384 025	3 265 270	3 318 619	3 375 771
NET ASSETS	20 401 615	23 083 107	25 878 762	23 520 534	23 679 978	23 679 978	26 203 738	29 660 967	31 995 966
COMMUNITY WEALTH/EQUITY									
Accumulated surplus/(deficit)	10 929 562	11 466 060	11 232 728	13 416 306	13 575 751	13 575 751	13 125 297	12 766 118	12 935 435
Reserves and funds	9 472 053	11 617 047	14 646 034	10 104 227	10 104 227	10 104 227	13 078 441	16 894 849	19 060 530
Other									
TOTAL COMMUNITY WEALTH/EQUITY	20 401 615	23 083 107	25 878 762	23 520 534	23 679 978	23 679 978	26 203 738	29 660 967	31 995 966

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	1 468 355	1 589 415	1 387 131	1 576 364	1 576 364	1 576 364	1 777 905	1 911 358	2 061 834
Service charges	3 180 242	3 937 345	3 351 451	3 423 909	3 343 909	3 343 909	3 579 825	4 055 845	4 621 576
Other revenue	78 677	(578 524)	635 265	866 859	843 698	843 698	1 006 865	1 058 715	1 112 063
Transfers and Subsidies - Operational	979 243	941 592	1 057 255	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Transfers and Subsidies - Capital	1 010 413	1 065 032	688 929	736 015	736 038	736 038	760 580	801 580	834 177
Interest	192 171	159 852	209 646	30 876	30 876	30 876	24 054	25 224	26 402
Dividends							-	-	-
Payments									
Suppliers and employees	(4 841 629)	(5 516 951)	(6 117 694)	(6 824 853)	(6 640 605)	(6 640 605)	(7 299 129)	(7 828 324)	(8 442 361)
Interest	(32 564)	(25 757)	(20 684)	(49 361)	(49 361)	(49 361)	(13 567)	(13 906)	(14 254)
Transfers and Subsidies	(130 821)	(104 708)	(127 078)	(170 553)	(189 856)	(189 856)	(154 110)	(139 091)	(144 170)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 904 087	1 467 295	1 064 221	1 036 020	1 114 865	1 114 865	1 146 286	1 380 007	1 660 283
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	10 373	37 832	1 380				-	-	-
Decrease (increase) in non-current receivables							-	-	-
Decrease (increase) in non-current investments							-	-	-
Payments									
Capital assets	(1 654 409)	(1 679 035)	(1 468 361)	(2 086 362)	(1 396 065)	(1 396 065)	(1 219 326)	(1 167 806)	(1 193 097)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 644 036)	(1 641 203)	(1 466 981)	(2 086 362)	(1 396 065)	(1 396 065)	(1 219 326)	(1 167 806)	(1 193 097)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans				-			-	-	-
Borrowing long term/refinancing				732 614			-	-	-
Increase (decrease) in consumer deposits				8 182	8 182	8 182	6 005	4 000	4 000
Payments									
Repayment of borrowing	(57 974)	(54 396)	(45 191)	(62 833)	(62 833)	(62 833)	(49 141)	(30 246)	(28 814)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(57 974)	(54 396)	(45 191)	677 964	(54 650)	(54 650)	(43 136)	(26 246)	(24 814)
NET INCREASE/ (DECREASE) IN CASH HELD	202 078	(228 303)	(447 950)	(372 378)	(335 850)	(335 850)	(116 176)	185 954	442 372
Cash/cash equivalents at the year begin:	1 171 633	1 373 711	1 145 407	1 257 052	1 257 052	1 257 052	808 648	692 472	878 426
Cash/cash equivalents at the year end:	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799

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 increase from R0.692 billion in the 2023/2024 period to R0.878 billion in the 2024/2025 financial year and further increase over the MTREF to R1.32 billion by 2025/2026 financial year. The increase can be attributed to the tariff increases and increase in the collection rate target over the MTREF period.
4. Provision has been made for the repayment of borrowing to the amount of R49 million for the 2023/2024 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available									
Cash/cash equivalents at the year end	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Other current investments > 90 days	0	-	0	0	0	0	0	(0)	0
Non current Investments	-	-	-	-	-	-	-	-	-
Cash and investments available:	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Application of cash and investments									
Unspent conditional transfers	527 613	264 699	274 306	764 174	764 174	764 174	282 535	291 011	299 741
Unspent borrowing									
Statutory requirements			(8 037)	(8 423)	(8 423)	(8 423)	(8 870)	(9 304)	(9 741)
Other working capital requirements	343 849	418 132	140 879	(574 512)	(590 701)	(590 701)	(1 964 769)	(2 336 248)	(2 824 576)
Other provisions	378 296	406 424	409 375	398 601	398 601	398 601	409 544	410 147	410 751
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments									
Total Application of cash and investments:	1 249 758	1 089 255	816 523	579 839	563 650	563 650	(1 281 561)	(1 644 394)	(2 123 825)
Surplus(shortfall)	123 953	56 152	(119 066)	304 835	357 552	357 552	1 974 033	2 522 821	3 444 624

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 2023/2024 to 2025/2026 the surplus increases from R1.97 billion to R3.44 billion.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2023/2024 MTREF is funded with a surplus.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2023/2024 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
CAPITAL EXPENDITURE									
<u>Total Upgrading of Existing Assets</u>	311 922	493 299	491 837	1 075 687	574 246	574 246	342 801	295 718	314 764
<i>Roads Infrastructure</i>	70 505	232 087	280 638	364 539	402 422	402 422	150 198	100 732	101 214
<i>Electrical Infrastructure</i>	43 348	13 906	8 321	25 000	19 000	19 000	20 000	20 000	30 000
<i>Water Supply Infrastructure</i>	19 459	15 228	7 150	7 204	7 204	7 204	7 155	10 000	10 448
<i>Sanitation Infrastructure</i>	65 638	63 519	46 597	557 524	38 000	38 000	77 098	100 278	119 561
Infrastructure	198 949	324 739	342 707	954 267	466 626	466 626	254 451	231 010	261 223
Community Facilities	64 547	36 612	35 502	53 200	52 012	52 012	50 450	42 408	42 340
Sport and Recreation Facilities	16 095	94 686	107 449	54 350	43 927	43 927	16 900	14 000	4 112
Community Assets	80 641	131 298	142 951	107 550	95 940	95 940	67 350	56 408	46 451
Heritage Assets	1 544	152	1 062	1 000	1 001	1 001	1 000	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	28 793	36 571	4 722	11 470	9 280	9 280	18 400	6 600	6 090
Other Assets	28 793	36 571	4 722	11 470	9 280	9 280	18 400	6 600	6 090
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	1 000	1 000	1 000	1 000	1 000	1 000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	1 995	539	396	400	400	400	600	700	-
Living Resources	-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 219 326	1 167 806	1 193 097
<i>Roads Infrastructure</i>	558 282	570 267	528 401	507 044	597 551	597 551	333 103	284 630	270 991
<i>Storm water Infrastructure</i>	156 443	27 334	29 943	20 800	41 390	41 390	45 975	26 625	27 804
<i>Electrical Infrastructure</i>	163 336	180 913	179 373	239 432	124 753	124 753	129 566	157 388	193 057
<i>Water Supply Infrastructure</i>	149 787	114 957	257 724	396 681	196 171	196 171	244 168	266 903	287 350
<i>Sanitation Infrastructure</i>	168 143	169 425	101 078	609 866	92 183	92 183	142 648	183 424	189 367
<i>Solid Waste Infrastructure</i>	39 919	3 434	38	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	17 253	2 987	1 136	2 500	6 301	6 301	2 000	4 500	-
Infrastructure	1 253 162	1 069 316	1 097 693	1 776 322	1 058 350	1 058 350	897 461	923 470	968 569
Community Facilities	77 635	51 396	51 686	97 500	78 641	78 641	102 538	79 827	90 748
Sport and Recreation Facilities	16 933	94 735	108 956	63 550	61 260	61 260	23 000	22 620	11 378
Community Assets	94 567	146 131	160 642	161 050	139 900	139 900	125 538	102 447	102 127
Heritage Assets	5 526	160	1 762	2 500	3 101	3 101	2 000	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	34 166	40 997	22 528	44 939	36 577	36 577	60 900	27 400	33 284
Housing	-	176 873	31 403	21 200	28 959	28 959	46 500	5 000	5 224
Other Assets	34 166	217 869	53 931	66 139	65 536	65 536	107 400	32 400	38 508
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Licences and Rights	53 718	27 844	13 632	8 500	20 872	20 872	3 848	3 946	4 100
Intangible Assets	53 718	27 844	13 632	8 500	20 872	20 872	3 848	3 946	4 100
Computer Equipment	2 836	3 750	1 733	-	1 050	1 050	2 790	1 790	1 611
Furniture and Office Equipment	7 938	5 462	14 894	9 650	20 169	20 169	16 535	15 434	21 753
Machinery and Equipment	46 466	43 908	22 521	13 661	17 271	17 271	19 654	36 619	14 758
Transport Assets	47 292	75 135	16 963	32 000	53 875	53 875	28 500	36 000	26 000
Land	-	-	23 716	15 000	15 000	15 000	15 000	15 000	15 672
Zoo's, Marine and Non-biological Animals	1 995	539	396	400	400	400	600	700	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 219 326	1 167 806	1 193 097

MBRR Table A9 – Asset Management (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSET REGISTER SUMMARY - PPE (WDV)	15 437 296	17 450 359	20 299 294	16 731 359	16 753 897	16 753 897	19 342 969	22 443 175	24 003 937
<i>Roads Infrastructure</i>	4 752 462	5 463 769	6 265 695	5 229 257	5 234 757	5 234 757	13 285 795	13 924 105	13 825 100
<i>Storm water Infrastructure</i>	(96 470)	(96 279)	(94 582)	1 000	4 000	4 000	250	500	522
<i>Electrical Infrastructure</i>	3 423 469	3 903 095	4 379 685	5 131 867	5 099 259	5 099 259	1 626 150	3 432 929	4 347 594
<i>Water Supply Infrastructure</i>	2 468 644	2 816 347	3 507 232	3 632 674	3 636 018	3 636 018	1 630 875	1 649 969	1 651 156
<i>Sanitation Infrastructure</i>	1 765 574	1 910 251	2 167 684	1 811 416	1 814 416	1 814 416	1 817 666	1 801 416	1 822 640
<i>Solid Waste Infrastructure</i>	107 939	4 839	252 818	-	-	-	-	-	-
<i>Rail Infrastructure</i>	(226)	(293)	(367)	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	75	(141)	994	2 500	6 301	6 301	2 000	4 500	-
Infrastructure	12 421 467	14 001 587	16 479 158	15 808 714	15 794 752	15 794 752	18 362 735	20 813 419	21 647 014
Community Assets	1 121 344	1 272 318	1 447 950	11 130	16 418	16 418	39 330	(550)	(3 690)
Heritage Assets	50 513	50 513	50 513	50 513	50 514	50 514	50 513	50 513	50 513
Investment properties	406 526	436 049	451 398	440 098	440 098	440 098	467 196	483 548	500 472
Other Assets	916 328	1 101 231	1 304 490	369 882	376 446	376 446	366 482	374 982	356 154
Intangible Assets	14 975	12 412	10 847	13 724	13 724	13 724	10 597	11 136	11 461
Computer Equipment	499	(1 675)	9	5 402	6 242	6 242	7 338	6 838	6 159
Furniture and Office Equipment	57 709	126 346	114 734	(143 854)	(142 574)	(142 574)	(141 365)	506 481	1 261 909
Machinery and Equipment	38 137	45 833	54 526	36 015	37 706	37 706	40 908	55 074	37 212
Transport Assets	328 140	324 088	301 190	139 734	160 570	160 570	139 234	141 734	136 734
Land	81 658	81 658	84 479	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	15 437 296	17 450 359	20 299 294	16 731 359	16 753 897	16 753 897	19 342 969	22 443 175	24 003 937
EXPENDITURE OTHER ITEMS	2 092 306	1 773 383	1 971 184	1 060 527	1 086 800	1 086 800	1 107 090	1 353 539	1 643 950
Depreciation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412
Repairs and Maintenance by Asset Class	382 245	384 520	401 390	446 130	472 403	472 403	497 470	537 286	562 538
<i>Roads Infrastructure</i>	103 553	105 276	101 197	106 299	111 098	111 098	116 986	126 345	132 284
<i>Storm water Infrastructure</i>	10 266	10 047	11 846	11 093	11 093	11 093	11 681	12 616	13 209
<i>Electrical Infrastructure</i>	35 473	35 299	39 245	36 851	42 851	42 851	45 122	48 732	51 022
<i>Water Supply Infrastructure</i>	2 711	2 911	2 998	3 320	3 363	3 363	3 541	3 824	4 004
<i>Sanitation Infrastructure</i>	32 199	25 986	25 619	27 421	32 421	32 421	34 139	36 870	38 603
<i>Solid Waste Infrastructure</i>	1 121	1 201	1 285	1 287	1 237	1 237	1 303	1 407	1 473
Infrastructure	185 323	180 719	182 189	186 271	202 064	202 064	212 773	229 795	240 595
Community Facilities	5 245	6 857	10 207	5 203	5 203	5 203	5 479	5 917	6 195
Sport and Recreation Facilities	1 769	2 081	2 364	1 697	1 697	1 697	1 787	1 930	2 021
Community Assets	7 014	8 938	12 571	6 901	6 901	6 901	7 266	7 848	8 216
Heritage Assets	9	9	8	9	9	9	10	11	11
Investment properties	-	-	-	-	-	-	10	16	16
Operational Buildings	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
Other Assets	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	663	-	-	-	-	-
Intangible Assets	-	-	-	663	-	-	-	-	-
Computer Equipment	672	604	425	1 256	1 198	1 198	1 262	1 363	1 427
Furniture and Office Equipment	5 146	6 831	4 161	7 939	8 706	8 706	9 167	9 901	10 366
Machinery and Equipment	132 224	134 004	149 865	177 118	183 631	183 631	193 373	208 845	218 661
Transport Assets	27 308	26 724	24 215	31 682	32 267	32 267	33 987	36 717	38 443
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	2 092 306	1 773 383	1 971 184	1 060 527	1 086 800	1 086 800	1 107 090	1 353 539	1 643 950

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 2023/2024 financial year BCMM has allocated 52.8% of its capital budget towards asset upgrading and renewal and 2.6% 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.

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	40 321	40 321	40 321	42 821	42 821	42 821	45 321	47 821	50 321
Sanitation (free minimum level service)	38 219	38 219	38 219	35 076	35 076	35 076	37 576	40 076	42 576
Electricity/other energy (50kwh per household per month)	81 304	72 569	61 194	63 694	63 694	63 694	66 194	68 694	71 194
Refuse (removed at least once a week)	42 191	42 191	42 191	44 691	44 691	44 691	47 191	49 691	52 191
Informal Settlements	128	128	128	129	129	129	130	131	133
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	206 416	218 559	223 324	206 670	206 670	206 670	227 056	249 453	274 059
Sanitation (free sanitation service to indigent households)	56 381	61 503	73 090	98 301	98 301	98 301	103 511	108 583	113 686
Electricity/other energy (50kwh per indigent household per month)	49 660	44 962	50 947	82 663	82 663	82 663	95 146	107 267	120 933
Refuse (removed once a week for indigent households)	104 312	110 803	133 479	166 585	166 585	166 585	175 414	184 009	192 657
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	206 816	209 553	230 126	266 534	266 534	266 534	292 840	321 753	347 435
Total cost of FBS provided	623 586	645 381	710 967	820 753	820 753	820 753	893 966	971 065	1 048 770
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)	115	86	102	107	107	107	113	118	124
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) (impermissable values per section 17 of MPRA)									
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739
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	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE 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

Following the adoption of the 2023/2024 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, Buffalo City Metropolitan Municipality embarked on the Second IDP Review Process as required in term of Section 34 of the Municipal Systems Act.

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".

In terms of Section 24 of the Municipal Finance Management Act (MFMA) No 56, 2003:

- 1) "The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget".

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 Deputy Executive Mayor, Portfolio Head for Finance (Chairperson), Portfolio MMC for Infrastructure Services, MMC for Spatial Planning & Development and MMC for Human Settlements, City Manager 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 24 August 2022.

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

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
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) 	28/07/2022
2.	Strategic Development 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) 	03/08/2022
3.	Budget Steering 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) 	05/08/2022
4.	Top Management: <ul style="list-style-type: none"> • To consider 2022/2023 First Adjustment Budget & the 2021/2022 Fourth Adjustment Budget and recommend these being approved by Council 	05/08/2022
5.	Councillors and Traditional Leaders' Workshop <ul style="list-style-type: none"> • To consider the IDP / Budget / PMS Process Plan and Time Schedule before formal submission to Council for approval (at least 10 months before the start of the budget year) • To consider 2022/2023 First Adjustment Budget & the 2021/2022 Fourth Adjustment Budget before tabling in Council for approval 	12/08/2022

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
6.	External IDP/Budget/PMS Representative Forum: <ul style="list-style-type: none"> • To consult external stakeholders on the Draft IDP / Budget / PMS Process Plan and Time Schedule and the Buffalo City Metropolitan One Plan 	16/08/2022
7.	Council: <ul style="list-style-type: none"> • To approve IDP / Budget / PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year), the 2022/2023 First adjustment budget (to be tabled before 25 August 2022) and the 2021/2022 Fourth Adjustment budget. • Note SDBIP approved by Executive Mayor and performance agreements signed by Municipal Manager and Managers directly accountable to the Municipal Manager to Council for notification 	24/08/2022
SEPT – OCT: PHASE 1- Research Information Collection and Analysis		
8.	Technical Transversal Planning Sessions led by Management: <ul style="list-style-type: none"> • To compile and report on consolidated narrative and data on the planned investment footprint of other spheres in the metro space for reporting to BCMM Political and Technical IGR Fora. 	Sept – Oct 2022
9.	Technical IGR Forum: <ul style="list-style-type: none"> • To present Update on the BCMM Integrated Development Plan; and • To prepare for Three-Spheres Technical Planning Session 	19/08/2022
10.	Top Management <ul style="list-style-type: none"> • To consider Ward Priorities and Mayoral Imbizo Report as updated by Senior Management 	22/09/2022
11.	Ward Public Meetings <ul style="list-style-type: none"> • To collect ward community needs from the broader public and stakeholders in the wards and identify Ward Priorities through Ward Public Meetings 	September – December 2022

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
12.	Ward Priorities Sessions with Ward Committees: <ul style="list-style-type: none"> Ward Councillors, together with Ward Committees compile/review ward profiles and ward priorities. 	September – December 2022
13.	Pre-Mayoral Imbizo Sessions: <ul style="list-style-type: none"> To consult Councillors to verify content for the Executive Mayoral Imbizos, including the status report on 2016/2021 Ward Priorities 	Inland – 28/09/2022 Midland – 28/09/2022 Coastal – 29/09/2022
14.	Executive Mayoral Imbizo: <ul style="list-style-type: none"> To interact with ward communities, listen to needs and concerns and provide feedback on approved programmes and projects for 2023/2024 	Coastal – 13/10/2022 Inland – 14/10/2022 Midland – 15/10/2022
15.	Three Spheres Joint Planning Session <ul style="list-style-type: none"> Intergovernmental Planning between metro and provincial and national government departments and State-owned Enterprises REF: ONE PLAN	09/09/2022
OCT – DEC: PHASE 2 - Vision, Objectives and Strategies		
16.	IDP/Budget/PMS Technical Workstreams: <ul style="list-style-type: none"> Prepare for Mayoral and Council Lekgotla, including refinement of Ward Priorities Report (2016/2021) before presenting to Mayoral and Council Lekgotla 	08/11/2022
17.	Mayoral Lekgotla Session <ul style="list-style-type: none"> To review strategic objectives for service delivery and development 	05 to 06/12/2022

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
18.	<p>Council Lekgotla</p> <ul style="list-style-type: none"> To reflect on desired key outcomes over the remainder of Council's 5-year term based on its deep understanding of current and emerging City trends and realities as consolidated during Mayoral Lekgotla 	07/12/2022
19.	<p>Budget Workshops with all directorates to address the following:</p> <ul style="list-style-type: none"> Financial Institutional Performance Cost Containment Measures 2023/2024 Tariff Process Verification of Fleet & Staff Keys Consideration of all ward priorities when identifying projects and programmes for the 2023/2026 MTREF Budget IDP Strategic Priorities for 2021/2026 & MTREF Capital Prioritization 2022/2023 Mid-Year Adjustment Budget Reallocation (Capital & Operating Budget) 	22/11/2022 to 21/12/2022
JAN – FEB: PHASE 3: Development of Programmes and Projects		
20.	<p>IDP Technical Planning Session (Also known as Top Management Technical Planning Session):</p> <ul style="list-style-type: none"> To reflect on progress made with implementation of strategic priorities during preceding financial years; and To review SITUATIONAL ANALYSIS of the metro that inform priority choices 	23 to 24/01/2023
21.	<p>Council:</p> <ul style="list-style-type: none"> To table and adopt the Statement of Financial Performance and the Implementation of the 2022/2023 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2022 	31/01/2023

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
	<ul style="list-style-type: none"> To consider Municipal entity's proposed budget, priorities and objectives for 2023/2024 and proposed budget adjustments for 2022/2023 To table the Draft AR within 7 months after the end of the financial year to which the report relates 	
22.	<p>Political IGR Forum Workshop:</p> <ul style="list-style-type: none"> To review BCMM IGR Framework and Terms of Reference To align municipal priorities with the plans of national and provincial sector departments and state entities <p>REF: ONE PLAN</p>	03/02/2023
23.	<p>IDP Technical Work Sessions (per directorate):</p> <ul style="list-style-type: none"> To review IDP vision, mission, strategic outcomes and key focus areas To develop action plans for Ward Priorities To review 2022/2023 service delivery key performance indicators and targets after adjustments budget Set Key Performance Indicators and Targets for the draft Revised 2023/2024 IDP and SDBIP To align IDP, Budget, Risk and performance indicators 	13/02/2023 to 03/03/2023
FEB: PHASE 4 - Integration and Consolidation		
24.	<p>Top Management Technical Strategic Session:</p> <ul style="list-style-type: none"> To consider 2022/2023 Mid-year Adjustment Budget 	02/02/2023
25.	<p>Budget Steering Committee:</p> <ul style="list-style-type: none"> To consider 2022/2023 Mid-year Adjustment Budget 	07/02/2023
26.	<p>Council:</p> <ul style="list-style-type: none"> To consider and adopt 2022/2023 Mid-year Adjustment Budget 	28/02/2023

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
27.	National Treasury Mid-year Budget and Performance Assessment Review: <ul style="list-style-type: none"> • To assess metro's Mid-year Financial and Performance Reports 	06 to 07/03/2023
MAR: PHASE 5: Approval, Adoption and Publication		
Approval of Draft IDP		
28.	IDP Technical Planning Session (Also known as Top Management Technical Planning Session): <ul style="list-style-type: none"> • To consider and recommend the draft IDP, MTREF Budget and SDBIP • Consult on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders 	13 to 14/03/2023
29.	Budget Steering Committee: <ul style="list-style-type: none"> • To consider and recommend the draft IDP, MTREF Budget and SDBIP • Consult on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders 	15/03/2023
30.	Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> • Consult draft IDP, draft MTREF and budget related policies with leadership on draft IDP, MTREF Budget and SDBIP 	17/03/2023
31.	Council: <ul style="list-style-type: none"> • To approve the draft IDP, MTREF Budget and draft policies (at least 90 days before the start of the budget year) 	31/03/2023
Consultation and refinement		
32.	Top Management Dry-run Session <ul style="list-style-type: none"> • To prepare and refine the content for the IDP/Budget Roadshows. 	03/04/2023

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
33.	<p>Pre-Roadshow Briefings</p> <ul style="list-style-type: none"> To brief the Councillors on the logistical plans for implementing the IDP/Budget Roadshows and to review the content for the roadshows (Ward Priorities Status Quo and Action Plans from the Administration) 	<p>Midland - 04/04/2023</p> <p>Coastal Rural - 11/04/2023</p> <p>Coastal Urban - 11/04/2023</p> <p>Inland - 12/04/2023</p>
34.	<p>IDP/Budget Roadshow</p> <ul style="list-style-type: none"> Conduct IDP/Budget Road Show to consult the Draft IDP, Tabled MTREF Budget and draft policies 	<p>Four roadshow engagements were held:</p> <p>Coastal Rural Region – 16 March 2023</p> <p>Inland Region – 19 March 2023</p> <p>Coastal Urban Region – 21 March 2023</p> <p>Midlands Region – 5 May 2023</p>
35.	<p>Sector-based Engagements (Roundtables, Summits, Workshops, etc.)</p> <ul style="list-style-type: none"> To consult sector stakeholders (e.g. Women, Youth, Business) on the Draft IDP, Tabled MTREF Budget and draft policies 	<p>Business Leaders' Breakfast – 10 May 2023</p>
36.	<p>Municipal Budget and Benchmark Engagement National Treasury to assess BCMM draft MTREF Budget</p>	<p>08/05/2023</p>

NO.	ACTIVITY DESCRIPTION	DATES ACHIEVED
APR – MAY: PHASE 5: Approval, Adoption and Publication		
Final Adoption		
37.	Top Management <ul style="list-style-type: none"> • To consider and recommend the Final IDP, MTREF Budget and SDBIP, after considering the submissions made by the local community, National or Provincial Treasury, national or provincial organs of state or neighbouring municipalities 	10/05/2023
38.	Council Open Day <ul style="list-style-type: none"> • To inform stakeholders of the issues raised during the consultative meetings held on the Draft IDP, Budget and SDBIP 	12/05/2023
39.	Budget Steering Committee <ul style="list-style-type: none"> • To consider and recommend the Final IDP, MTREF Budget and SDBIP, after considering the submissions made by the local community, National or Provincial Treasury, national or provincial organs of state or neighbouring municipalities 	16/05/2023
40.	Council <ul style="list-style-type: none"> • Submit Final IDP to Council to adopt IDP, Performance Management Measures and Targets, MTREF Budget, and the revised Policies (at least 30 days before the start of the budget year) 	31/05/2023

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

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.

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 translated into clear objectives, key performance indicators and targets for implementation which directly informs the Service Delivery and Budget Implementation Plan. The Metro strives to, at all times, engage the intellectual capacity of the organisation, civil society and other government spheres to develop plans that are aligned with the shared vision for the City through the convergence of local priorities with those of the Provincial and National Government spheres, taking into account the socio-economic conditions prevalent at the time of planning.

With the compilation of the 2023/2024 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 2022/2023 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 2023/2024 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 2023/2024 MTREF:

- City growth
- Policy priorities and strategic objectives
- Asset maintenance

- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2022/2023 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 122 and 123 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.

The IDP process is an outcome of an intensive and detailed series of engagements with our communities through the following key participatory democracy instruments:

- a) IDP/Budget/PMS Workstreams where external stakeholders also participate in the deliberations;
- b) External IDP/Budget/PMS Representative Forum with external stakeholders to consult the Draft IDP, MTREF Budget and BEPP: Catalytic Land Development Programmes; and
- c) IDP Ward Priorities Sessions held with Ward Councillors from each of the three functional regions as part of the IDP Review Process.
- d) IDP/Budget Roadshow held as follows:
 - Coastal Rural Region - 16/04/2023
 - Inland Region - 19/04/2023
 - Coastal Urban Region - 21/04/2023
 - Midlands Region – 05/05/2023
- e) Business Leaders' Breakfast - 10/05/2023
- f) Council Open Day - 12/05/2023

Following the publication of the Draft IDP and Budget on 5 April 2023, members of the public were awarded an opportunity to peruse the documentation at the municipal libraries and key offices of the Metro. Stakeholders were invited to submit their inputs via a WhatsApp line created for this purpose, at the various engagements hosted and social media comments options. Further to this an e-mail address was created through which the metro received submissions on the draft Revised IDP and Budget until the set deadline. Council has considered all public inputs in the compilation of the final 2023/2024 Revised IDP, BEPP: BCMM Catalytic Land Development Programmes and MTREF Budget document.

The Benchmarking Engagement Exercise was held with National Treasury for the assessment of the draft IDP, BEPP and 2023/2024 MTREF Budget. The purpose

of the engagement was to assess the alignment between planning, budgeting and reporting, and to determine if the City is financially sustainable. Comments were received from National Treasury, which are summarised below:

- **Credibility**
 - Budget assumptions are credible
 - Operating and capital budget is multi-year
 - Budget is funded as per section 18 of the MFMA

- **Relevance**
 - There Budget is aligned to the IDP
 - There's alignment of the NDP, provincial and the municipality's objectives
 - There's evidence of alignment to the operational and capital budget

- **Sustainability**
 - Budget is sustainable if a Collection rate of 71.9% is maintained without increase in expenditure. Any collection below 71.9% will lead to a municipality defaulting with some of its creditors – therefore collection rate must be pushed beyond 90%
 - Cash coverage ratio (less than a month -0.30) less than the norm of 1-3 months
 - Current ratio of 1.2 (norm 1.5 – 2.1)
 - Liquidity ratio (0.04) below the norm of a ratio of 1:1

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 2023/2024 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;
- Integrated Urban Development Framework (IUDF) policy levers;
- 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 Council Lekgotla held on 24 – 25 February 2022.

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

BUFFALO CITY METRO IMPERATIVES		JOINT IGR IMPERATIVES	PROVINCIAL IMPERATIVES	NATIONAL IMPERATIVES		
BCMM Strategic Outcomes	IDP BCMM Council Priorities 2023/26	One Plan Focus Areas	Provincial Development Plan (EC Vision 2030)	National Development Plan (NDP: 2030)	Medium Term Strategic Framework (MTSF: 2019/24)	Integrated Urban Development Framework (IUDF)
Strategic Outcome 1: An Innovative and Productive city	Council Priority 2: Safety, Security & Emergency Services. Council Priority 3: Community Development.	Focus Area 1: People Development & Demographics	Goal 4: Improved human development	NDP Chapter 9 – improving education, training and innovation NDP Chapter 11 - social protection NDP Chapter 12 – building safer communities NDP Chapter 15 – nation building and social cohesion NDP Chapter 10 – health care for all	Priority 3: Education, Skills and Health Priority 6: Social Cohesion and Safe Communities	Policy lever 7: Empowered active communities
Strategic Outcome 1: An Innovative and Productive city	Council Priority 1: Build a transformed and resilient economy.	Focus Area 2: Economic Positioning	Goal 3: Rural development and an innovative and high-value agriculture sector	NDP Chapter 3 – economy and employment NDP Chapter 4 – economic infrastructure NDP Chapter 6 – inclusive rural economy NDP Chapter 7 - South Africa in the region and the world	Priority 2: Economic Transformation and Job Creation Priority 7: A Better Africa and World	Policy lever 6: Inclusive economic development
Strategic Outcome 2: A green city Strategic Outcome 4: A spatially transformed city	Council Priority 4: Solid Waste and Environmental Management (Climate Change). Council Priority 6: Transform the	Focus Area 3: Spatial Restructuring and Environmental Sustainability	Goal 5: Environmental sustainability	NDP Chapter 5 - environmental sustainability and resilience NDP Chapter 8 - transforming human settlements	Priority 5: Spatial Integration, Human Settlements and Local Government	Policy lever 1: Integrated urban planning and management Policy lever 3: Integrated and sustainable human settlements

BUFFALO CITY METRO IMPERATIVES		JOINT IGR IMPERATIVES	PROVINCIAL IMPERATIVES	NATIONAL IMPERATIVES		
BCMM Strategic Outcomes	IDP Council Priorities 2023/26	One Plan Focus Areas	Provincial Development Plan (EC Vision 2030)	National Development Plan (NDP: 2030)	Medium Term Strategic Framework (MTSF: 2019/24)	Integrated Urban Development Framework (IUDF)
	spatial form of the city					Policy lever 5: Efficient land governance and management
Strategic Outcome 3: A connected city	Council Priority 5: Infrastructure and Service Delivery	Focus Area 4: Infrastructure Engineering Focus Area 5: Integrated Services Provisioning	Goal 2: An enabling infrastructure network	NDP Chapter 4 – economic infrastructure	Priority 4: Consolidating the Social Wage Through Reliable and Quality Basic Services	Policy lever 4: Integrated urban infrastructure Policy lever 2: Integrated transport and mobility
Strategic Outcome 5: A well-governed city	Council Priority 7: Improve Administrative governance Council Priority 8: Financial Resilience:	Focus Area 6: Governance & Financial Management	Goal 6: Capable democratic institutions.	NDP Chapter 13 - building a capable and developmental state NDP Chapter 14 – fighting corruption	Priority 1: A Capable, Ethical and Developmental State	Policy lever 8: Effective urban governance Policy lever 9: Sustainable finances

The 2023/2024 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	2 654 031	2 947 577	3 132 121	3 536 380	3 534 544	3 534 544	3 807 740	3 985 860	4 189 077
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 390 510	2 051 817	2 098 270	1 806 210	1 841 383	1 841 383	1 987 792	2 118 476	2 288 775
A CONNECTED CITY	To maintain a world class logistics network	1 746 256	1 873 666	2 221 413	2 615 223	2 537 832	2 537 832	2 749 684	3 096 006	3 473 346
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	528 520	513 765	557 858	593 630	560 300	560 300	589 996	618 906	647 994
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	249 685	352 139	239 929	320 196	391 457	391 457	280 346	283 571	296 270
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributions)		6 569 003	7 738 963	8 249 591	8 871 639	8 865 516	8 865 516	9 415 557	10 102 818	10 895 462

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

Strategic Objective R thousand	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	1 113 447	1 204 720	1 370 935	1 814 646	1 806 082	1 806 082	1 838 126	1 838 859	1 867 796
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 326 903	1 901 392	2 026 094	1 835 057	1 821 512	1 821 512	1 968 413	2 081 135	2 219 975
A CONNECTED CITY	To maintain a world class logistics network	3 659 239	3 434 781	3 998 471	3 726 175	3 675 878	3 675 878	4 144 313	4 646 290	5 212 256
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	827 935	789 500	881 604	624 106	590 959	590 959	633 660	669 517	690 223
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	848 751	877 180	923 967	870 426	811 033	811 033	820 829	856 805	897 634
Allocations to other priorities										
Total Expenditure		7 776 276	8 207 573	9 201 071	8 870 409	8 705 465	8 705 465	9 405 342	10 092 606	10 887 883

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

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	73 108	116 753	95 229	84 869	74 806	74 806	53 000	82 100	29 230
A CONNECTED CITY	To maintain a world class logistics network	553 650	639 163	593 402	609 449	678 965	678 965	408 020	426 980	435 124
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	712 301	610 400	98 750	115 081	134 646	134 646	132 988	84 659	111 681
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	108 816	56 712	392 074	1 013 012	401 015	401 015	527 445	536 734	568 632
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	99 792	168 325	229 060	263 951	107 233	107 233	97 873	37 334	48 429
Allocations to other priorities										
Total Capital Expenditure		1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097

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.

MBRR Table SA7 - Measurable performance objectives (continued)

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	Budget year 2025/2026
Function 3 - (Roads)											
Sub-function 1 - Roads & Stormwater											
Develop and maintain world class logistics infrastructure	Number of bridges rehabilitated	3	1	3	2	2	3	2	2	2	3
Develop and maintain world class logistics infrastructure	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	3,1%	1,9%	2,068% (33.089 km)	15km	15km	1,3%	0,9%	0,9%	0,9%	0,9%
Develop and maintain world class logistics infrastructure	Percentage of unsurfaced road graded	0	6,70%	4,25% (56,95km)	4,48%	4,48%	4,48%	4,48%	4,48%	4,48%	4,48%
Develop and maintain world class logistics infrastructure	Length of Non Motorised Transport paths built (km)	9.032 km	6.671 km	3,726km	3km	3km	4,5km	3km	3km	2km	2km
Develop and maintain world class logistics infrastructure	Length of surfaced road upgraded (km) (Qumza Highway)	0,8%	2,48km	1,72km%	2km	2km	1,23km	2km	0,5km	1,54km	2km
Develop and maintain world class logistics infrastructure	Number of speed humps constructed	69	46	0	40	40	32	40	50	50	50
09 - Directorate - Municipal Services											
Waste Management											
Solid Waste Disposal (Landfill Sites)											
<i>To promote an environmental friendly city</i>	Percentage of known informal settlements receiving integrated waste handling services	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
03 - Directorate - Human Settlements											
Function 1 - Housing & Servicing of											
Sub-function 1 - Housing											
<i>To promote an integrated spatial form</i>	Number of subsidised housing units completed	67	137	468	420	420	400	420	440	460	500
Sub-function 2 - Servicing of formal											
<i>To promote an integrated spatial form</i>	Number of formal sites serviced	3093	671	414	800	800	700	800	850	900	1000

Table 35: MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Borrowing Management										
Credit Rating		A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,2%	1,0%	0,7%	1,3%	1,3%	1,3%	0,7%	0,4%	0,4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1,4%	1,0%	0,8%	1,3%	1,3%	1,3%	0,7%	0,4%	0,4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,5%	1,5%	54,2%	0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity										
Current Ratio	Current assets/current liabilities	1,4	1,6	1,6	1,9	2,0	2,0	1,6	1,8	2,1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,4	1,6	(0,6)	(0,0)	0,0	0,0	(0,0)	0,1	0,4
Liquidity Ratio	Monetary Assets/Current Liabilities	1,1	1,2	1,2	1,4	1,5	1,5	1,2	1,4	1,6
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		140,9%	139,1%	107,1%	113,8%	114,1%	114,1%	116,7%	117,7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		140,9%	139,1%	107,1%	113,8%	114,1%	114,1%	116,7%	117,7%	119,4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17,1%	16,1%	16,0%	14,7%	14,7%	14,7%	14,7%	14,8%	15,2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	23,7%	24,0%	24,0%	25,8%	25,8%	25,8%	26,0%	26,8%	28,0%
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (w ithin 'MFMA' s 65(e))	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Creditors to Cash and Investments		93,3%	123,0%	179,1%	57,6%	55,3%	55,3%	176,9%	135,3%	87,3%
Other Indicators										
	Total Volume Losses (kW) technical	290576586	322127768	291919493	322127768	322127768	322127768	1775961095	1775961095	1775961095
	Total Volume Losses (kW) non technical									
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	271 758	322 128	220 932	376 380	376 380	376 380	264 474	298 168	336 155
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	22,8%	20,5%	22,8%	22,8%	22,8%	16,7%	16,7%	16,7%
	Bulk Purchase	26 224 082	25 372 048	25 428 111	25 428 111	25 428 111	25 428 111	25 428 111	25 428 111	25 428 111
Water Volumes :System input	Water treatment works	33 022 049	34 785 457	35 440 177	35 440 177	35 440 177	35 440 177	35 440 177	35 440 177	35 440 177
	Natural sources	0	0	0	0	0	0	0	0	0
	Total Volume Losses (k€)	21 513	21 818	22 825	21 304	21 304	21 304	21 304	21 304	18 260
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	126 145	125 496	139 272	129 987	129 987	129 987	142 809	156 896	147 747
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	36,3%	37,5%	35,0%	35,0%	35,0%	35,0%	35,0%	30,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33,6%	32,8%	30,7%	30,3%	29,4%	29,4%	30,6%	29,9%	29,0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34,6%	33,1%	31,5%	31,1%	30,2%	30,2%	31,4%	30,6%	29,7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5,8%	5,0%	4,9%	5,0%	5,3%	5,3%	5,3%	5,3%	5,2%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	26,5%	18,3%	19,3%	7,5%	7,5%	7,5%	6,6%	8,2%	10,1%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	30,6	30,2	87,9	94,7	94,7	94,7	169,7	183,0	197,3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	21,5%	20,3%	19,6%	19,5%	19,9%	19,9%	19,8%	19,8%	20,6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3,0	2,2	1,2	1,4	1,5	1,5	1,0	1,2	1,7

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) with a change in the short- and long-term outlook being negative in 2023. The negative outlook is triggered by the decline in liquidity indicators, cash and cash equivalent and decline in collection rate.

The municipality has capacity to take on additional financing from borrowing to invest in infrastructure projects. However, due to weak economic performance as well as a weak collection rate, the process for additional loans is undertaken with caution.

The following financial performance indicators have formed part of the compilation of the 2023/2024 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 decreasing from 0.7% in 2023/2024 to 0.4% in 2025/2026 over the MTREF. This decrease can be attributed to no additional loan funding being sourced during 2023/2024 MTREF period.
- *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.

2.3.1.2 Safety of capital

The debt-to-equity ratio over the MTREF period is 0%; the ratio indicates the taking up of new loan funding.

2.3.1.3 Liquidity

Current ratio over the MTREF period is 1.6: 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 2023/2024 financial year is 1.2:1 and slightly increases to 1.6: 1 in the 2025/2026 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 81.88% as at 30 April 2023 is expected to improve to further 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. 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 30.6% in the 2023/2024 financial year and slightly decreases to 29% 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 16.99% as at 30 April 2023 and is anticipated to be 16.74% by 2025/2026. 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, due to the extent of illegal connections and tampering there is a limit to what can be done with the resources available in the short term and the extent to which losses can be reduced or 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.
 - g. About 5.74% of total losses cannot be considered in NERSA’s Cost of Service calculation methodology and these losses are a total loss to BCMM as they cannot be recovered through applied tariff increases and need to be urgently addressed.
- v. The overall average of non-revenue water amounts to 36% as at 31 March 2023 and the City anticipates this to decrease to 30% by 2025/2026.
- vi. BCMM is currently reviewing its 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 5.3% over the 2023/2024 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 30 April 2023, the breakdown of the total number of Indigents is as follows:

Electricity - A total of 65,670 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 (R130.49), and 50 kwh of electricity (R106.55). Registered indigents are also to receive the following monthly rebates in the 2023/2024 financial year:

- i. Property Rates – R142.41 (based on a property value of R150 000)
- ii. Refuse Removal – R316.82
- iii. Sewerage Charges – R112.59
- iv. Fire Levy – R65.93

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, the full audit took place in January 2023 and the audit outcomes are expected in May 2023.

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 was 59% which was a decline as compared to 81% in 2013.

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 Bhisho 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 37.5% during the 2021/2022 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 pose 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 Tariffs Policy on 31 May 2022. 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 Movable Asset Policy

The Movable Asset Policy is for the management of movable assets (Property, Plant and Equipment). The policy was revised and adopted by Council on 31 May 2022, no amendments have been made to the policy. This policy is attached as Annexure K.

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 2022 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 2022 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 2022 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 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 2022 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 Revised 2023/2024 IDP, 2023/2024 MTREF Budget and 2023/2024 BEPP: BCMM Catalytic Land Development Programmes.

2.4.2.1 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 must adopt the revised Property Rates Policy. The amended policy is attached as Annexure H (amendments are highlighted in the policy for easy reference).

The following are some of the proposed amendments:

- i. Under section 7 (page 13) on definitions: Change reference from pensioner to senior citizens in order to cater for all senior citizens. "Senior Citizen" means a natural person who is sixty (60) years or older.
- ii. Under section 9 (page 15): Delete reference to Pensioner and replace with Senior Citizen. Also, change category of owner qualifying for the commercial rebate to owners who qualify for the economic development incentive so that the rebate is not limited to commercial and/or industrial property owners or categories only.
- iii. Under section 9.3.1 (page 17): Monthly pension/income no longer one of the qualifying criteria. Senior citizens will be categorized into three age groups and a percentage rebate will be applied according to the age category.
- iv. Added a new section, which is section 9.3.1.1, it reads as follows "The senior citizens rebate will lapse under the following circumstances:
 - On the death of the applicant
 - On the date of transfer of ownership
 - When the rating category of the property changes due to change in use."
- v. Under section 9.3.3 (page 20): the proposed amendment is to promote economic development within the city by including developments within all categories of property as previously the rebate catered for business, commercial and industrial developments only.

Kindly refer to Annexure H for additional proposed amendments.

2.4.2.2 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 proposed amendments are to align with Preferential Procurement Regulations, 2022 as the current policy is making reference to Preferential Procurement Regulations, 2017.

2.4.2.3 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. The statement on the preamble (section 2) has been amended to reflect to Billion Rands instead of Millions.
- ii. Remove the statement on section 2 that reads “Consultation was held with key stakeholders on all 12 modules and the proposed implementation strategy” as the consultations were done in the previous period.
- iii. Remove the paragraph (section 3) on Capital Spares (Major Spare Parts) as it is not applicable to the municipality.
- iv. Added the following amendment to modify the previous statement in section 7 under coding system, “Where asset coding is not possible, GIS coordinates are used to uniquely identify the immovable asset.”

Other amendments are mostly cosmetic issues and to ensure compliance with GRAP; kindly refer to Annexure J for additional proposed amendments.

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 are mostly cosmetic issues and are highlighted on the revised policy attached as Annexure L. The proposed amendments on the policy are on section 10.1.5, 10.2.1.1 and 10.2.1.2.

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 some of the proposed amendments:

- i. Insertion of a new definition on page 6: SMART Electricity and SMART Water.
- ii. Taking out “Absconded Owner Schemes” under section 11.1.5 in order to minimize the risk of fraudulent activities by owners of properties.
- iii. On page 19 (point 12 (c) (d)), policy is aligned to the Electricity by-law, whereby there is no restriction related to value or time.
- iv. On page 20 (point 14.1.1), adding methods on receiving municipal statements.
- v. On page 21 (point 4(1)), aligning to SMART City Status.

Other amendments are mostly terminology updates; kindly refer to Annexure N for additional proposed amendments.

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 some of the proposed amendments:

- i. Update value under point 12.1.1 (First Qualification Criteria: - Property value) from equal or less than R120,000 To equal or less than R150,000.
- ii. To reduce ambiguity on point 12.1.1.1, it is proposed that this be rephrased to “The property may only be used for residential purposes and the applicant must reside on the property”.
- iii. Insertion of 12.1.1.6, 12.1.1.7, 12.1.2.6, 12.2.7, 16.6.5, 16.6.6 and 16.6.7 to address a gap in the policy that was identified during the audit.

Other amendments are mostly terminology updates; kindly refer to Annexure O for additional proposed amendments.

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 2.2.1, this is an extract from MFMA section 45 requirements. This is to align MFMA to policy.
- ii. Revise point 12(d) from “Compliance with Financial Service provider ratios” to “all ratio calculation formula to be in line with MFMA circular 71”. Reason for this amendment is that they are specific to National Treasury and consistent with Financial Services Providers.
- iii. Insertion of the prescribed requirements to submit to Auditor-General and National Treasury under point 9.3.:
 - (c) Borrowings Monitoring return for National Treasury
 - (d) Audit certificates from the financing institution(s)

2.4.2.8 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. The proposed amendments are mostly terminology updates and to align with other organisation policies, these amendments are included on the revised policy attached as Annexure S.

2.4.2.9 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:

Point Number	Original Statement	Proposed Amendment	Reason for the Amendment
4	The purpose of this policy is to secure the sound and sustainable management of the Municipality's surplus cash and investments	The purpose of this policy is to secure the sound and sustainable management of the Municipality's surplus cash and investments (grants related funding).	To capture the investments of grants as a measure of control and policy compliance
5	The policy does not apply to trust money administered by the Municipality where the trust deed prescribes how the trust money is to be invested.	The policy does not apply to trust money administered by the Municipality where the trust deed prescribes how the trust money is to be invested. The same rule applies in relation to Compensation for Occupation Injuries and Diseases Act (COIDA) funding agreement.	This also to ensure completeness of all our investments that include COIDA funds which have their own rules in relation to investment terms
5	The Board of Directors of all Municipal Entities must adopt this policy. Further, the same Municipal Entities must submit reports, as detailed in the Reporting and Monitoring Procedures, in the same manner as the Municipality, to the Executive Mayor	The policy must be adopted by council in line with the municipal budgeting and reporting regulation and MFMA as prescribed. The municipality is to ensure all municipal entities consistently adopt its investment policy in line with the parent. Furthermore, Municipal Entities must submit reports, as detailed in the Reporting and Monitoring Procedures.	The policy is not approved by board of directors, hence alignment to council and entities must report and adopt in line with the MFMA.
6b	to ensure timeous reporting of the investment portfolio as required by the Act in accordance with Generally Recognised Accounting Practice (GRAP))	to ensure compliant and timeous reporting of the investment portfolio as required by the Act in accordance with Generally Recognised Accounting Practice (GRAP) and Municipal Finance Management Act (MFMA)	Ensure completeness of time and compliance with legislation
7.2b	No councillor or official of the Municipality may accept any gift from an investee or its agent, unless that gift can be deemed so small that it would not have an influence on his / her relationship with the said institution. Such gifts must be dealt with in accordance with Council Gifts policy	No councillor or official of the Municipality may accept any gift from an investee or its agent, unless that gift can be deemed so small that it would not have an influence on his / her relationship with the said institution. Such gifts must be dealt with in accordance with Council approved Supply Chain Management Policy (SCM policy)	Council does not have a specific Gift policy; however, this is covered within the SCM policy
8.1	Cash Collections		This paragraph is removed and to be considered under the revenue and banking policies
8.2	In order to comply with the funding and reserves policy, the municipality is to ensure investment of own surplus funds	Remove	The municipal reserves are declining, and our cash coverage ratio is below one month, hence

Point Number	Original Statement	Proposed Amendment	Reason for the Amendment
	that are equivalent to one month's cash coverage ration excluding conditional grants and Trust funding.		remove to ensure non-compliance with policy.
11.1	30% diversification cap for investments Maximum term of investment 24 months	Reasonable diversification of funds across all banks Maximum term of investment 6 months	This is removed because the City is unable to ensure 30% diversification as the reserves have declined
14.1	The authority to make long term investments as provision of security, is vested with the Municipal Council in terms of Section 48 of the Act and with reference to Section 11 (1) (h) of the Act, dealing with cash management, the responsibility to make short term investments lies with the Municipal Manager or Chief Financial Officer or any other senior financial official authorised by the Chief Financial Officer or Municipal Manager	The authority to make long term investments as provision of security, is vested with the Municipal Council in terms of Section 48 of the Act and with reference to Section 11 (1) (h) of the Act, dealing with cash management, the responsibility to make short term investments lies with the Chief Financial Officer or any other senior financial official authorised by the Chief Financial Officer	As per the current Delegations authority

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 2023/2024 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. 123 dated 03 March 2023, municipalities were advised to take the following macro-economic forecasts into consideration:

Table 36: Macroeconomic performance and projections, 2022 - 2026

Fiscal year	2022/2023	2023/2024	2024/2025	2025/2026
	Estimate	Forecast		
CPI Inflation	6.9%	5.3%	4.9%	4.7%
Real GDP growth	2.5%	0.9%	1.5%	1.8%

Source: 2023 Budget Review

- Real GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the medium-term budget policy statement, recovering slowly to 1.8 per cent in 2025, as a result of persistent structural constraints especially power cuts, and a less supportive global environment.
- Although output has recovered to pre-pandemic levels, the persistent scarring impact of the pandemic on employment and investment decisions continues to weigh on the recovery.
- The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

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 2022/2023	Annual rating 2022/2023	Previous Rating 2021/2022
Short term	Rand	A1(za)	March 2023	A1(za)
Long-term	Rand	A(za)	March 2023	A(za)
Outlook	Rand	Negative	March 2023	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 2022/2023 and 2021/2022 remain unchanged with the Ratings Outlook regressing to Negative (2022/2023) from Stable (2021/2022). The negative outlook is triggered by the ever-decreasing cash ratio (Liquidity ratio, collection ratio and cash coverage ration) and increase in debtors' days. This reflects the lack of effective credit control measures. In an effort to manage the outlook, the City has in the post advent of COVID enforced full credit control measures, debt incentive schemes and data cleansing of the billing. The City has also increased its cost containment measures and Capital infrastructure financing through seeking of transactional advisors, without spending own funds.

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 10.25%. No new borrowing has been provided for during the 2023/2024 MTREF until there's improvement in the collection rate and sufficient operating surplus is available to

allow for the repayments that will be required. An amount of R13.57 million has been projected in the 2023/2024 financial year, R13.91 million in the 2024/2025 financial year and R14.25 million in the 2025/2026 financial year for interest on external capital loan funding. Interest budgeted for relates to existing long-term borrowings.

The City is investing its cash reserves on various investing institution in line with the MFMA. The interest rate is currently 14.5% on primary bank account and 7.8% on investment call accounts. An amount of R24 million has been projected in 2023/2024, R25 million in 2024/2025 and R26 million in the 2025/2026 financial year for interest earned on external investments.

2.5.4 Collection rate for revenue services

The rate of revenue collection is currently at 81.88% (30 April 2023) 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 R1.33 billion towards debt impairment has been provided for the 2023/2024 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 2023/2024 MTREF has made a provision of 5.4% 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 5.3% 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) Office has assisted capital and operational spending and spending patterns of the City, and also its ability to deliver on programmes as the office provides, and has provided technical advisory support to drive the expenditure of the metro to the right direction, taking into considerations, the legislative pieces and DoRA that guide how the grant funding should be spent within the prescripts of the law.

It is estimated that a spending rate of at least 100% is achieved on operating expenditure and 100% on the capital programme for the 2023/2024 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 2023/2024 MTREF budget is fully funded utilising receipts from the following funding sources:

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

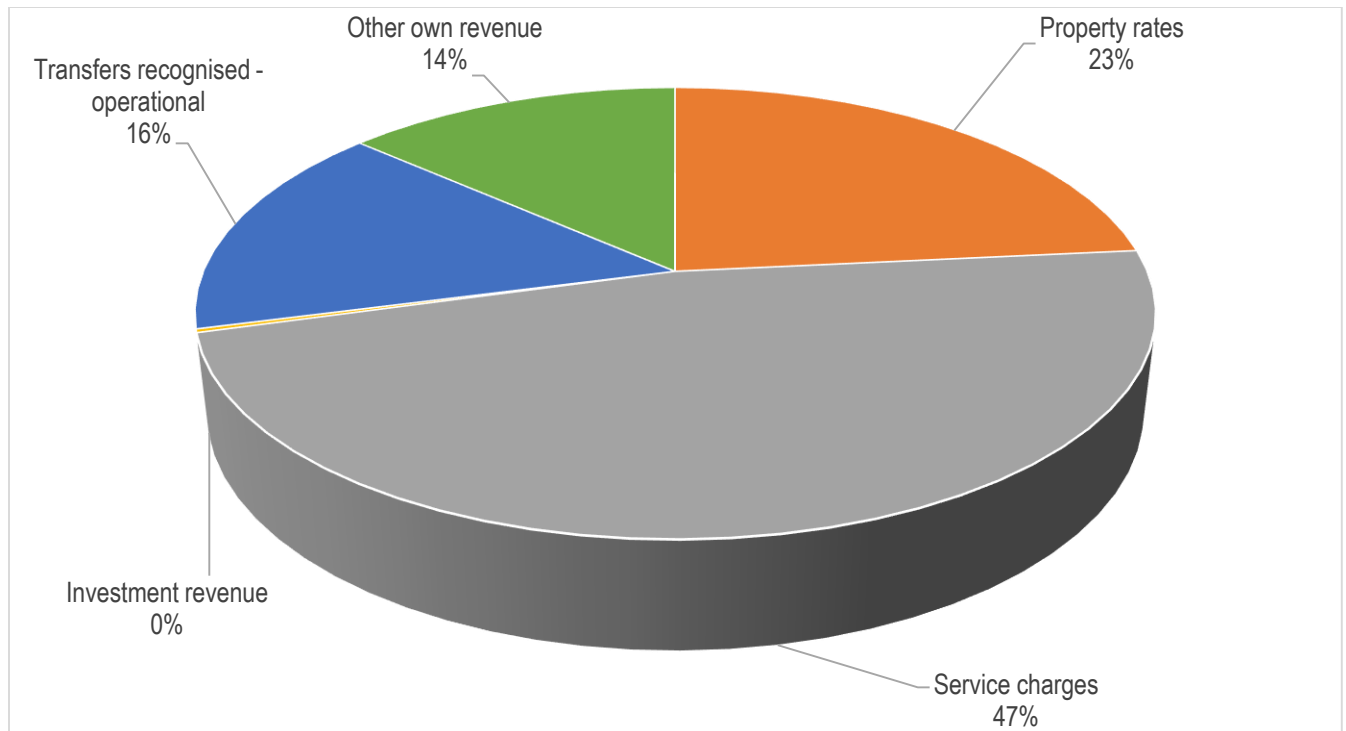
The following table is a breakdown of the operating revenue over the medium-term:

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

Description R thousands	2023/24 Medium Term Revenue & Expenditure Framework					
	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
Financial Performance						
Property rates	2 208 577	23%	2 316 798	23%	2 425 687	22%
Service charges	4 446 988	47%	4 916 176	49%	5 437 148	50%
Investment revenue	24 054	0%	25 224	0%	26 402	0%
Transfers recognised - operational	1 463 862	16%	1 508 607	15%	1 605 017	15%
Other own revenue	1 272 075	14%	1 336 014	13%	1 401 208	13%
Total Revenue (excluding capital transfers and contributions)	9 415 557	100%	10 102 818	100%	10 895 462	100%

The following graph is a breakdown of the operational revenue per main category for the 2023/2024 financial year.

Figure 6: Breakdown of operating revenue for the 2023/2024 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 (47% of total revenue) such as water, electricity, sanitation and solid waste removal. Property rates (23%), transfers and subsidies (16%), Investment revenue (0.3%) and other minor charges (such as building plan fees, licenses and permits etc) (14%) 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;
- Economic Recovery Plan
- 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 2023/2024 MTREF period.

Table 39: Tariff increases 2022/2023 to 2025/2026 MTREF

Description	Actual tariff increase	Proposed tariff increase			Budgeted revenue '000
	2022/2023	2023/2024	2024/2025	2025/2026	2023/2024
Property rates	4.80%	0%	4.9%	4.7%	2 208 577
Refuse	4.80%	5.3%	4.9%	4.7%	406 053
Sewerage	4.80%	5.3%	4.9%	4.7%	493 351
Electricity	7.47%	15.10%	12.74%	12.74%	2 614 161
Water	6.78%	9.86%	9.86%	9.86%	933 423
Fire Levy	4.80%	5.3%	4.9%	4.7%	89 478
Sundry Income	4.80%	5.3%	4.9%	4.7%	140 618
Total					6 885 662

Revenue to be generated from property rates is R2.21 billion in the 2023/2024 financial year, which represents 23% of the operating revenue base of the City and increases to R2.43 billion by 2025/2026.

Service charges related to electricity, water, sanitation, and refuse removal in total constitute the biggest component of the City's revenue basket, totalling R4.45 billion for the 2023/2024 financial year and increasing to R5.44 billion by 2025/2026. For the 2023/2024 financial year services charges amount to 47% of the total revenue base increase to 50% over the medium-term.

Operational grants and subsidies amount to R1.46 billion, R1.51 billion and R1.60 billion for each of the respective financial years of the MTREF, or 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 R24 million, R25 million and R26 million for the respective three financial years of the 2023/2024 MTREF.

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

Table 40: MBRR Table SA15 – Detail Investment Information

Investment type	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	1 115 234	894 632	579 757	798 451	834 979	834 979	642 043	687 306	742 291
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Municipal Bonds									
Municipality sub-total	1 115 234	894 632	579 757	798 451	834 979	834 979	642 043	687 306	742 291
Entities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Consolidated total:	1 115 234	894 632	579 757	798 451	834 979	834 979	642 043	687 306	742 291

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 / Withdrawal (A)	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months												
Parent municipality													
First National Bank	Call Account	Call Account	Yes	Variable	6,05	0		Call	161 870	3 901	(176 560)	128 973	118 185
Rmb	Various	Short Term / Call	Yes	Variable	6,05	0		Call	23 994	707	-	-	24 701
Standard Bank	Various	Short Term / Call	Yes	Variable	6,05	0		Call	124 195	3 693	(139 294)	158 604	147 198
Stanlib	Various	Short Term / Call	Yes	Variable	6,54	0		Call	6 250	204	-	-	6 453
Absa	Various	Short Term / Call	Yes	Variable	6,05	0		Call	131 018	4 269	(66 046)	62 228	131 470
Nedbank	Various	Short Term / Call	Yes	Variable	6,05	0		Call	129 230	3 597	(207 917)	210 586	135 496
													-
Municipality sub-total									576 557		(589 817)	560 392	563 504
Entities													
First National Bank - 62098719358	Ongoing	Money Market Call Account	N/A	Tier Balance	0	0	0	n/a	4 806	192	(97 240)	102 980	10 738
													-
Entities sub-total									4 806		(97 240)	102 980	10 738
TOTAL INVESTMENTS AND INTEREST									581 363		(687 057)	663 372	574 242

2.6.2 Medium-term outlook: capital revenue

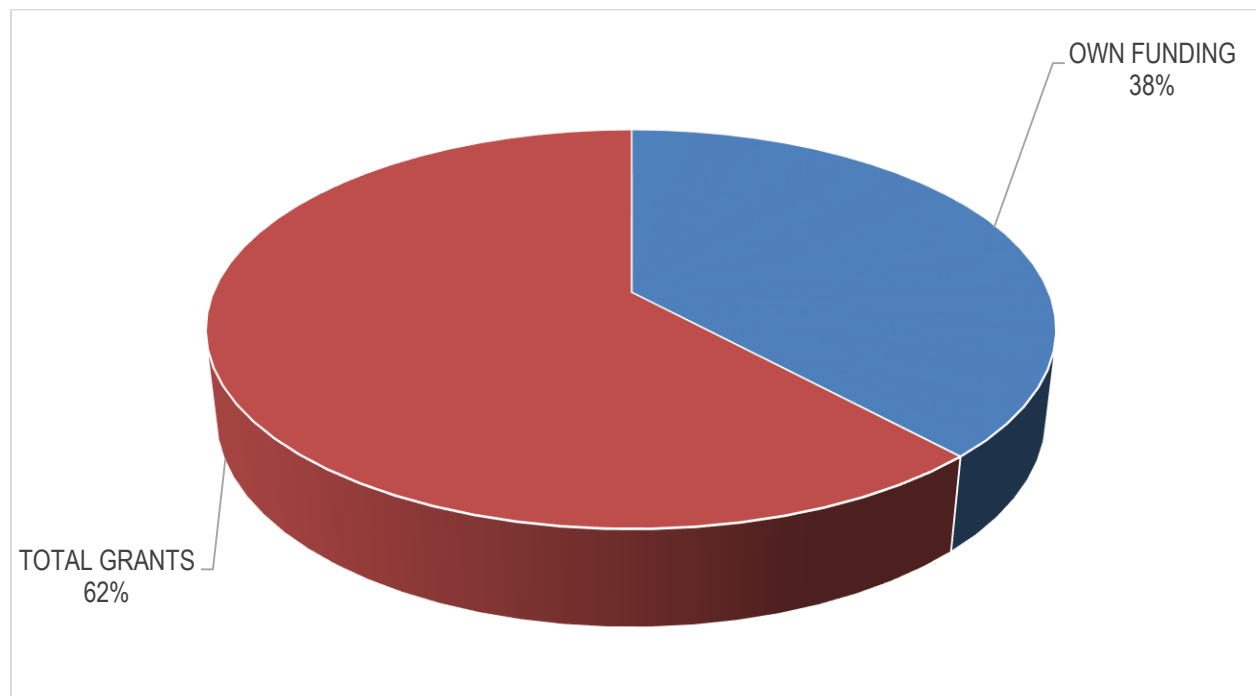
The following table is a breakdown of the funding composition of the 2023/2024 medium-term capital programme:

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

Vote Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funded by:									
National Government	903 947	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Provincial Government	1 579	-	-	-	-	-	-	-	-
District Municipality									
Transfers and subsidies - capital (monetary allocations) (Nat / Prov / Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	905 526	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Borrowing	-	3 079	11 727	732 614	-	-	-	-	-
Internally generated funds	642 141	617 287	772 324	618 873	661 167	661 167	459 854	367 378	360 046
Total Capital Funding	1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 219 326	1 167 806	1 193 097

The above table is graphically represented as follows for the 2023/2024 financial year:

Figure 7: Sources of capital revenue for the 2023/2024 financial year



Capital grants equate to 62% or R759 million of the total funding sources for the 2023/2024 financial year.

The repayment of capital and interest (debt services costs) has increased over the past three years. The City will not be acquiring new loan in the 2023/2024 MTREF period, instead, it is in a process of appointing a panel of transactional advisers with sole responsibility of sourcing funds for economically viable Capital projects.

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality									
Annuity and Bullet Loans	233 185	187 994	138 854	1 422 411	689 797	689 797	108 608	79 794	54 708
Long-Term Loans (non-annuity)									
Municipality sub-total	233 185	187 994	138 854	1 422 411	689 797	689 797	108 608	79 794	54 708
Entities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Total Borrowing	233 185	187 994	138 854	1 422 411	689 797	689 797	108 608	79 794	54 708
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 R460 million in 2023/2024, R367 million in 2024/2025 and R360 million in 2025/2026.

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
RECEIPTS:									
Operating Transfers and Grants									
National Government:	959 619	1 179 969	1 034 896	1 166 696	1 188 070	1 188 070	1 268 758	1 330 655	1 420 815
Local Government Equitable Share	847 431	1 053 614	936 811	1 045 448	1 045 448	1 045 448	1 138 058	1 226 701	1 313 633
Expanded Public Works Programme Integrated Grant	9 956	8 449	7 300	10 728	10 728	10 728	6 093	-	-
Infrastructure Skills Development Grant	7 167	7 173	10 350	11 600	11 600	11 600	10 850	11 850	12 350
Local Government Financial Management Grant	942	1 000	1 000	1 000	977	977	1 000	1 000	1 138
Metro Informal Settlements Partnership Grant	-	-	5 172	18 359	18 359	18 359	27 408	24 768	23 992
Neighbourhood Development Partnership Grant	-	-	20 581	21 000	38 773	38 773	21 000	-	-
Programme And Project Preparation Support Grant	-	-	8 941	13 776	18 000	18 000	18 908	19 298	19 696
Public Transport Network Grant	2 767	733	-	-	-	-	-	-	-
Urban Settlement Development Grant	91 357	108 134	44 741	44 785	44 185	44 185	45 441	47 038	50 006
Integrated City Development Grant	-	866	-	-	-	-	-	-	-
Provincial Government:	15 870	16 873	15 870	115 983	128 931	128 931	128 570	116 470	127 081
Dsrac	15 870	15 870	15 870	15 870	15 870	15 870	15 870	15 870	16 581
Human Settlement Development Office of the Premier	-	1 003	-	100 113	113 061	113 061	112 700	100 600	110 500
District Municipality: <i>[insert description]</i>	-	-	-	-	-	-	-	-	-
Other grant providers:	11 515	131 377	62 700	164 085	146 800	146 800	66 534	61 482	57 121
European Union	-	2 569	15 685	31 598	31 598	31 598	-	-	-
OTHER - BCMDA	7 762	125 436	47 015	132 487	115 012	115 012	66 534	61 482	57 121
Local Government Water and Related Service SETA	3 680	2 929	-	-	-	-	-	-	-
Unsp. Salaida/Galve	74	442	-	-	190	190	-	-	-
Total Operating Transfers and Grants	987 005	1 328 219	1 113 466	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Capital Transfers and Grants									
National Government:	903 947	970 986	624 464	734 875	735 475	735 475	759 472	800 428	833 050
Energy Efficiency and Demand Side Management Grant	-	6 195	9 000	-	-	-	-	-	-
Infrastructure Skills Development Grant	110	77	150	150	150	150	150	150	150
Integrated City Development Grant	9 992	1 757	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant	-	-	233 086	263 763	263 763	263 763	267 148	283 017	297 581
Neighbourhood Development Partnership Grant	1 805	9 923	13 000	19 581	19 581	19 581	19 581	23 000	20 000
Public Transport Network Grant	133 329	67 690	-	-	-	-	-	-	-
Urban Settlement Development Grant	758 660	885 345	369 228	451 381	451 981	451 981	472 593	494 261	515 319
Local Government Financial Management Grant	50	-	-	-	-	-	-	-	-
Provincial Government:	1 579	-	-	-	-	-	-	-	-
LGTH C/O	1 579	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Eastern Cape Arts Coun	-	-	-	-	-	-	-	-	-
OTHER - BCMDA	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Total Capital Transfers and Grants	919 337	972 224	625 095	736 015	736 615	736 615	760 580	801 580	834 177
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 906 342	2 300 443	1 738 561	2 182 779	2 200 416	2 200 416	2 224 443	2 310 187	2 439 194

2.6.3 Cash Flow Management

BCMM is projecting a favourable cash position of R692 million at 30 June 2024 and it is projected to be R878 million at 30 June 2025 (2026: R1.32 billion).

Table 45: MBRR Table A7 – Budgeted cash flow

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	1 468 355	1 589 415	1 387 131	1 576 364	1 576 364	1 576 364	1 777 905	1 911 358	2 061 834
Service charges	3 180 242	3 937 345	3 351 451	3 423 909	3 343 909	3 343 909	3 579 825	4 055 845	4 621 576
Other revenue	78 677	(578 524)	635 265	866 859	843 698	843 698	1 006 865	1 058 715	1 112 063
Transfers and Subsidies - Operational	979 243	941 592	1 057 255	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Transfers and Subsidies - Capital	1 010 413	1 065 032	688 929	736 015	736 038	736 038	760 580	801 580	834 177
Interest	192 171	159 852	209 646	30 876	30 876	30 876	24 054	25 224	26 402
Dividends							-	-	-
Payments									
Suppliers and employees	(4 841 629)	(5 516 951)	(6 117 694)	(6 824 853)	(6 640 605)	(6 640 605)	(7 299 129)	(7 828 324)	(8 442 361)
Interest	(32 564)	(25 757)	(20 684)	(49 361)	(49 361)	(49 361)	(13 567)	(13 906)	(14 254)
Transfers and Subsidies	(130 821)	(104 708)	(127 078)	(170 553)	(189 856)	(189 856)	(154 110)	(139 091)	(144 170)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 904 087	1 467 295	1 064 221	1 036 020	1 114 865	1 114 865	1 146 286	1 380 007	1 660 283
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	10 373	37 832	1 380				-	-	-
Decrease (increase) in non-current receivables							-	-	-
Decrease (increase) in non-current investments							-	-	-
Payments									
Capital assets	(1 654 409)	(1 679 035)	(1 468 361)	(2 086 362)	(1 396 065)	(1 396 065)	(1 219 326)	(1 167 806)	(1 193 097)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 644 036)	(1 641 203)	(1 466 981)	(2 086 362)	(1 396 065)	(1 396 065)	(1 219 326)	(1 167 806)	(1 193 097)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans				-			-	-	-
Borrowing long term/refinancing				732 614			-	-	-
Increase (decrease) in consumer deposits				8 182	8 182	8 182	6 005	4 000	4 000
Payments									
Repayment of borrowing	(57 974)	(54 396)	(45 191)	(62 833)	(62 833)	(62 833)	(49 141)	(30 246)	(28 814)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(57 974)	(54 396)	(45 191)	677 964	(54 650)	(54 650)	(43 136)	(26 246)	(24 814)
NET INCREASE/ (DECREASE) IN CASH HELD	202 078	(228 303)	(447 950)	(372 378)	(335 850)	(335 850)	(116 176)	185 954	442 372
Cash/cash equivalents at the year begin:	1 171 633	1 373 711	1 145 407	1 257 052	1 257 052	1 257 052	808 648	692 472	878 426
Cash/cash equivalents at the year end:	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799

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 R1.97 billion in the 2023/2024 financial year to R3.44 billion in the 2025/2026 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available									
Cash/cash equivalents at the year end	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Other current investments > 90 days	0	-	0	0	0	0	0	(0)	0
Non current Investments	-	-	-	-	-	-	-	-	-
Cash and investments available:	1 373 711	1 145 407	697 457	884 674	921 201	921 201	692 472	878 426	1 320 799
Application of cash and investments									
Unspent conditional transfers	527 613	264 699	274 306	764 174	764 174	764 174	282 535	291 011	299 741
Unspent borrowing									
Statutory requirements			(8 037)	(8 423)	(8 423)	(8 423)	(8 870)	(9 304)	(9 741)
Other working capital requirements	343 849	418 132	140 879	(574 512)	(590 701)	(590 701)	(1 964 769)	(2 336 248)	(2 824 576)
Other provisions	378 296	406 424	409 375	398 601	398 601	398 601	409 544	410 147	410 751
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments									
Total Application of cash and investments:	1 249 758	1 089 255	816 523	579 839	563 650	563 650	(1 281 561)	(1 644 394)	(2 123 825)
Surplus(shortfall)	123 953	56 152	(119 066)	304 835	357 552	357 552	1 974 033	2 522 821	3 444 624

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	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	1 373 711	1 145 407	697 457	884 674	921 201	921 201	921 201	692 472	878 426	1 320 799
Cash + investments at the yr end less applications - R'000	18(1)b	123 953	56 152	(119 066)	304 835	357 552	357 552	357 552	1 974 033	2 522 821	3 444 624
Cash year end/monthly employee/supplier payments	18(1)b	3,0	2,2	1,2	1,4	1,5	1,5	1,5	1,0	1,2	1,7
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(183 049)	611 401	(262 551)	1 949 481	2 108 926	2 108 926	2 108 926	(522 787)	(355 121)	(60 156)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	9,5%	4,7%	(3,3%)	(7,3%)	(6,0%)	(6,0%)	2,5%	2,7%	2,7%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	38,5%	35,2%	35,3%	34,5%	34,2%	34,2%	34,2%	91,6%	93,1%	95,2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)		16,7%	22,9%	19,5%	19,8%	19,8%	19,8%	20,0%	17,9%	15,3%
Capital payments % of capital expenditure	18(1)c;19	106,9%	105,5%	104,2%	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%	54,2%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a								103,1%	102,8%	102,4%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	36,9%	6,3%	(4,4%)	3,1%	0,0%	0,0%	6,8%	9,7%	12,2%
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)	2,5%	2,2%	2,0%	2,7%	2,8%	2,8%	2,6%	2,4%	2,3%	0,0%
Asset renewal % of capital budget	20(1)(vi)	21,0%	13,4%	21,7%	15,2%	19,9%	19,9%	0,0%	24,7%	29,1%	28,5%

2.6.3.3 Cash/cash equivalent position

BCMM is also projecting a favourable cash position, which currently is projected to be R692 million at 30 June 2024 and is projected to be R878 million at 30 June 2025 (2026: R1.32 billion).

2.6.3.4 Cost Coverage

The projected cost coverage, including conditional grants is projected to be 1 month at 30 June 2023 and is projected to be around 1.5 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 2023/2024 financial year is R771 million (2024/2025: R812 million and 2025/2026: R842 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 81.88% (30 April 2023) 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 2024 will be 80.5%.

2.6.3.8 Debt impairment expense as a percentage of billable revenue

An amount of R1.33 billion towards debt impairment has been provided for in the 2023/2024 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 5.3% 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	959 619	1 179 969	1 034 896	1 166 696	1 188 070	1 188 070	1 268 758	1 330 655	1 420 815
Local Government Equitable Share	847 431	1 053 614	936 811	1 045 448	1 045 448	1 045 448	1 138 058	1 226 701	1 313 633
Expanded Public Works Programme Integrated Grant	9 956	8 449	7 300	10 728	10 728	10 728	6 093	–	–
Infrastructure Skills Development Grant	7 167	7 173	10 350	11 600	11 600	11 600	10 850	11 850	12 350
Local Government Financial Management Grant	942	1 000	1 000	1 000	977	977	1 000	1 000	1 138
Metro Informal Settlements Partnership Grant	–	–	5 172	18 359	18 359	18 359	27 408	24 768	23 992
Neighbourhood Development Partnership Grant	–	–	20 581	21 000	38 773	38 773	21 000	–	–
Programme And Project Preparation Support Grant	–	–	8 941	13 776	18 000	18 000	18 908	19 298	19 696
Public Transport Network Grant	2 767	733	–	–	–	–	–	–	–
Urban Settlement Development Grant	91 357	108 134	44 741	44 785	44 185	44 185	45 441	47 038	50 006
Integrated City Development Grant	–	866	–	–	–	–	–	–	–
Provincial Government:	15 870	16 873	15 870	115 983	128 931	128 931	128 570	116 470	127 081
Dsrac	15 870	15 870	15 870	15 870	15 870	15 870	15 870	15 870	16 581
Human Settlement Development Office of the Premier	–	1 003	–	100 113	113 061	113 061	112 700	100 600	110 500
District Municipality: <i>[insert description]</i>	–	–	–	–	–	–	–	–	–
Other grant providers:	11 515	131 377	62 700	164 085	146 800	146 800	66 534	61 482	57 121
European Union	–	2 569	15 685	31 598	31 598	31 598	–	–	–
Local Government Water and Related Service SETA	3 680	2 929	–	–	–	–	–	–	–
OTHER - BCMDA	7 762	125 436	47 015	132 487	115 012	115 012	66 534	61 482	57 121
Unsp. Salaida/Galve	74	442	–	–	190	190	–	–	–
Total operating expenditure of Transfers and Grants:	987 005	1 328 219	1 113 466	1 446 763	1 463 800	1 463 800	1 463 862	1 508 607	1 605 017
Capital expenditure of Transfers and Grants									
National Government:	903 947	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Energy Efficiency and Demand Side Management Grant	–	6 195	9 000	–	–	–	–	–	–
Infrastructure Skills Development Grant	110	77	150	150	150	150	150	150	150
Integrated City Development Grant	9 992	1 757	–	–	–	–	–	–	–
Local Government Financial Management Grant	50	–	–	–	23	23	–	–	–
Metro Informal Settlements Partnership Grant	–	–	233 086	263 763	263 763	263 763	267 148	283 017	297 581
Municipal Infrastructure Grant	–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant	1 805	9 923	13 000	19 581	19 581	19 581	19 581	23 000	20 000
Public Transport Network Grant	133 329	67 690	–	–	–	–	–	–	–
Urban Settlement Development Grant	758 660	885 345	369 228	451 381	451 981	451 981	472 593	494 261	515 319
Local Government Financial Management Grant	–	–	–	–	–	–	–	–	–
Provincial Government:	1 579	–	–	–	–	–	–	–	–
LGTH C/O	1 579	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
Other grant providers:	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Eastern Cape Arts Coun	–	–	–	–	–	–	–	–	–
OTHER - BCMDA	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Total capital expenditure of Transfers and Grants	919 337	972 224	625 095	736 015	736 638	736 638	760 580	801 580	834 177
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 906 342	2 300 443	1 738 561	2 182 779	2 200 439	2 200 439	2 224 443	2 310 187	2 439 194

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	36 984	35 923	36 539	42 747	42 747	42 747	45 056	47 264	49 485
Pension and UIF Contributions	4 505	4 257	3 524	4 269	4 269	4 269	4 500	4 720	4 942
Medical Aid Contributions	2 500	2 490	1 666	2 065	2 065	2 065	2 176	2 283	2 390
Cellphone Allowance	4 095	4 048	4 110	4 259	4 259	4 259	4 489	4 709	4 931
Housing Allowances	2 311	2 596	10 333	2 445	2 445	2 445	2 578	2 704	2 831
Other benefits and allowances	14 293	14 499	8 510	14 477	14 477	14 477	15 258	16 006	16 758
Sub Total - Councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
% increase		(1,4%)	1,4%	8,6%	-	-	5,4%	4,9%	4,7%
Senior Managers of the Municipality									
Basic Salaries and Wages	9 486	10 863	11 419	12 585	12 593	12 593	14 700	15 420	16 145
Pension and UIF Contributions	1 632	1 858	2 126	2 402	2 402	2 402	2 126	2 230	2 335
Medical Aid Contributions	246	315	337	421	421	421	361	379	397
Performance Bonus	-	-	-	-	-	-	242	254	265
Motor Vehicle Allowance	1 952	2 296	2 424	2 942	2 941	2 941	2 634	2 763	2 893
Cellphone Allowance	244	284	298	367	367	367	240	252	264
Housing Allowances	2 332	2 703	2 638	2 834	2 826	2 826	2 086	2 189	2 291
Other benefits and allowances	89	72	85	101	102	102	4	4	4
Long service awards	-	-	-	-	-	-	10	11	11
Post-retirement benefit obligations	-	-	(53 053)	-	-	-	-	-	-
Acting and post related allowance	-	-	-	-	-	-	299	313	328
Sub Total - Senior Managers of Municipality	15 982	18 390	(33 725)	21 653	21 653	21 653	22 701	23 813	24 933
% increase		15,1%	(283,4%)	(164,2%)	-	-	4,8%	4,9%	4,7%
Other Municipal Staff									
Basic Salaries and Wages	1 341 267	1 458 485	1 525 529	1 682 402	1 604 496	1 604 496	1 778 740	1 864 556	1 951 638
Pension and UIF Contributions	249 195	286 564	297 056	313 598	313 598	313 598	334 401	350 787	367 274
Medical Aid Contributions	102 780	110 672	113 122	146 878	146 878	146 878	165 199	173 294	181 439
Overtime	152 201	156 216	153 631	147 057	147 190	147 190	142 650	149 639	156 673
Performance Bonus	121 770	121 700	122 625	139 106	139 106	139 106	151 009	158 409	165 854
Motor Vehicle Allowance	31 792	34 599	37 936	44 073	43 556	43 556	47 643	49 978	52 326
Cellphone Allowance	4 357	4 486	4 296	4 534	4 509	4 509	5 134	5 385	5 638
Housing Allowances	7 561	7 780	8 301	15 434	14 902	14 902	18 125	19 013	19 907
Other benefits and allowances	78 575	81 641	86 928	86 586	86 623	86 623	45 640	47 876	50 126
Payments in lieu of leave	71 371	58 427	38 923	-	-	-	-	-	-
Long service awards	28 082	31 421	81 302	34 927	34 927	34 927	39 414	41 346	43 289
Post-retirement benefit obligations	(24 636)	102 399	74 372	18 270	18 270	18 270	22 000	23 078	24 163
Scarcity	-	-	-	-	-	-	56 280	59 038	61 813
Acting and post related allowance	-	-	-	-	-	-	13 486	14 146	14 811
Sub Total - Other Municipal Staff	2 164 314	2 454 392	2 544 022	2 632 865	2 554 055	2 554 055	2 819 722	2 956 545	3 094 951
% increase		13,4%	3,7%	3,5%	(3,0%)	-	10,4%	4,9%	4,7%
Total Parent Municipality	2 244 983	2 536 595	2 574 979	2 724 780	2 645 970	2 645 970	2 916 479	3 058 044	3 201 221
		13,0%	1,5%	5,8%	(2,9%)	-	10,2%	4,9%	4,7%

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

Summary of Employee and Councillor remuneration R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	A	B	C	D	E	F	G	H	I
Board Members of Entities									
Basic Salaries and Wages	-	-		2 452	2 452	2 452	2 419	2 522	2 623
Overtime				16	16	16			
Performance Bonus				24	24	24			
Motor Vehicle Allowance	-	-					27	28	29
Cellphone Allowance	-	-		5	5	5	-	-	-
Other benefits and allowances	1 635	1 936	2 657				-	-	-
Sub Total - Board Members of Entities	1 635	1 936	2 657	2 497	2 497	2 497	2 446	2 550	2 652
% increase		18,4%	37,2%	(6,0%)	-	-	(2,1%)	4,3%	4,0%
Senior Managers of Entities									
Basic Salaries and Wages	6 167	6 511	7 614	7 530	7 530	7 530	10 782	11 296	11 827
Pension and UIF Contributions	1 155	612	-	755	755	755	1 185	1 241	1 300
Performance Bonus	198	356	442				562	592	621
Cellphone Allowance			-	188	188	188			
Housing Allowances			-	373	373	373			
Sub Total - Senior Managers of Entities	7 520	7 479	8 056	8 846	8 846	8 846	12 529	13 130	13 747
% increase		(0,6%)	7,7%	9,8%	-	-	41,6%	4,8%	4,7%
Other Staff of Entities									
Basic Salaries and Wages	14 505	16 406	11 947	18 397	18 397	18 397	22 169	15 819	16 492
Pension and UIF Contributions	524	1 219	1 108	1 415	1 415	1 415	1 864	1 882	1 971
Overtime			-	189	189	189			
Performance Bonus	625	599	559				2 223	2 451	2 567
Motor Vehicle Allowance	120	120	110	50	50	50	60	60	60
Housing Allowances	48	48	48	628	628	628	48	48	48
Other benefits and allowances			-	332	332	332			
Post-retirement benefit obligations	737	604	-				686	763	799
Sub Total - Other Staff of Entities	16 559	18 996	14 445	21 010	21 010	21 010	27 050	21 024	21 938
% increase		14,7%	(24,0%)	45,5%	-	-	28,7%	(22,3%)	4,3%
Total Municipal Entities	25 714	28 411	25 158	32 354	32 354	32 354	42 025	36 704	38 337
TOTAL SALARY, ALLOWANCES & BENEFITS									
	2 270 697	2 565 007	2 600 137	2 757 134	2 678 324	2 678 324	2 958 505	3 094 748	3 239 558
% increase		13,0%	1,4%	6,0%	(2,9%)	-	10,5%	4,6%	4,7%
TOTAL MANAGERS AND STAFF	2 204 375	2 499 257	2 532 797	2 684 374	2 605 564	2 605 564	2 882 002	3 014 512	3 155 568

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	774 223	132 846	345 656			1 252 725
Chief Whip	728 482	130 141	321 427			1 180 050
Executive Mayor	936 509	172 462	442 167			1 551 138
Deputy Executive Mayor	723 136	154 710	374 879			1 252 725
Executive Committee	8 231 039	978 987	3 770 512			12 980 538
Total for all other councillors	33 662 461	5 106 818	17 070 599			55 839 878
Total Councillors	45 055 850	6 675 964	22 325 240			74 057 054
<u>Senior Managers of the Municipality</u>						
Municipal Manager (MM)	2 460 551		4 885			2 465 436
Chief Finance Officer	1 204 291	284 652	562 285	4 676		2 055 904
SM: Executive Support services	1 202 689	270 379	577 740			2 050 808
SM: Corporate Services	1 202 689	285 171	552 309			2 040 169
SM: Spatial Planning & Development	1 202 689	280 549	527 249			2 010 487
SM: Economic Development & Agencies	1 207 814	245 862	600 841			2 054 517
SM: Public Safety & Emergency services	1 200 000	80 000	120 000			1 400 000
SM: Human Settlements	1 207 814	309 183	595 334			2 112 331
SM: Infrastructure services	1 202 689	288 687	689 192			2 180 568
SM: Solid Waste & Environmental Management	1 204 291	264 811	579 723	3 030		2 051 855
SM: Sport, Recreation & Community Development	1 204 291	243 460	597 134	233 969		2 278 854
<i>List of each official with packages >= senior manager</i>						
Total Senior Managers of the Municipality	14 499 808	2 552 754	5 406 692	241 675		22 700 929
<u>Buffalo City Development Agency</u>						
<i>List each member of board by designation</i>						
Chief Executive Officer	2 345 558	287 795	66 404	136 525		2 836 282
Executive Manager: Risk & Strategy	1 582 581	173 910	40 127	82 500		1 879 118
Chief Financial Officer	1 730 728	190 190	43 883	90 223		2 055 024
Executive Manager: Investment & Tourism Promotion	1 622 217	178 266	41 132	84 566		1 926 180
Executive Manager: Corporate Services	1 633 552	179 511	41 419	85 157		1 939 640
Executive Manager: Property Planning, Development and Management	1 593 856	175 149	40 413	83 088		1 892 505
Total for municipal entities	10 508 491	1 184 821	273 378	562 059		12 528 749
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	70 064 149	10 413 539	28 005 310	803 734		109 286 732

Table 52: MBRR Table SA24 – summary of personnel numbers

Summary of Personnel Numbers Number	2021/22			Current Year 2022/23			Budget Year 2023/24		
	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	1
Other Managers	39	27	4	47	31	–	48	32	–
Professionals	152	124	–	176	134	–	178	133	–
<i>Finance</i>	59	43	–	68	47	–	68	49	–
<i>Spatial/town planning</i>	9	8	–	11	9	–	11	10	–
<i>Information Technology</i>	3	5	–	4	3	–	6	4	–
<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	6 027	5 471	106
% increase				1,8%	5,6%	3,2%	(1,5%)	(1,8%)	(17,2%)
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 2023/24												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue																
Exchange Revenue																
Service charges - Electricity	208 339	113 484	358 660	218 987	217 221	205 772	208 575	204 548	236 091	225 108	215 202	202 175	2 614 161	2 947 205	3 322 679	
Service charges - Water	82 486	87 812	87 812	111 067	77 256	82 122	76 732	86 107	89 534	60 240	42 280	49 978	933 423	1 025 496	1 126 651	
Service charges - Waste Water Management	48 073	39 083	40 744	38 406	43 184	38 184	38 713	38 122	37 052	38 626	38 813	54 352	493 351	517 525	541 848	
Service charges - Waste Management	32 789	33 329	36 696	33 378	33 153	33 434	33 355	33 030	33 158	32 505	31 029	40 198	406 053	425 950	445 969	
Sale of Goods and Rendering of Services	27 914	16 960	6 006	4 589	5 044	15 929	26 814	5 283	5 160	5 038	6 090	21 131	145 958	153 110	160 306	
Agency services	1 381	1 567	1 567	752	1 733	2 610	516	1 164	4 445	4 053	2 946	4 527	27 261	28 737	29 501	
Interest earned from Receivables	12 917	13 462	12 924	14 335	17 484	18 416	19 291	19 687	18 363	20 081	20 701	24 254	211 915	222 299	232 747	
Interest earned from Current and Non Current Assets	1 671	1 620	2 135	1 954	2 628	770	1 697	1 676	1 186	2 089	2 846	3 783	24 054	25 224	26 402	
Rental from Fixed Assets	1 691	1 791	1 745	2 232	2 059	1 881	2 188	2 153	1 865	1 685	1 564	2 275	23 129	24 263	25 403	
Operational Revenue	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	84 138	88 261	92 409	
Non-Exchange Revenue																
Property rates	332 392	217 014	152 552	167 675	169 348	169 060	169 031	166 065	168 575	169 492	169 883	157 489	2 208 577	2 316 798	2 425 687	
Fines, penalties and forfeits	909	2 082	1 392	1 497	869	1 509	1 356	1 626	2 223	2 720	2 142	1 756	20 080	21 064	22 054	
Licences or permits	849	761	1 915	1 081	1 779	2 545	1 176	1 565	1 082	1 412	1 029	2 474	17 667	18 533	19 404	
Transfer and subsidies - Operational	466 963	1 577	12 785	10 145	20 104	402 803	53 356	14 966	294 576	6 304	7 507	172 776	1 463 862	1 508 607	1 605 017	
Fuel Levy	-	247 309	-	-	-	247 309	-	-	247 308	-	-	-	741 926	779 747	819 383	
Discontinued Operations																
Total Revenue (excluding capital transfers and contribution)	1 225 386	784 862	723 943	613 109	598 874	1 229 354	639 811	583 002	1 147 631	576 363	549 043	744 179	9 415 557	10 102 818	10 895 462	
Expenditure																
Employee related costs	217 239	230 615	222 772	240 693	243 777	251 715	225 455	246 834	222 591	227 668	222 223	332 865	2 884 448	3 017 062	3 158 220	
Remuneration of councillors	6 344	6 177	6 177	6 177	5 318	6 550	6 074	6 454	6 223	6 223	6 169	6 169	74 057	77 686	81 337	
Bulk purchases - electricity	308 762	313 309	183 824	195 622	172 559	160 632	171 746	170 132	182 768	179 091	168 998	305 053	2 512 494	2 832 586	3 193 457	
Inventory consumed	18 226	2 825	33 679	36 353	19 284	27 499	15 084	32 519	21 134	24 724	22 321	32 665	286 314	311 305	337 810	
Debt impairment	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	96 331	1 328 917	1 295 031	1 205 684	
Depreciation and amortisation	36 718	65 881	53 764	52 655	49 381	54 498	34 759	54 778	51 886	49 466	45 383	60 449	609 619	816 253	1 081 412	
Interest	1 056	1 056	1 022	1 012	979	1 012	953	861	953	877	906	2 879	13 567	13 906	14 254	
Contracted services	27 065	51 153	73 323	96 341	99 715	102 618	61 899	72 368	76 970	59 052	64 036	119 384	903 924	923 516	966 061	
Transfers and subsidies	3 047	28 294	2 576	7 037	14 752	5 334	50 248	2 672	12 468	7 042	6 431	14 209	154 110	139 091	144 170	
Operational costs	48 152	61 440	43 544	28 432	41 125	32 891	34 838	38 385	32 684	31 347	32 602	119 911	545 352	564 616	594 029	
Other Losses	5 696	883	10 526	11 361	6 027	8 594	4 714	10 163	6 605	7 727	6 976	13 268	92 540	101 554	111 446	
Total Expenditure	784 359	873 686	743 260	787 738	764 971	763 398	717 822	747 219	726 335	705 272	688 099	1 103 182	9 405 342	10 092 606	10 887 883	
Surplus/(Deficit)	441 026	(88 824)	(19 318)	(174 628)	(166 098)	465 956	(78 011)	(164 217)	421 296	(128 908)	(139 057)	(359 003)	10 215	10 212	7 579	
Transfers and subsidies - capital (monetary allocations)																
Transfers and subsidies - capital (in-kind)	15 518	27 643	37 629	49 315	81 632	100 561	97 762	50 083	50 797	88 216	62 264	99 162	760 580	801 580	834 177	
Surplus/(Deficit) after capital transfers & contributions	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	
Income Tax																
Surplus/(Deficit) after income tax	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	
Share of Surplus/Deficit attributable to Joint Venture																
Share of Surplus/Deficit attributable to Minorities																
Surplus/(Deficit) attributable to municipality	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	
Share of Surplus/Deficit attributable to Associate																
Intercompany/Parent subsidiary transactions																
Surplus/(Deficit) for the year	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote															
Vote 1 - Directorate - Executive Support Services	36	24	22	19	20	39	22	19	35	20	18	103	377	-	-
Vote 2 - Directorate - Municipal Manager	2 873	1 881	1 763	1 534	1 576	579	1 708	1 466	2 775	1 539	1 415	431	19 541	18 738	19 466
Vote 3 - Directorate - Human Settlement	42 225	27 648	25 915	22 541	23 156	45 254	25 098	21 543	40 780	22 614	20 801	93 276	410 850	353 397	375 428
Vote 4 - Directorate - Chief Financial Officer	460 590	301 580	282 675	245 874	252 586	496 129	273 768	234 985	444 825	246 674	226 901	284 157	3 750 743	3 954 629	4 156 589
Vote 5 - Directorate - Corporate Services	1 447	947	888	772	793	1 551	860	738	1 397	775	713	897	11 778	12 816	13 354
Vote 6 - Directorate - Infrastructure Services	594 973	389 570	365 149	317 611	326 281	637 651	353 643	303 544	574 608	318 644	293 102	294 695	4 769 472	5 371 103	5 924 191
Vote 7 - Directorate - Spatial Planning And Development	16 505	10 807	10 129	8 811	9 051	17 689	9 810	8 420	15 940	8 839	8 131	11 614	135 746	128 302	133 473
Vote 8 - Directorate - Public Safety & Emergency Services	25 251	16 533	15 497	13 480	13 847	27 062	15 009	12 883	24 387	13 523	12 439	15 705	205 616	215 355	225 477
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	11 434	7 487	7 018	6 104	6 271	12 255	6 796	5 834	11 043	6 124	5 633	76 151	162 150	149 523	148 310
Vote 11 - Directorate - Solid Waste And Environmental Management	77 188	50 540	47 372	41 205	42 329	82 724	45 879	39 380	74 545	41 339	38 025	46 642	627 167	639 906	669 935
Vote 12 - Directorate - Sport, Recreation & Community Development	8 380	5 487	5 143	4 474	4 596	8 981	4 981	4 275	8 093	4 488	4 128	19 670	82 698	60 629	63 416
Total Revenue by Vote	1 240 903	812 505	761 571	662 425	680 505	1 329 914	737 574	633 086	1 198 428	664 579	611 306	843 340	10 176 137	10 904 398	11 729 639
Expenditure by Vote to be appropriated															
Vote 1 - Directorate - Executive Support Services	25 243	28 118	23 921	25 352	24 619	24 569	23 102	24 048	23 376	22 698	22 145	37 548	304 739	317 183	329 977
Vote 2 - Directorate - Municipal Manager	13 545	15 087	12 835	13 603	13 210	13 183	12 396	12 903	12 543	12 179	11 882	9 747	153 112	158 345	160 227
Vote 3 - Directorate - Human Settlement	7 169	7 985	6 793	7 200	6 992	6 977	6 561	6 830	6 639	6 446	6 289	111 558	187 439	175 156	188 006
Vote 4 - Directorate - Chief Financial Officer	88 012	98 035	83 400	88 391	85 836	85 659	80 546	83 844	81 501	79 137	77 210	81 270	1 012 840	1 005 554	994 471
Vote 5 - Directorate - Corporate Services	20 300	22 612	19 236	20 387	19 798	19 757	18 578	19 338	18 798	18 253	17 808	26 044	240 909	242 326	253 317
Vote 6 - Directorate - Infrastructure Services	454 585	506 355	430 765	456 543	443 348	442 436	416 022	433 059	420 956	408 748	398 796	480 212	5 291 826	5 862 170	6 482 629
Vote 7 - Directorate - Spatial Planning And Development	24 368	27 143	23 091	24 473	23 765	23 716	22 300	23 214	22 565	21 911	21 377	39 677	297 599	344 706	406 355
Vote 8 - Directorate - Public Safety & Emergency Services	44 491	49 558	42 160	44 683	43 392	43 302	40 717	42 385	41 200	40 005	39 031	45 634	516 559	538 671	560 791
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	12 802	14 259	12 131	12 857	12 485	12 459	11 716	12 195	11 855	11 511	11 230	85 191	220 691	212 770	216 235
Vote 11 - Directorate - Solid Waste And Environmental Management	56 383	62 804	53 428	56 625	54 989	54 876	51 600	53 713	52 212	50 698	49 463	63 016	659 806	680 538	701 799
Vote 12 - Directorate - Sport, Recreation & Community Development	37 463	41 730	35 500	37 625	36 537	36 462	34 285	35 689	34 692	33 686	32 866	123 285	519 821	555 188	594 076
Total Expenditure by Vote	784 359	873 686	743 260	787 738	764 971	763 398	717 822	747 219	726 335	705 272	688 099	1 103 182	9 405 342	10 092 606	10 887 883
Surplus/(Deficit) before assoc.	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757
Income Tax													-	-	-
Share of Surplus/Deficit attributable to Minorities													-	-	-
Intercompany/Parent subsidiary transactions													-	-	-
Surplus/(Deficit)	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional																
Governance and administration	468 315	306 639	287 416	249 998	256 822	501 908	278 359	238 926	452 285	250 811	230 706	287 676	3 809 862	4 013 641	4 218 122	
Executive and council	1 305	1 968	1 844	1 604	1 648	1 521	1 786	1 533	2 902	1 609	1 480	717	19 918	18 738	19 466	
Finance and administration	467 010	304 671	285 572	248 394	255 174	500 387	276 573	237 393	449 383	249 202	229 226	286 959	3 789 944	3 994 903	4 198 657	
Internal audit																
Community and public safety	76 563	50 131	46 988	40 871	41 987	82 054	45 508	39 061	73 942	41 004	37 717	129 088	704 913	635 142	670 341	
Community and social services	6 135	4 017	3 765	3 275	3 364	6 575	3 646	3 130	5 925	3 286	3 022	14 803	60 942	43 877	45 886	
Sport and recreation	2 947	1 930	1 809	1 573	1 616	3 158	1 752	1 504	2 846	1 578	1 452	5 302	27 466	22 473	23 507	
Public safety	25 251	16 533	15 497	13 480	13 847	27 062	15 009	12 883	24 387	13 523	12 439	15 705	205 616	215 355	225 477	
Housing	42 225	27 648	25 915	22 541	23 156	45 254	25 098	21 543	40 780	22 614	20 801	93 276	410 850	353 397	375 428	
Health	5	3	3	2	3	5	3	2	5	3	2	3	38	40	42	
Economic and environmental services	19 464	19 292	18 083	15 729	16 158	21 578	17 513	15 032	18 456	15 780	14 515	83 492	275 093	292 418	293 083	
Planning and development	13 136	8 601	8 062	7 012	7 204	14 078	7 808	6 702	12 687	7 035	6 471	78 595	177 392	165 106	164 119	
Road transport	6 328	10 691	10 021	8 716	8 954	7 500	9 705	8 330	5 769	8 745	8 044	4 896	97 701	127 312	128 964	
Environmental protection																
Trading services	665 126	428 957	402 066	349 723	359 268	702 119	389 397	334 233	642 702	350 860	322 735	346 003	5 293 190	5 877 935	6 459 142	
Energy sources	353 033	224 607	210 527	183 119	188 117	367 639	203 893	175 009	341 291	183 715	168 988	107 151	2 707 089	3 057 191	3 451 031	
Water management	154 157	100 938	94 610	82 293	84 539	165 215	91 629	78 648	148 881	82 561	75 943	81 558	1 240 971	1 412 101	1 544 014	
Waste water management	81 455	53 334	49 991	43 483	44 670	87 298	48 416	41 557	78 667	43 624	40 127	111 090	723 711	774 498	800 182	
Waste management	76 481	50 078	46 938	40 828	41 942	81 967	45 459	39 019	73 863	40 960	37 677	46 205	621 419	634 145	663 915	
Other	11 434	7 487	7 018	6 104	6 271	12 255	6 796	5 834	11 043	6 124	5 633	7 082	93 080	85 261	88 951	
Total Revenue - Functional	1 240 903	812 505	761 571	662 425	680 505	1 319 914	737 574	633 086	1 198 428	664 579	611 306	853 340	10 176 137	10 904 398	11 729 639	
Expenditure - Functional																
Governance and administration	161 760	180 182	153 284	162 456	157 761	157 437	148 038	154 100	149 793	145 449	141 908	169 743	1 881 909	1 920 613	1 965 462	
Executive and council	27 927	32 246	35 939	28 090	36 989	26 913	34 709	36 131	35 121	34 103	33 272	6 935	368 376	381 607	391 813	
Finance and administration	132 517	146 470	116 097	133 044	119 488	129 243	112 124	116 715	113 453	110 163	107 481	161 782	1 498 577	1 523 313	1 557 215	
Internal audit	1 316	1 466	1 247	1 322	1 284	1 281	1 204	1 254	1 219	1 183	1 155	1 027	14 957	15 693	16 435	
Community and public safety	105 101	117 070	99 594	105 554	102 503	102 292	96 185	100 124	97 326	94 504	92 203	293 391	1 405 847	1 468 449	1 550 552	
Community and social services	14 537	16 192	13 775	14 599	14 178	14 148	13 304	13 849	13 461	13 071	12 753	67 496	221 363	233 621	245 359	
Sport and recreation	35 057	39 050	33 220	35 208	34 191	34 120	32 083	33 397	32 464	31 522	30 755	73 447	444 515	479 491	512 983	
Public safety	43 822	48 813	41 526	44 011	42 739	42 651	40 105	41 747	40 580	39 403	38 444	39 140	502 980	524 824	546 410	
Housing	7 169	7 985	6 793	7 200	6 992	6 977	6 561	6 830	6 639	6 446	6 289	111 949	187 830	175 564	188 432	
Health	4 516	5 030	4 279	4 535	4 404	4 395	4 133	4 302	4 182	4 061	3 962	1 360	49 160	54 949	57 368	
Economic and environmental services	59 520	66 298	56 401	59 776	58 049	57 929	54 471	56 701	55 117	53 518	52 215	154 679	784 675	909 837	1 069 904	
Planning and development	16 585	18 474	15 716	16 656	16 175	16 142	15 178	15 800	15 358	14 913	14 549	106 424	281 969	306 612	346 123	
Road transport	42 935	47 825	40 685	43 120	41 874	41 788	39 293	40 902	39 759	38 606	37 666	48 255	502 707	603 225	723 781	
Environmental protection																
Trading services	445 177	495 877	421 851	447 095	434 174	433 280	407 413	424 098	412 245	400 290	390 543	461 512	5 173 555	5 637 130	6 136 733	
Energy sources	297 297	331 154	281 719	298 577	289 948	289 352	272 077	283 219	275 304	267 320	260 811	285 534	3 432 312	3 810 648	4 218 508	
Water management	72 184	80 405	68 402	72 495	70 400	70 255	66 061	68 766	66 844	64 906	63 325	88 291	852 332	913 889	973 374	
Waste water management	35 291	39 311	33 442	35 443	34 419	34 348	32 298	33 620	32 681	31 733	30 960	20 223	393 769	413 012	432 164	
Waste management	40 405	45 007	38 288	40 579	39 407	39 326	36 978	38 492	37 416	36 331	35 447	67 465	495 141	499 580	512 688	
Other	12 802	14 259	12 131	12 857	12 485	12 459	11 716	12 195	11 855	11 511	11 230	23 856	159 355	156 577	165 232	
Total Expenditure - Functional	784 359	873 686	743 260	787 738	764 971	763 398	717 822	747 219	726 335	705 272	688 099	1 103 182	9 405 342	10 092 606	10 887 883	
Surplus/(Deficit) before assoc.	456 544	(61 181)	18 311	(125 313)	(84 466)	556 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(249 841)	770 796	811 792	841 757	
Intercompany/Parent subsidiary transactions																
Surplus/(Deficit)	456 544	(61 181)	18 311	(125 313)	(84 466)	556 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(249 841)	770 796	811 792	841 757	

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Multi-year expenditure to be appropriated															
Vote 1 - Directorate - Executive Support Services	-	-	5	9	247	-	10	3	26	4	-	197	500	500	500
Vote 2 - Directorate - Municipal Manager	-	-	-	-	6	-	53	-	58	45	4	433	600	500	500
Vote 3 - Directorate - Human Settlement	-	13 578	13 396	2 448	10 933	33 613	7 640	11 644	39 439	27 349	44 729	73 430	278 200	236 344	249 601
Vote 4 - Directorate - Chief Financial Officer	7 091	-	60	1 265	6 431	19 406	442	5 476	4 414	319	3 958	23 075	71 938	13 500	33 500
Vote 5 - Directorate - Corporate Services	-	-	3	1 210	1 297	-	872	517	52	889	1 507	4 292	10 640	11 650	6 650
Vote 6 - Directorate - Infrastructure Services	-	9 528	21 372	36 485	57 673	67 164	16 899	39 130	47 664	27 111	58 632	138 802	520 461	640 126	658 198
Vote 7 - Directorate - Spatial Planning And Development	-	1 079	3 495	11 504	3 745	7 479	2 056	8 986	4 545	7 898	43 788	42 041	136 617	83 458	87 062
Vote 8 - Directorate - Public Safety & Emergency Services	-	317	-	6 081	3 810	3 609	387	801	724	1 095	9 596	5 768	32 188	15 500	43 500
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	2 760	932	4 336	4 908	3 055	7 058	524	5 719	3 394	8 282	24 567	65 533	51 659	63 415
Vote 11 - Directorate - Solid Waste And Environmental Management	-	3 739	3 008	763	1 037	280	1 200	252	7 022	2 710	2 761	19 228	42 000	77 570	26 661
Vote 12 - Directorate - Sport, Recreation & Community Development	221	935	10 922	1 884	6 111	5 872	910	2 926	2 478	1 111	3 366	23 914	60 650	37 000	23 510
Capital multi-year expenditure sub-total	7 312	31 934	53 193	65 986	96 200	140 479	37 528	70 259	112 141	71 926	176 623	355 746	1 219 326	1 167 806	1 193 097
Single-year expenditure to be appropriated															
Vote 1 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Directorate - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Directorate - Human Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Directorate - Chief Financial Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Directorate - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Directorate - Infrastructure Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Directorate - Spatial Planning And Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Directorate - Public Safety & Emergency Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	7 312	31 934	53 193	65 986	96 200	140 479	37 528	70 259	112 141	71 926	176 623	355 746	1 219 326	1 167 806	1 193 097

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional															
Governance and administration	640	2 796	4 657	5 777	8 422	12 298	3 285	6 151	9 817	6 297	15 462	42 578	118 178	51 650	57 322
Executive and council	13	56	93	15	68	46	66	123	196	126	109	191	1 100	1 000	1 000
Finance and administration	627	2 740	4 564	5 761	8 353	12 252	3 220	6 028	9 621	6 171	15 353	42 387	117 078	50 650	56 322
Internal audit															
Community and public safety	2 368	10 343	17 229	21 372	31 158	45 500	12 155	22 756	36 321	23 296	57 206	99 333	379 038	304 114	325 578
Community and social services	231	1 009	1 680	2 084	3 039	4 437	1 185	2 219	3 542	2 272	5 579	18 672	45 950	22 950	28 808
Sport and recreation	153	670	1 116	1 384	2 018	2 947	787	1 474	2 352	1 509	3 705	15 087	33 200	26 820	15 668
Public safety	95	417	695	862	1 256	1 834	490	917	1 464	939	2 306	9 412	20 688	11 500	31 500
Housing	1 882	8 221	13 694	16 987	24 766	36 165	9 661	18 087	28 869	18 516	45 470	55 881	278 200	236 344	249 601
Health	6	27	44	55	80	117	31	58	93	60	147	281	1 000	6 500	
Economic and environmental services	1 947	8 504	14 166	17 572	25 619	37 410	9 994	18 710	29 864	19 154	47 036	57 409	287 386	247 910	231 268
Planning and development	670	2 927	4 875	6 048	8 817	12 875	3 440	6 439	10 278	6 592	16 188	34 400	113 550	69 478	72 480
Road transport	1 277	5 577	9 290	11 525	16 802	24 535	6 554	12 271	19 586	12 562	30 848	23 009	173 837	178 432	158 788
Environmental protection															
Trading services	1 966	8 587	14 304	17 744	25 869	37 776	10 092	18 893	30 156	19 341	47 496	138 400	370 624	513 994	517 105
Energy sources	906	3 957	6 591	8 176	11 920	17 407	4 650	8 706	13 896	8 912	21 886	25 812	132 820	156 388	183 557
Water management	713	3 115	5 189	6 437	9 385	13 704	3 661	6 854	10 940	7 017	17 230	15 960	100 205	171 028	176 440
Waste water management	140	611	1 018	1 263	1 842	2 689	718	1 345	2 147	1 377	3 381	87 066	103 598	124 278	139 412
Waste management	207	904	1 505	1 867	2 722	3 975	1 062	1 988	3 174	2 035	4 998	9 561	34 000	62 300	17 694
Other	390	1 704	2 838	3 520	5 133	7 495	2 002	3 748	5 983	3 837	9 423	18 026	64 100	50 139	61 825
Total Capital Expenditure - Functional	7 312	31 934	53 193	65 986	96 200	140 479	37 528	70 259	112 141	71 926	176 623	355 746	1 219 326	1 167 806	1 193 097
Funded by:															
National Government	4 577	19 987	33 293	41 300	60 211	87 924	23 488	43 974	70 188	45 017	110 547	218 967	759 472	800 428	833 050
Provincial Government															
District Municipality															
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher															
Transfers recognised - capital	4 577	19 987	33 293	41 300	60 211	87 924	23 488	43 974	70 188	45 017	110 547	218 967	759 472	800 428	833 050
Borrowing															
Internally generated funds	2 736	11 947	19 900	24 686	35 990	52 555	14 040	26 284	41 953	26 908	66 077	136 779	459 854	367 378	360 046
Total Capital Funding	7 312	31 934	53 193	65 986	96 200	140 479	37 528	70 259	112 141	71 926	176 623	355 746	1 219 326	1 167 806	1 193 097

Table 58: MBRR Table SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25
Cash Receipts By Source													1		
Property rates	393 626	124 014	105 509	114 436	92 664	104 064	95 726	91 581	113 867	110 372	121 935	310 109	1 777 905	1 911 358	2 061 834
Service charges - electricity revenue	128 697	157 390	162 248	187 878	156 499	189 476	199 858	165 940	173 106	171 004	179 524	232 780	2 104 399	2 431 444	2 824 277
Service charges - water revenue	45 780	65 064	44 430	68 170	47 058	48 563	45 438	70 003	78 590	63 667	40 880	133 764	751 406	846 034	957 654
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	71 167	397 147	426 958	460 571
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	37 363	326 873	351 409	379 074
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	2 636	18 619	20 017	21 593
Interest earned - external investments	2 885	1 680	1 518	2 522	2 125	1 871	2 285	1 764	1 835	1 705	1 819	2 045	24 054	25 224	26 402
Fines, penalties and forfeits	885	1 226	1 212	1 766	1 000	1 667	694	1 623	1 083	1 514	1 909	1 584	16 165	17 378	18 746
Licences and permits	453	1 800	1 185	1 985	1 280	1 776	1 213	1 649	46	1 808	1 929	2 544	17 667	18 533	19 404
Agency services	1 896	1 563	2 446	2 955	2 677	3 891	1 121	2 991	2 602	1 811	1 830	1 477	27 261	28 737	29 501
Transfers and Subsidies - Operational	319 710	172 384	5 969	1 512	3 896	171 480	209 446	81 174	339 635	1 636	2 456	154 566	1 463 862	1 508 607	1 605 017
Other revenue	31 259	86 101	31 184	29 994	127 056	83 265	42 978	74 106	72 605	33 799	52 194	262 613	927 153	974 051	1 022 819
Cash Receipts by Source	972 298	662 090	410 583	479 350	493 583	670 654	651 839	567 515	830 756	429 589	471 606	1 212 648	7 852 512	8 559 749	9 426 891
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	158 171	26 841	-	2 865	160 218	25 366	19 473	201 764	136 086	4 092	-	25 705	760 580	801 580	834 177
Increase (decrease) in consumer deposits												6 005	6 005	4 000	4 000
Decrease (increase) in non-current receivables												-	-	-	-
Decrease (increase) in non-current investments												-	-	-	-
Total Cash Receipts by Source	1 130 469	688 931	410 583	482 214	653 801	696 020	671 311	769 279	966 842	433 681	471 606	1 244 357	8 619 097	9 365 329	10 265 069
Cash Payments by Type															
Employee related costs	216 563	219 929	259 932	230 937	226 819	229 727	243 553	224 226	214 642	219 574	219 889	378 657	2 884 448	3 017 062	3 158 220
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	74 057	74 057	77 686	81 337
Interest	-	-	3 855	-	-	3 855	-	-	3 855	-	-	2 002	13 567	13 906	14 254
Bulk purchases - electricity	263 223	306 687	169 121	128 345	166 481	142 037	155 573	146 034	151 737	135 001	153 539	594 716	2 512 494	2 832 586	3 193 457
Acquisitions - water & other inventory	28 114	26 292	29 412	28 620	31 922	25 219	28 738	23 110	23 534	20 290	22 732	(1 668)	286 314	311 305	337 810
Contracted services	50 767	22 758	42 418	69 800	105 781	97 078	24 305	20 626	282 982	34 278	38 576	114 557	903 924	923 516	966 061
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	21 523	6 730	234	5 372	6 383	6 690	21 659	38 698	8 897	10 231	7 572	20 121	154 110	139 091	144 170
Other expenditure	40 933	46 060	50 304	48 058	46 652	80 666	51 870	42 050	23 155	34 944	46 392	126 807	637 892	666 169	705 475
Cash Payments by Type	621 122	628 456	555 277	511 132	584 038	585 271	525 697	494 744	708 802	454 318	488 700	1 309 249	7 466 806	7 981 322	8 600 786
Other Cash Flows/Payments by Type															
Capital assets	16 489	82 236	45 811	125 666	158 250	116 743	108 061	45 572	63 423	148 134	156 984	151 956	1 219 326	1 167 806	1 193 097
Repayment of borrowing	-	-	12 515	-	-	21 898	-	-	12 947	-	-	1 781	49 141	30 246	28 814
Other Cash Flows/Payments												-	-	-	-
Total Cash Payments by Type	637 611	710 692	613 603	636 799	742 287	723 912	633 758	540 316	785 172	602 453	645 684	1 462 985	8 735 273	9 179 375	9 822 697
NET INCREASE/(DECREASE) IN CASH HELD	492 858	(21 761)	(203 020)	(154 584)	(88 486)	(27 892)	37 553	228 963	181 670	(168 771)	(174 078)	(218 628)	(116 176)	185 954	442 372
Cash/cash equivalents at the month/year begin:	808 648	1 301 506	1 279 745	1 076 725	922 141	833 655	805 763	843 316	1 072 279	1 253 949	1 085 178	911 100	808 648	692 472	878 426
Cash/cash equivalents at the month/year end:	1 301 506	1 279 745	1 076 725	922 141	833 655	805 763	843 316	1 072 279	1 253 949	1 085 178	911 100	692 472	692 472	878 426	1 320 799

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 31 March 2023, 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
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	-	(480)	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	74	442	191	522	712	712	377	-	-
Other revenue	16	(0)	-	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	90	(37)	191	522	712	712	377	-	-
Expenditure By Type									
Employee related costs	88 401	98 880	101 288	102 432	99 155	99 155	116 004	121 688	127 408
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	1 594	3 545	422	982	982	982	975	1 305	1 730
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	4 451	3 244	4 122	3 440	2 562	2 562	2 650	2 801	2 925
Contracted services	20 908	9 767	8 709	15 072	12 544	12 544	12 778	13 061	13 567
Transfers and subsidies Exp	77 401	60 304	55 339	57 992	57 992	57 992	58 232	58 635	59 041
Other expenditure	53 075	41 675	43 722	41 683	39 033	39 033	40 044	42 005	43 969
Losses	-	160	173	-	-	-	-	-	-
Total Expenditure	310 518	281 388	278 459	291 865	282 531	282 531	304 739	317 183	329 977
Surplus/(Deficit)	(310 428)	(281 426)	(278 267)	(291 343)	(281 819)	(281 819)	(304 362)	(317 183)	(329 977)
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	(310 428)	(281 426)	(278 267)	(291 343)	(281 819)	(281 819)	(304 362)	(317 183)	(329 977)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(310 428)	(281 426)	(278 267)	(291 343)	(281 819)	(281 819)	(304 362)	(317 183)	(329 977)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(310 428)	(281 426)	(278 267)	(291 343)	(281 819)	(281 819)	(304 362)	(317 183)	(329 977)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(310 428)	(281 426)	(278 267)	(291 343)	(281 819)	(281 819)	(304 362)	(317 183)	(329 977)

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
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	(25)	(89)	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	32 515	31 399	27 037	23 593	22 993	22 993	19 441	18 738	19 466
Other revenue	8	121	9	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	32 498	31 431	27 046	23 593	22 993	22 993	19 441	18 738	19 466
Expenditure By Type									
Employee related costs	39 697	63 092	64 288	79 120	77 481	77 481	84 511	88 142	91 595
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	838	252	5 223	131	131	131	130	174	230
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	545	867	909	1 107	713	713	576	620	628
Contracted services	70 958	49 320	51 629	45 915	47 343	47 343	39 516	39 755	36 420
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-
Other expenditure	22 847	22 647	26 459	28 300	27 811	27 811	28 379	29 655	31 354
Losses	-	23	-	-	-	-	-	-	-
Total Expenditure	-	136 201	148 509	154 574	153 479	153 479	153 112	158 345	160 227
Surplus/(Deficit)	32 498	(104 770)	(121 463)	(130 981)	(130 486)	(130 486)	(133 671)	(139 607)	(140 761)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	24	-	370	100	700	700	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	32 522	(104 770)	(121 093)	(130 881)	(129 786)	(129 786)	(133 571)	(139 607)	(140 761)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	32 522	(104 770)	(121 093)	(130 881)	(129 786)	(129 786)	(133 571)	(139 607)	(140 761)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	32 522	(104 770)	(121 093)	(130 881)	(129 786)	(129 786)	(133 571)	(139 607)	(140 761)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	32 522	(104 770)	(121 093)	(130 881)	(129 786)	(129 786)	(133 571)	(139 607)	(140 761)

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Rental of facilities and equipment	-	-	-	108	108	108	114	119	125
Transfers and subsidies Rev	1 435	529	2 764	112 450	125 398	125 398	133 037	117 434	126 202
Other revenue	(251)	(17 846)	-	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	1 183	(17 317)	2 764	112 558	125 506	125 506	133 150	117 553	126 327
Expenditure By Type									
Employee related costs	33 232	36 306	37 488	38 665	37 394	37 394	44 026	46 183	48 354
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	742	1 648	46	119	119	119	118	158	209
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	1 378	1 197	1 887	1 641	1 262	1 262	1 307	1 381	1 446
Contracted services	6 553	3 244	5 268	117 542	130 393	130 393	138 612	123 892	134 288
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-
Other expenditure	3 661	3 197	3 595	3 847	3 279	3 279	3 377	3 543	3 709
Losses	-	-	-	-	-	-	-	-	-
Total Expenditure	45 567	45 592	48 283	161 814	172 446	172 446	187 439	175 156	188 006
Surplus/(Deficit)	(44 383)	(62 909)	(45 519)	(49 257)	(46 940)	(46 940)	(54 289)	(57 603)	(61 678)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	269 816	468 089	234 087	235 492	235 492	235 492	277 700	235 844	249 101
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	225 432	405 180	188 568	186 235	188 552	188 552	223 411	178 241	187 423
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	225 432	405 180	188 568	186 235	188 552	188 552	223 411	178 241	187 423
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	225 432	405 180	188 568	186 235	188 552	188 552	223 411	178 241	187 423
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	225 432	405 180	188 568	186 235	188 552	188 552	223 411	178 241	187 423

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Property rates	1 467 400	1 589 415	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Service charges - electricity revenue	26 853	13 220	60 948	50 248	50 248	50 248	57 836	65 204	73 511
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-
Interest earned - external investments	70 130	40 801	32 364	30 239	30 239	30 239	23 027	24 156	25 291
Interest earned - outstanding debtors	122 587	119 421	176 561	121 249	201 249	201 249	211 915	222 299	232 747
Dividends received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	1 670	1 420	1 420	1 495	1 568	1 642
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	365 642	535 313	369 350	442 822	442 799	442 799	488 099	526 115	558 704
Other revenue	540 860	569 483	661 139	736 171	736 171	736 171	759 794	798 490	839 007
Gains	-	0	5	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	2 593 471	2 867 653	3 034 281	3 340 617	3 420 343	3 420 343	3 750 743	3 954 629	4 156 589
Expenditure By Type									
Employee related costs	240 565	383 042	354 798	336 716	326 176	326 176	363 029	380 778	398 720
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	136 009	114 318	248 732	381 852	381 852	381 852	430 673	405 440	363 853
Depreciation & asset impairment	416	314	134	162	162	162	161	215	285
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	2 779	3 680	3 183	8 577	2 662	2 662	2 847	2 995	3 136
Contracted services	39 877	24 401	38 638	100 771	96 077	96 077	65 919	60 382	65 103
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-
Other expenditure	119 088	126 832	136 513	141 998	141 451	141 451	150 211	155 744	163 374
Losses	1 129	(3 414)	508	-	-	-	-	-	-
Total Expenditure	539 862	649 174	782 507	970 076	948 379	948 379	1 012 840	1 005 554	994 471
Surplus/(Deficit)	2 053 609	2 218 480	2 251 774	2 370 541	2 471 964	2 471 964	2 737 903	2 949 075	3 162 118
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	58	-	76	-	23	23	-	-	-
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	2 053 667	2 218 480	2 251 850	2 370 541	2 471 987	2 471 987	2 737 903	2 949 075	3 162 118
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	2 053 667	2 218 480	2 251 850	2 370 541	2 471 987	2 471 987	2 737 903	2 949 075	3 162 118
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	2 053 667	2 218 480	2 251 850	2 370 541	2 471 987	2 471 987	2 737 903	2 949 075	3 162 118
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	2 053 667	2 218 480	2 251 850	2 370 541	2 471 987	2 471 987	2 737 903	2 949 075	3 162 118

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Interest earned - external investments	(110)	(1 518)	-	-	-	-	-	-	-
Interest earned - outstanding debtors	(28 114)	(9 120)	-	-	-	-	-	-	-
Transfers and subsidies Rev	10 847	11 104	12 319	11 600	11 600	11 600	10 850	11 850	12 350
Other revenue	0	23	1	739	739	739	778	816	854
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	(17 378)	490	12 320	12 339	12 339	12 339	11 628	12 666	13 204
Expenditure By Type									
Employee related costs	131 446	159 247	157 135	138 438	137 181	137 181	138 217	144 197	151 067
Depreciation & asset impairment	8 853	3 882	147	1 911	1 911	1 911	1 896	2 540	3 365
Other materials	1 119	902	1 083	1 101	593	593	612	644	674
Contracted services	16 870	12 235	5 310	11 378	16 228	16 228	17 491	12 370	11 880
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-
Other expenditure	66 230	69 250	79 880	74 249	71 765	71 765	82 692	82 575	86 331
Losses	-	-	-	-	-	-	-	-	-
Total Expenditure	224 517	245 516	243 555	227 076	227 678	227 678	240 909	242 326	253 317
Surplus/(Deficit)	(241 895)	(245 026)	(231 234)	(214 737)	(215 340)	(215 340)	(229 281)	(229 660)	(240 113)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	110	89	131	150	150	150	150	150	150
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	-	(244 938)	(231 103)	(214 587)	(215 190)	(215 190)	(229 131)	(229 510)	(239 963)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	-	(244 938)	(231 103)	(214 587)	(215 190)	(215 190)	(229 131)	(229 510)	(239 963)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	(244 938)	(231 103)	(214 587)	(215 190)	(215 190)	(229 131)	(229 510)	(239 963)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	(244 938)	(231 103)	(214 587)	(215 190)	(215 190)	(229 131)	(229 510)	(239 963)

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	1 790 851	1 935 384	2 138 593	2 499 303	2 419 303	2 419 303	2 556 325	2 882 001	3 249 168
Service charges - water revenue	709 744	1 214 597	1 255 133	849 617	849 617	849 617	933 423	1 025 496	1 126 651
Service charges - sanitation revenue	377 249	420 119	470 773	468 519	468 519	468 519	493 351	517 525	541 848
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Transfers and subsidies Rev	334 275	416 508	402 540	425 603	425 603	425 603	470 738	509 401	555 914
Other revenue	(80 472)	(216 297)	3 966	26 111	26 111	26 111	27 495	28 842	30 198
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	3 131 646	3 770 310	4 271 006	4 269 153	4 189 153	4 189 153	4 481 332	4 963 265	5 503 780
Expenditure By Type									
Employee related costs	527 000	545 700	572 015	626 914	608 121	608 121	614 191	644 286	674 568
Debt impairment	268 107	715 015	905 125	729 358	729 358	729 358	787 982	785 790	748 677
Depreciation & asset impairment	1 105 469	1 086 513	1 266 329	470 578	470 578	470 578	466 997	625 465	828 759
Finance charges	27 966	23 069	18 703	43 062	43 062	43 062	11 835	12 131	12 434
Bulk purchases	1 772 339	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 512 494	2 832 586	3 193 457
Other materials	42 321	274 569	301 683	239 193	225 105	225 105	242 832	265 355	289 772
Contracted services	413 766	428 570	381 674	426 977	440 942	440 942	475 551	503 057	526 388
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-
Other expenditure	74 273	72 961	125 108	90 892	84 667	84 667	87 404	91 947	97 128
Losses	6 617	12 448	601	82 136	82 136	82 136	92 540	101 554	111 446
Total Expenditure	4 237 858	4 790 750	5 493 492	4 869 537	4 804 397	4 804 397	5 291 826	5 862 170	6 482 629
Surplus/(Deficit)	(1 106 211)	(1 020 439)	(1 222 487)	(600 384)	(615 243)	(615 243)	(810 495)	(898 904)	(978 849)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	(16 091)	423 836	318 562	352 072	352 072	352 072	288 140	407 838	420 411
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	(1 122 303)	(596 603)	(903 924)	(248 311)	(263 171)	(263 171)	(522 355)	(491 067)	(558 438)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(1 122 303)	(596 603)	(903 924)	(248 311)	(263 171)	(263 171)	(522 355)	(491 067)	(558 438)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(1 122 303)	(596 603)	(903 924)	(248 311)	(263 171)	(263 171)	(522 355)	(491 067)	(558 438)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(1 122 303)	(596 603)	(903 924)	(248 311)	(263 171)	(263 171)	(522 355)	(491 067)	(558 438)

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Rental of facilities and equipment	17 286	20 706	16 089	11 608	11 608	11 608	12 223	12 822	13 424
Interest earned - external investments	(452)	(2 433)	-	-	-	-	-	-	-
Interest earned - outstanding debtors	(1 503)	(8 442)	-	-	-	-	-	-	-
Agency services	-	(3 478)	-	-	-	-	-	-	-
Transfers and subsidies Rev	2 767	733	1 828	6 022	10 246	10 246	9 954	11 434	11 290
Other revenue	12 057	14 864	12 849	21 355	21 355	21 355	22 487	23 588	24 697
Gains	4 254	29 575	15 349	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	34 409	51 525	46 114	38 984	43 208	43 208	44 664	47 845	49 411
Expenditure By Type									
Employee related costs	97 099	102 755	105 692	121 734	117 966	117 966	137 676	144 422	151 210
Depreciation & asset impairment	478 536	205 790	200 457	97 833	97 833	97 833	97 089	130 034	172 299
Finance charges	543	318	234	896	896	896	246	252	259
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	1 828	2 011	2 744	5 487	3 046	3 046	3 169	3 370	3 528
Contracted services	25 293	21 519	22 557	33 229	41 815	41 815	37 321	43 446	54 789
Transfers and subsidies Exp	-	-	-	-	-	-	-	-	-
Other expenditure	18 230	20 030	24 351	22 356	21 454	21 454	22 098	23 181	24 270
Losses	6 276	8 821	-	-	-	-	-	-	-
Total Expenditure	627 806	361 243	356 036	281 535	283 011	283 011	297 599	344 706	406 355
Surplus/(Deficit)	(593 397)	(309 718)	(309 922)	(242 550)	(239 802)	(239 802)	(252 935)	(296 861)	(356 944)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	213 054	144 586	94 315	75 000	84 000	84 000	91 082	80 458	84 062
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	(380 343)	(165 132)	(215 607)	(167 550)	(155 802)	(155 802)	(161 853)	(216 403)	(272 882)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(380 343)	(165 132)	(215 607)	(167 550)	(155 802)	(155 802)	(161 853)	(216 403)	(272 882)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(380 343)	(165 132)	(215 607)	(167 550)	(155 802)	(155 802)	(161 853)	(216 403)	(272 882)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(380 343)	(165 132)	(215 607)	(167 550)	(155 802)	(155 802)	(161 853)	(216 403)	(272 882)

2.10.8 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. Public Safety & Emergency Services comprises of the following departments:

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

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Fines, penalties and forfeits	10 818	16 648	12 383	20 187	17 159	17 159	18 068	18 954	19 844
Licences and permits	12 449	12 202	11 884	19 579	16 442	16 442	17 314	18 162	19 016
Agency services	21 676	25 112	23 879	40 945	25 509	25 509	26 861	28 177	29 501
Transfers and subsidies Rev	38 501	41 812	45 157	49 878	49 878	49 878	50 153	52 275	54 731
Other revenue	66 518	56 838	84 117	88 528	88 528	88 528	93 220	97 788	102 384
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	149 963	152 611	177 421	219 117	197 516	197 516	205 616	215 355	225 477
Expenditure By Type									
Employee related costs	397 118	422 757	396 624	422 982	410 278	410 278	437 545	458 984	480 557
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	40 273	49 610	71 631	24 841	24 841	24 841	31 081	29 260	26 259
Depreciation & asset impairment	1 816	2 136	2 201	1 048	1 048	1 048	1 040	1 393	1 845
Finance charges	1 731	1 012	727	2 188	2 188	2 188	601	616	632
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	8 744	9 434	11 125	13 789	6 912	6 912	7 167	7 586	7 943
Contracted services	11 596	21 264	8 015	23 164	18 475	18 475	29 102	30 317	32 548
Transfers and subsidies Exp	-	643	295	718	718	718	740	776	813
Other expenditure	12 903	11 051	11 281	12 278	9 012	9 012	9 283	9 737	10 195
Losses	-	13	-	-	-	-	-	-	-
Total Expenditure	474 180	517 919	501 899	501 008	473 471	473 471	516 559	538 671	560 791
Surplus/(Deficit)	(324 217)	(365 308)	(324 479)	(281 890)	(275 955)	(275 955)	(310 943)	(323 316)	(335 314)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	10 036	2 294	-	-	-	-	-	-
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	-	(355 272)	(322 185)	(281 890)	(275 955)	(275 955)	(310 943)	(323 316)	(335 314)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	-	(355 272)	(322 185)	(281 890)	(275 955)	(275 955)	(310 943)	(323 316)	(335 314)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	(355 272)	(322 185)	(281 890)	(275 955)	(275 955)	(310 943)	(323 316)	(335 314)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	(355 272)	(322 185)	(281 890)	(275 955)	(275 955)	(310 943)	(323 316)	(335 314)

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Rental of facilities and equipment	2 365	2 441	2 887	3 683	3 683	3 683	3 878	4 068	4 259
Licences and permits	138	210	243	114	297	297	312	328	343
Agency services	(3 632)	(882)	-	-	-	-	-	-	-
Transfers and subsidies Rev	-	2 569	16 861	41 172	41 493	41 493	6 648	-	-
Other revenue	22 302	8 176	25 414	34 607	34 607	34 607	36 442	38 227	40 024
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	21 174	12 514	45 405	79 576	80 080	80 080	47 280	42 623	44 626
Expenditure By Type									
Employee related costs	37 031	42 476	44 733	48 400	46 877	46 877	50 982	53 480	55 994
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	5 756	4 204	408	2 347	2 347	2 347	2 329	3 119	4 133
Finance charges	942	550	406	1 228	1 228	1 228	337	346	355
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	606	705	1 433	1 186	1 968	1 968	1 948	2 048	2 144
Contracted services	9 306	4 802	6 444	17 962	17 033	17 033	19 021	14 930	13 709
Transfers and subsidies Exp	53 421	43 762	60 233	86 340	88 191	88 191	66 569	65 225	69 187
Other expenditure	13 491	10 256	16 714	13 842	10 536	10 536	11 544	10 511	12 482
Losses	-	19	-	-	-	-	-	-	-
Total Expenditure	120 552	106 775	130 371	171 304	168 178	168 178	152 729	149 660	158 003
Surplus/(Deficit)	(99 379)	(94 261)	(84 966)	(91 728)	(88 098)	(88 098)	(105 449)	(107 037)	(113 377)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	8 375	21 773	33 356	38 761	29 761	29 761	45 800	42 639	44 325
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	(91 004)	(72 488)	(51 610)	(52 967)	(58 337)	(58 337)	(59 649)	(64 398)	(69 053)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(91 004)	(72 488)	(51 610)	(52 967)	(58 337)	(58 337)	(59 649)	(64 398)	(69 053)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(91 004)	(72 488)	(51 610)	(52 967)	(58 337)	(58 337)	(59 649)	(64 398)	(69 053)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(91 004)	(72 488)	(51 610)	(52 967)	(58 337)	(58 337)	(59 649)	(64 398)	(69 053)

2.10.10 Solid Waste & Environmental Management (Vote 10)

The Directorate of Solid Waste & Environmental 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 Management comprises of the following departments:

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

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Revenue By Source									
Service charges - refuse revenue	-	-	387 546	385 616	385 616	385 616	406 053	425 950	445 969
Fines, penalties and forfeits	-	-	-	9	8	8	8	9	9
Transfers and subsidies Rev	-	-	158 955	181 835	199 286	199 286	191 585	184 009	192 657
Other revenue	-	-	2 905	7 892	8 092	8 092	8 521	8 938	9 359
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	-	-	549 405	575 351	593 002	593 002	606 167	618 906	647 994
Expenditure By Type									
Employee related costs	-	-	401 447	434 719	413 821	413 821	448 717	470 705	492 828
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	159 934	75 195	75 195	75 195	79 180	74 541	66 895
Depreciation & asset impairment	-	-	1 649	3 651	3 651	3 651	3 623	4 852	6 429
Finance charges	-	-	27	150	150	150	41	42	43
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	24 828	20 308	14 318	14 318	14 876	15 787	16 529
Contracted services	-	-	22 247	57 933	46 865	46 865	35 366	48 176	49 517
Transfers and subsidies Exp	-	-	143	12 000	29 452	29 452	14 672	-	-
Other expenditure	-	-	85 167	52 673	61 487	61 487	63 331	66 434	69 557
Losses	-	-	-	-	-	-	-	-	-
Total Expenditure	-	-	695 442	656 627	644 938	644 938	659 806	680 538	701 799
Surplus/(Deficit)	-	-	(146 037)	(81 276)	(51 936)	(51 936)	(53 639)	(61 632)	(53 805)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	15 800	15 800	15 800	21 000	21 000	21 941
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	-	-	(146 037)	(65 476)	(36 136)	(36 136)	(32 639)	(40 632)	(31 864)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	-	-	(146 037)	(65 476)	(36 136)	(36 136)	(32 639)	(40 632)	(31 864)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	-	(146 037)	(65 476)	(36 136)	(36 136)	(32 639)	(40 632)	(31 864)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	-	(146 037)	(65 476)	(36 136)	(36 136)	(32 639)	(40 632)	(31 864)

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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source									
Rental of facilities and equipment	-	-	2 141	6 567	6 567	6 567	6 915	7 254	7 595
Fines, penalties and forfeits	-	-	24	569	483	483	509	534	559
Licences and permits	-	-	-	46	39	39	41	43	45
Transfers and subsidies Rev	-	-	15 870	18 780	18 780	18 780	16 446	15 870	16 581
Other revenue	-	-	9 930	22 315	22 115	22 115	23 287	24 428	25 576
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	-	-	27 966	48 276	47 984	47 984	47 198	48 129	50 356
Expenditure By Type									
Employee related costs	-	-	274 788	304 398	301 258	301 258	407 524	427 493	447 585
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	-	91 668	34 651	34 651	34 651	34 388	46 056	61 026
Finance charges	-	-	588	1 833	1 833	1 833	504	516	529
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	16 183	17 711	7 003	7 003	7 340	7 738	8 102
Contracted services	-	-	26 138	21 983	21 838	21 838	19 641	20 489	21 452
Transfers and subsidies Exp	-	-	11 067	13 286	13 286	13 286	13 684	14 355	15 030
Other expenditure	-	-	48 107	39 580	34 408	34 408	36 740	38 541	40 352
Losses	-	-	19	-	-	-	-	-	-
Total Expenditure	-	-	468 558	433 442	414 277	414 277	519 821	555 188	594 076
Surplus/(Deficit)	-	-	(440 592)	(385 166)	(366 293)	(366 293)	(472 623)	(507 060)	(543 720)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	5 537	17 500	17 500	17 500	35 500	12 500	13 060
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	-	-	(435 056)	(367 666)	(348 793)	(348 793)	(437 123)	(494 560)	(530 660)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	-	-	(435 056)	(367 666)	(348 793)	(348 793)	(437 123)	(494 560)	(530 660)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	-	(435 056)	(367 666)	(348 793)	(348 793)	(437 123)	(494 560)	(530 660)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	-	(435 056)	(367 666)	(348 793)	(348 793)	(437 123)	(494 560)	(530 660)

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) R53 million for 2023/2024 financial year, R56 million in 2024/2025 and R58 million in 2025/2026 financial years as an operational grant to the agency. The City will also transfer an amount (inclusive of vat) of R5 million in 2023/2024 and R7 million in 2024/2025 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 2023/2024 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	2019/20	2020/21	2021/22	Current Year 2022/23			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	520	488	722	637	637	637	1 027	1 068	1 111
Transfer and subsidies - Operational	7 762	125 436	47 015	132 487	115 012	115 012	66 534	61 482	57 121
Other own revenue	41 243	6 985	8 591	18 429	17 031	17 031	400	560	-
Total Revenue (excluding capital transfers and contributions)	49 524	132 909	56 328	151 552	132 680	132 680	67 961	63 110	58 232
Employee costs	25 714	28 411	23 449	32 354	32 354	32 354	39 579	34 154	35 685
Remuneration of councillors	-	-	2 657	-	-	-	2 446	2 550	2 652
Depreciation and Debt impairment	987	1 181	1 111	984	984	984	875	941	1 101
Interest	-	0	0	4	4	4	2	2	3
Inventory consumed and bulk purchases	1 238	556	-	1 299	1 299	1 299	990	980	984
Transfers and subsidies	197	203	-	217	217	217	213	100	100
Other expenditure	25 779	101 237	26 708	116 694	97 821	97 821	23 856	24 382	17 708
Total Expenditure	53 916	131 590	53 926	151 552	132 680	132 680	67 961	63 110	58 232
Surplus/(Deficit)	(4 391)	1 320	2 402	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Transfers and subsidies - capital (in-kind - all contributions)	-	-	-	-	-	-	-	-	-
Income Tax	9 420	2 557	3 034	1 140	1 140	1 140	1 108	1 152	1 127
Surplus/ (Deficit) for the year	9 420	2 557	3 034	1 140	1 140	1 140	1 108	1 152	1 127
Capital expenditure & funds sources									
Capital expenditure	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	22 505	29 611	62 591	10 120	10 120	10 120	11 710	5 471	5 728
Total non current assets	2 795	2 849	2 308	3 691	3 691	3 691	1 954	2 164	2 191
Total current liabilities	13 812	12 071	36 818	5 210	5 210	5 210	3 494	3 760	3 866
Total non current liabilities	-	6 498	13 540	-	-	-	-	-	-
Community wealth/Equity	11 488	13 892	14 541	8 601	8 601	8 601	10 170	3 875	4 053
Cash flows									
Net cash from (used) operating	13 797	4 434	1 620	2 124	2 124	2 124	1 983	2 093	2 228
Net cash from (used) investing	(1 651)	(1 238)	(515)	(1 140)	(1 140)	(1 140)	(1 108)	(1 152)	(1 127)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	16 133	19 329	20 433	6 223	6 223	6 223	7 097	8 039	9 139

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Revenue									
Exchange Revenue									
Agency services	1 752	6 799	6 658	3 768	2 370	2 370	400	560	-
Interest	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	520	488	722	637	637	637	1 027	1 068	1 111
Non-Exchange Revenue									
Transfer and subsidies - Operational	7 762	125 436	47 015	132 487	115 012	115 012	66 534	61 482	57 121
Interest									
Operational Revenue	39 491	189	1 934	14 661	14 661	14 661	-	-	-
Other Gains	-	(3)							
Discontinued Operations									
Total Revenue (excluding capital transfers and contributions)	49 524	132 909	56 328	151 552	132 680	132 680	67 961	63 110	58 232
Expenditure									
Employee related costs	25 714	28 411	23 449	32 354	32 354	32 354	39 579	34 154	35 685
Remuneration of councillors			2 657				2 446	2 550	2 652
Inventory consumed	1 238	556		1 299	1 299	1 299	990	980	984
Depreciation and asset impairment	987	1 181	1 111	984	984	984	875	941	1 101
Interest	-	0	0	4	4	4	2	2	3
Contracted services	18 993	95 442	19 148	105 568	88 093	88 093	13 608	13 640	6 400
Transfers and subsidies	197	203		217	217	217	213	100	100
Operational costs	6 785	5 783	7 560	11 126	9 728	9 728	10 249	10 742	11 308
Other Losses	-	13							
Total Expenditure	53 916	131 590	53 926	151 552	132 680	132 680	67 961	63 110	58 232
Surplus/(Deficit)	(4 391)	1 320	2 402	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)									
	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Transfers and subsidies - capital (in-kind)									
	9 420	2 557	3 034	1 140	1 140	1 140	1 108	1 152	1 127
Surplus/(Deficit) after capital transfers & contributions									
Income Tax									
Surplus/(Deficit) after income tax	9 420	2 557	3 034	1 140	1 140	1 140	1 108	1 152	1 127
Share of Surplus/Deficit attributable to Joint Venture									
Share of Surplus/Deficit attributable to Minorities									
Surplus/(Deficit) attributable to municipality	9 420	2 557	3 034	1 140	1 140	1 140	1 108	1 152	1 127
Share of Surplus/Deficit attributable to Associate									
Intercompany/Parent subsidiary transactions									
Surplus/ (Deficit) for the year	9 420	2 557	3 034	1 140	1 140	1 140	1 108	1 152	1 127

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

Vote Description	2019/20	2020/21	2021/22	Current Year 2022/23			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands									
Capital expenditure by Asset Class/Sub-class									
Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	425	279	255	700	700	700	616	600	550
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	425	279	255	700	700	700	616	600	550
Water Rights	-	-	-	-	-	-	-	-	-
Computer Software and Applications	425	279	255	700	700	700	616	600	550
Computer Equipment	56	586	376	354	354	354	300	345	361
Computer Equipment	56	586	376	354	354	354	300	345	361
Furniture and Office Equipment	1 194	373	-	86	86	86	192	207	216
Furniture and Office Equipment	1 194	373	-	86	86	86	192	207	216
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total capital expenditure on assets	1 675	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Funded by:									
National Government									
Provincial Government									
Parent Municipality	1 675	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
District Municipality									
Transfers recognised - capital	1 675	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Borrowing									
Internally generated funds									
Total Capital Funding	1 675	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSETS									
Current assets									
Cash and cash equivalents	16 133	19 329	20 433	6 223	6 223	6 223	9 995	5 304	5 554
Trade and other receivables from exchange transactions									
Receivables from non-exchange transactions	6 311	10 235	42 096	3 811	3 811	3 811	1 470	–	–
Current portion of non-current receivables	–	–	–	–	–	–	–	–	–
Inventory	61	48	62	86	86	86	64	67	70
VAT							181	100	105
Other current assets									
Total current assets	22 505	29 611	62 591	10 120	10 120	10 120	11 710	5 471	5 728
Non current assets									
Investments									
Investment property									
Property, plant and equipment	1 384	1 810	1 532	2 266	2 266	2 266	1 025	986	986
Biological assets									
Living and non-living resources									
Heritage assets									
Intangible assets	1 411	1 039	776	1 425	1 425	1 425	929	1 178	1 204
Trade and other receivables from exchange transactions									
Non-current receivables from non-exchange transactions									
Other non-current assets									
Other non-current assets									
Total non current assets	2 795	2 849	2 308	3 691	3 691	3 691	1 954	2 164	2 191
TOTAL ASSETS	25 300	32 460	64 899	13 811	13 811	13 811	13 663	7 635	7 919
LIABILITIES									
Current liabilities									
Bank overdraft									
Financial liabilities									
Consumer deposits									
Trade and other payables from exchange transactions	11 542	7 373	25 198	3 207	3 207	3 207	1 542	1 500	1 570
Trade and other payables from non-exchange transactions		2 305	9 180						
Provision	2 270	2 392	2 441	2 003	2 003	2 003	1 952	2 260	2 296
VAT									
Other current liabilities									
Total current liabilities	13 812	12 071	36 818	5 210	5 210	5 210	3 494	3 760	3 866
Non current liabilities									
Financial liabilities									
Provision		6 498	13 540	–	–	–	–	–	–
Long term portion of trade payables									
Other non-current liabilities									
Total non current liabilities	–	6 498	13 540	–	–	–	–	–	–
TOTAL LIABILITIES	13 812	18 569	50 358	5 210	5 210	5 210	3 494	3 760	3 866
NET ASSETS	11 488	13 892	14 541	8 601	8 601	8 601	10 170	3 875	4 053
COMMUNITY WEALTH/EQUITY									
Accumulated surplus/(deficit)	11 488	13 892	14 541	8 601	8 601	8 601	10 170	3 875	4 053
Reserves and funds									
Other									
TOTAL COMMUNITY WEALTH/EQUITY	11 488	13 892	14 541	8 601	8 601	8 601	10 170	3 875	4 053

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates									
Service charges									
Other revenue	(2 595)	3 367	(23 254)	18 429	17 031	17 031	400	560	-
Transfers and Subsidies - Operational	61 865	124 932	53 890	132 487	115 012	115 012	66 534	61 482	57 121
Transfers and Subsidies - Capital				1 140	1 140	1 140	1 108	1 152	1 127
Interest	520	488	722	637	637	637	1 027	1 068	1 111
Dividends									
Payments									
Suppliers and employees	(45 796)	(124 150)	(29 738)	(150 363)	(131 491)	(131 491)	(66 871)	(62 067)	(57 029)
Finance charges	-	(0)	(0)	(4)	(4)	(4)	(2)	(2)	(3)
Transfers and Subsidies	(197)	(203)		(200)	(200)	(200)	(213)	(100)	(100)
NET CASH FROM/(USED) OPERATING ACTIVITIES	13 797	4 434	1 620	2 124	2 124	2 124	1 983	2 093	2 228
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	24	(0)	116	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(1 675)	(1 238)	(631)	(1 140)	(1 140)	(1 140)	(1 108)	(1 152)	(1 127)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 651)	(1 238)	(515)	(1 140)	(1 140)	(1 140)	(1 108)	(1 152)	(1 127)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans									
Borrowing long term/refinancing									
Increase (decrease) in consumer deposits									
Payments									
Repayment of borrowing									
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	12 145	3 196	1 105	984	984	984	875	941	1 101
Cash/cash equivalents at the year begin:	3 987	16 133	19 329	5 238	5 238	5 238	6 223	7 097	8 039
Cash/cash equivalents at the year end:	16 133	19 329	20 433	6 223	6 223	6 223	7 097	8 039	9 139

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.

Table 75: MBRR Table SA34a – Capital expenditure on new assets by asset class

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	739 745	545 028	462 240	528 112	348 034	348 034	361 538	367 844	384 328
Roads Infrastructure	232 437	161 774	91 006	51 175	63 434	63 434	60 650	61 198	65 209
<i>Roads</i>	212 229	152 315	91 006	51 175	63 434	63 434	60 650	61 198	65 209
<i>Road Structures</i>	12 793	4 310	–	–	–	–	–	–	–
<i>Road Furniture</i>	7 415	5 148	–	–	–	–	–	–	–
Storm water Infrastructure	156 443	27 334	29 943	20 800	41 390	41 390	45 975	26 625	27 804
<i>Drainage Collection</i>	156 443	27 334	29 943	20 800	41 390	41 390	45 975	26 625	27 804
Electrical Infrastructure	119 984	167 008	79 368	112 319	37 604	37 604	5 000	19 500	30 150
<i>MV Substations</i>	91 017	82 627	–	–	–	–	–	–	–
<i>MV Networks</i>	14 703	8 842	–	–	–	–	–	–	–
<i>LV Networks</i>	14 264	75 539	79 368	112 319	37 604	37 604	5 000	19 500	30 150
Water Supply Infrastructure	71 206	76 585	206 269	288 977	145 122	145 122	182 363	172 875	191 359
<i>Dams and Weirs</i>	725	2 894	160	–	–	–	–	7 000	7 314
<i>Reservoirs</i>	–	3 721	8 798	4 000	4 000	4 000	5 000	5 000	5 224
<i>Pump Stations</i>	510	–	–	–	–	–	–	–	–
<i>Water Treatment Works</i>	546	–	–	–	–	–	–	9 000	9 403
<i>Bulk Mains</i>	32 133	25 340	7 242	7 375	6 575	6 575	6 000	12 000	12 538
<i>Distribution</i>	–	2 296	19 715	31 200	34 150	34 150	15 400	33 000	34 478
<i>Distribution Points</i>	33 239	26 110	29 213	107 100	67 372	67 372	92 525	100 875	106 133
<i>PRV Stations</i>	4 052	1 973	13 358	6 576	6 576	6 576	7 000	6 000	6 269
<i>Capital Spares</i>	–	14 251	127 783	132 725	26 448	26 448	56 438	–	10 000
Sanitation Infrastructure	102 505	105 907	54 481	52 342	54 183	54 183	65 550	83 146	69 806
<i>Reticulation</i>	29 812	102 967	40 234	39 342	39 262	39 262	48 550	51 146	54 134
<i>Waste Water Treatment Works</i>	452	–	–	–	–	–	–	–	–
<i>Outfall Sewers</i>	69 418	–	2 040	–	–	–	5 000	5 000	5 224
<i>Toilet Facilities</i>	2 823	2 940	10 128	10 000	10 000	10 000	10 000	15 000	10 448
<i>Capital Spares</i>	–	–	2 079	3 000	4 921	4 921	2 000	12 000	–
Solid Waste Infrastructure	39 919	3 434	38	–	–	–	–	–	–
<i>Landfill Sites</i>	39 919	–	–	–	–	–	–	–	–
<i>Capital Spares</i>	–	3 434	38	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	17 253	2 987	1 136	2 500	6 301	6 301	2 000	4 500	–
<i>Data Centres</i>	1 000	63	–	1 400	2 337	2 337	1 000	1 500	–
<i>Core Layers</i>	16 253	2 923	1 136	1 100	3 964	3 964	1 000	3 000	–

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on new assets by Asset Class/Sub-class	9 593	6 036	14 909	38 900	24 026	24 026	44 388	32 539	39 429
Community Assets	9 593	5 988	14 751	37 300	23 626	23 626	44 288	32 419	39 409
Community Facilities	9 593	5 988	14 751	37 300	23 626	23 626	44 288	32 419	39 409
Halls	–	2 248	–	–	–	–	–	–	–
Centres	–	–	783	12 000	2 217	2 217	5 700	5 000	7 724
Fire/Ambulance Stations	–	–	212	4 000	1 392	1 392	12 188	6 000	3 000
Galleries	–	–	–	1 000	200	200	1 300	–	3 000
Libraries	–	456	–	5 000	5 000	5 000	5 500	3 500	2 612
Cemeteries/Crematoria	–	169	108	200	200	200	500	500	500
Public Open Space	344	159	116	1 000	–	–	1 000	–	2 000
Nature Reserves	191	–	59	1 600	100	100	100	100	3 000
Public Ablution Facilities	3 913	–	98	2 500	2 500	2 500	–	500	–
Stalls	3 298	415	13 376	10 000	12 017	12 017	18 000	16 819	17 573
Taxi Ranks/Bus Terminals	1 847	2 541	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	49	157	1 600	400	400	100	120	20
Outdoor Facilities	–	49	157	1 600	400	400	100	120	20
Heritage assets	–	8	700	1 500	2 100	2 100	1 000	–	–
Monuments	–	8	700	1 500	2 100	2 100	1 000	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Other assets	5 225	177 822	39 082	45 669	43 195	43 195	83 000	23 800	31 918
Operational Buildings	5 225	949	7 679	24 469	14 236	14 236	36 500	18 800	26 694
Municipal Offices	186	460	3 172	17 969	12 226	12 226	17 500	15 800	16 194
Pay/Enquiry Points	–	272	–	–	–	–	–	–	–
Building Plan Offices	–	–	–	4 000	10	10	4 000	500	500
Yards	–	217	4 507	2 000	2 000	2 000	5 000	–	–
Laboratories	5 039	–	–	–	–	–	–	–	–
Depots	–	–	–	500	–	–	10 000	2 500	10 000
Housing	–	176 873	31 403	21 200	28 959	28 959	46 500	5 000	5 224
Social Housing	–	176 873	31 403	21 200	28 959	28 959	46 500	5 000	5 224
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	53 718	27 844	13 632	8 500	20 872	20 872	3 848	3 946	4 100
Licences and Rights	53 718	27 844	13 632	8 500	20 872	20 872	3 848	3 946	4 100
Computer Software and Applications	53 718	27 844	13 632	8 500	20 872	20 872	3 848	3 946	4 100
Computer Equipment	2 836	3 750	1 733	–	1 050	1 050	2 790	1 790	1 611
Computer Equipment	2 836	3 750	1 733	–	1 050	1 050	2 790	1 790	1 611
Furniture and Office Equipment	7 938	5 462	14 894	9 650	20 169	20 169	16 535	15 434	21 753
Furniture and Office Equipment	7 938	5 462	14 894	9 650	20 169	20 169	16 535	15 434	21 753
Machinery and Equipment	46 466	43 908	22 521	13 661	17 271	17 271	19 654	36 619	14 758
Machinery and Equipment	46 466	43 908	22 521	13 661	17 271	17 271	19 654	36 619	14 758
Transport Assets	45 130	73 979	16 464	31 000	51 986	51 986	27 500	35 000	25 000
Transport Assets	45 130	73 979	16 464	31 000	51 986	51 986	27 500	35 000	25 000
Land	–	–	23 716	15 000	15 000	15 000	15 000	15 000	15 672
Land	–	–	23 716	15 000	15 000	15 000	15 000	15 000	15 672
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Living resources	–	–	–	–	–	–	–	–	–
Mature	–	–	–	–	–	–	–	–	–
Immature	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	910 652	883 837	609 891	691 992	543 704	543 704	575 253	531 973	538 569

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	314 468	199 549	292 747	293 943	243 690	243 690	281 472	324 616	323 017
Roads Infrastructure	255 341	176 406	156 757	91 330	131 696	131 696	122 256	122 700	104 567
<i>Roads</i>	119 376	175 330	141 144	78 530	112 494	112 494	117 256	116 200	97 776
<i>Road Structures</i>	135 548	–	–	–	–	–	–	–	–
<i>Road Furniture</i>	417	1 076	15 613	12 800	19 202	19 202	5 000	6 500	6 791
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	4	–	91 684	102 113	68 149	68 149	104 566	117 888	132 907
<i>HV Transmission Conductors</i>	–	–	20 988	22 000	17 000	17 000	22 000	27 642	30 000
<i>MV Substations</i>	–	–	29 093	–	–	–	–	–	–
<i>MV Networks</i>	–	–	26 237	60 013	33 299	33 299	60 966	61 446	62 657
<i>LV Networks</i>	–	–	15 366	20 100	17 850	17 850	21 600	28 800	40 250
<i>Capital Spares</i>	4	–	–	–	–	–	–	–	–
Water Supply Infrastructure	59 123	23 143	44 305	100 500	43 845	43 845	54 650	84 028	85 543
<i>Dams and Weirs</i>	13 391	–	–	–	–	–	–	–	–
<i>Reservoirs</i>	9 129	2 761	6 320	–	–	–	10 150	24 500	30 103
<i>Pump Stations</i>	999	808	2 352	500	500	500	–	2 500	3 500
<i>Water Treatment Works</i>	15 489	7 135	24 634	85 500	27 500	27 500	25 000	28 528	18 940
<i>Bulk Mains</i>	10 538	5 572	5 212	5 000	6 345	6 345	9 000	14 000	12 000
<i>Distribution Points</i>	9 576	6 866	5 788	9 500	9 500	9 500	10 500	14 500	21 000
Sanitation Infrastructure	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	4 333	8 796	2 782	14 600	19 935	19 935	13 800	13 500	16 246
Community Facilities	3 495	8 796	1 433	7 000	3 002	3 002	7 800	5 000	9 000
<i>Fire/Ambulance Stations</i>	–	828	–	–	–	–	–	–	–
<i>Galleries</i>	–	–	–	7 000	3 000	3 000	7 800	5 000	9 000
<i>Theatres</i>	177	1 584	1 433	–	2	2	–	–	–
<i>Taxi Ranks/Bus Terminals</i>	3 318	6 385	–	–	–	–	–	–	–
Sport and Recreation Facilities	838	–	1 349	7 600	16 933	16 933	6 000	8 500	7 246
<i>Outdoor Facilities</i>	838	–	1 349	7 600	16 933	16 933	6 000	8 500	7 246
Heritage assets	3 982	–	–	–	–	–	–	–	–
Monuments	3 982	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Other assets	148	3 476	10 127	9 000	13 061	13 061	6 000	2 000	500
Operational Buildings	148	3 476	10 127	9 000	13 061	13 061	6 000	2 000	500
<i>Municipal Offices</i>	–	998	4 939	4 000	8 061	8 061	2 000	1 500	–
<i>Pay/Enquiry Points</i>	148	739	–	1 500	1 500	1 500	1 500	500	500
<i>Training Centres</i>	–	–	–	–	–	–	–	–	–
<i>Manufacturing Plant</i>	–	1 739	5 188	3 500	3 500	3 500	2 500	–	–
Housing	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	2 162	1 157	500	–	889	889	–	–	–
Transport Assets	2 162	1 157	500	–	889	889	–	–	–
Total Capital Expenditure on renewal of existing	325 092	212 978	306 156	317 543	277 575	277 575	301 272	340 116	339 764

Table 77: MBRR Table SA34e – Capital expenditure on the upgrading of existing assets by asset class

Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	198 949	324 739	342 707	954 267	466 626	466 626	254 451	231 010	261 223
Roads Infrastructure	70 505	232 087	280 638	364 539	402 422	402 422	150 198	100 732	101 214
<i>Roads</i>	70 505	164 397	239 356	344 339	381 326	381 326	81 081	77 732	77 184
<i>Road Structures</i>	–	67 690	41 282	20 200	21 095	21 095	69 117	23 000	24 030
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	43 348	13 906	8 321	25 000	19 000	19 000	20 000	20 000	30 000
<i>MV Networks</i>	–	13 906	–	25 000	19 000	19 000	20 000	20 000	30 000
<i>LV Networks</i>	43 348	–	8 321	–	–	–	–	–	–
Water Supply Infrastructure	19 459	15 228	7 150	7 204	7 204	7 204	7 155	10 000	10 448
<i>Reservoirs</i>	1 703	–	–	–	–	–	–	–	–
<i>Pump Stations</i>	4 839	9 107	3 434	3 204	3 204	3 204	3 155	5 000	5 224
<i>Bulk Mains</i>	5 486	6 121	3 716	4 000	4 000	4 000	4 000	5 000	5 224
<i>Distribution</i>	7 431	–	–	–	–	–	–	–	–
Sanitation Infrastructure	65 638	63 519	46 597	557 524	38 000	38 000	77 098	100 278	119 561
<i>Pump Station</i>	1 967	–	–	–	–	–	–	–	–
<i>Reticulation</i>	22 736	7 884	14 371	135 000	15 000	15 000	19 598	54 278	50 680
<i>Waste Water Treatment Works</i>	14 133	5 411	–	–	–	–	–	–	–
<i>Outfall Sewers</i>	26 802	50 223	32 226	422 524	23 000	23 000	57 500	46 000	68 882
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	80 641	131 298	142 951	107 550	95 940	95 940	67 350	56 408	46 451
Community Facilities	64 547	36 612	35 502	53 200	52 012	52 012	50 450	42 408	42 340
<i>Halls</i>	5 069	6 350	4 831	11 000	11 000	11 000	17 500	4 500	3 612
<i>Centres</i>	12 007	10 454	1 971	2 000	–	–	2 000	1 000	1 000
<i>Testing Stations</i>	–	302	431	1 000	2 129	2 129	1 000	–	–
<i>Cemeteries/Crematoria</i>	6 697	3 817	6 057	9 200	9 200	9 200	8 450	8 450	8 084
<i>Public Open Space</i>	2 438	220	739	–	–	–	–	–	–
<i>Nature Reserves</i>	20 083	9 544	8 632	11 800	14 599	14 599	13 500	7 500	7 746
<i>Public Ablution Facilities</i>	–	97	–	–	–	–	–	–	–
<i>Markets</i>	5 301	–	–	–	–	–	–	–	–
<i>Taxi Ranks/Bus Terminals</i>	12 952	5 828	12 839	18 200	15 085	15 085	8 000	20 958	21 897
Sport and Recreation Facilities	16 095	94 686	107 449	54 350	43 927	43 927	16 900	14 000	4 112
<i>Indoor Facilities</i>	42	–	–	–	–	–	–	–	–
<i>Outdoor Facilities</i>	16 052	94 686	107 449	54 350	43 927	43 927	16 900	14 000	4 112

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Heritage assets	1 544	152	1 062	1 000	1 001	1 001	1 000	-	-
Monuments	1 544	152	1 062	1 000	1 001	1 001	1 000	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	28 793	36 571	4 722	11 470	9 280	9 280	18 400	6 600	6 090
Operational Buildings	28 793	36 571	4 722	11 470	9 280	9 280	18 400	6 600	6 090
Municipal Offices	22 971	9 930	1 186	1 900	500	500	2 400	-	-
Pay/Enquiry Points	-	-	5	3 000	1 995	1 995	5 000	-	-
Laboratories	-	1 344	-	-	-	-	-	-	-
Training Centres	921	1 679	-	-	-	-	-	-	-
Manufacturing Plant	3 664	9 547	-	-	-	-	-	-	-
Depots	1 236	14 071	3 531	6 570	6 785	6 785	11 000	6 600	6 090
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	1 000	1 000	1 000	1 000	1 000	1 000
Transport Assets	-	-	-	1 000	1 000	1 000	1 000	1 000	1 000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	1 995	539	396	400	400	400	600	700	-
Zoo's, Marine and Non-biological Animals	1 995	539	396	400	400	400	600	700	-
Living resources	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	311 922	493 299	491 837	1 075 687	574 246	574 246	342 801	295 718	314 764

Table 78: MBRR Table SA34c – Repairs and maintenance expenditure by asset class

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	185 323	180 719	182 189	186 271	202 064	202 064	212 773	229 795	240 595
Roads Infrastructure	103 553	105 276	101 197	106 299	111 098	111 098	116 986	126 345	132 284
<i>Roads</i>	98 074	98 553	96 174	101 162	105 961	105 961	111 577	120 504	126 167
<i>Road Structures</i>	5 480	6 724	5 023	5 137	5 137	5 137	5 409	5 842	6 116
Storm water Infrastructure	10 266	10 047	11 846	11 093	11 093	11 093	11 681	12 616	13 209
<i>Drainage Collection</i>	10 266	10 047	11 846	11 093	11 093	11 093	11 681	12 616	13 209
Electrical Infrastructure	35 473	35 299	39 245	36 851	42 851	42 851	45 122	48 732	51 022
<i>HV Transmission Conductors</i>	5 374	5 468	7 228	5 783	6 783	6 783	7 142	7 714	8 076
<i>MV Substations</i>	9 501	9 642	11 488	10 028	15 028	15 028	15 824	17 090	17 893
<i>MV Networks</i>	1 175	869	999	1 203	1 203	1 203	1 267	1 368	1 433
<i>LV Networks</i>	19 423	19 319	19 531	19 837	19 837	19 837	20 889	22 560	23 620
Water Supply Infrastructure	2 711	2 911	2 998	3 320	3 363	3 363	3 541	3 824	4 004
<i>Reservoirs</i>	1 280	1 293	1 174	1 398	1 441	1 441	1 518	1 639	1 716
<i>Water Treatment Works</i>	–	–	190	240	240	240	253	273	286
<i>Bulk Mains</i>	1 431	1 618	1 634	1 682	1 682	1 682	1 771	1 913	2 002
Sanitation Infrastructure	32 199	25 986	25 619	27 421	32 421	32 421	34 139	36 870	38 603
<i>Reticulation</i>	32 199	25 986	25 619	27 421	32 421	32 421	34 139	36 870	38 603
Solid Waste Infrastructure	1 121	1 201	1 285	1 287	1 237	1 237	1 303	1 407	1 473
<i>Landfill Sites</i>	1 121	1 201	1 285	1 287	1 237	1 237	1 303	1 407	1 473
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	7 014	8 938	12 571	6 901	6 901	6 901	7 266	7 848	8 216
Community Facilities	5 245	6 857	10 207	5 203	5 203	5 203	5 479	5 917	6 195
<i>Halls</i>	1 686	1 791	2 502	1 717	1 717	1 717	1 808	1 953	2 044
<i>Libraries</i>	456	453	559	463	463	463	488	527	552
<i>Cemeteries/Crematoria</i>	988	3 204	5 305	1 219	1 219	1 219	1 284	1 386	1 451
<i>Parks</i>	2 114	1 408	1 841	1 804	1 804	1 804	1 900	2 052	2 148
Sport and Recreation Facilities	1 769	2 081	2 364	1 697	1 697	1 697	1 787	1 930	2 021
<i>Outdoor Facilities</i>	1 769	2 081	2 364	1 697	1 697	1 697	1 787	1 930	2 021
Heritage assets	9	9	8	9	9	9	10	11	11
Other Heritage	9	9	8	9	9	9	10	11	11

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

Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class									
Investment properties	-	-	-	-	-	-	10	16	16
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	10	16	16
<i>Improved Property</i>							10	16	16
Other assets	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
Operational Buildings	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
<i>Municipal Offices</i>	20 479	22 811	23 957	25 426	28 762	28 762	30 287	32 709	34 247
<i>Pay/Enquiry Points</i>	3 741	3 650	3 702	8 504	8 504	8 504	8 954	9 671	10 125
<i>Workshops</i>	328	231	298	362	362	362	381	412	431
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	663	-	-	-	-	-
Licences and Rights	-	-	-	663	-	-	-	-	-
<i>Computer Software and Applications</i>	-	-	-	663	-	-	-	-	-
Computer Equipment	672	604	425	1 256	1 198	1 198	1 262	1 363	1 427
Computer Equipment	672	604	425	1 256	1 198	1 198	1 262	1 363	1 427
Furniture and Office Equipment	5 146	6 831	4 161	7 939	8 706	8 706	9 167	9 901	10 366
Furniture and Office Equipment	5 146	6 831	4 161	7 939	8 706	8 706	9 167	9 901	10 366
Machinery and Equipment	132 224	134 004	149 865	177 118	183 631	183 631	193 373	208 845	218 661
Machinery and Equipment	132 224	134 004	149 865	177 118	183 631	183 631	193 373	208 845	218 661
Transport Assets	27 308	26 724	24 215	31 682	32 267	32 267	33 987	36 717	38 443
Transport Assets	27 308	26 724	24 215	31 682	32 267	32 267	33 987	36 717	38 443
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	382 245	384 520	401 390	446 130	472 403	472 403	497 470	537 286	562 538

Table 79: MBRR Table SA34d – Depreciation by Asset Class

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Depreciation by Asset Class/Sub-class									
Infrastructure	1 394 341	1 103 484	1 288 005	492 827	492 827	492 827	489 077	655 037	867 943
Roads Infrastructure	720 477	549 582	658 357	243 482	243 482	243 482	241 629	323 622	428 809
Roads	593 770	383 817	480 228	172 896	172 896	172 896	171 580	229 803	304 496
Road Structures	80 734	124 043	147 455	54 832	54 832	54 832	54 415	72 880	96 568
Road Furniture	45 972	41 721	30 674	15 754	15 754	15 754	15 634	20 939	27 745
Storm water Infrastructure	25 229	–	–	–	–	–	–	–	–
Drainage Collection	20 905	–	–	–	–	–	–	–	–
Storm water Conveyance	1 717	–	–	–	–	–	–	–	–
Attenuation	2 608	–	–	–	–	–	–	–	–
Electrical Infrastructure	291 473	253 675	296 411	115 433	115 433	115 433	114 555	153 427	203 295
HV Substations	18 601	15 426	–	7 184	7 184	7 184	7 129	9 548	12 652
MV Networks	86 726	79 642	105 024	35 585	35 585	35 585	35 314	47 297	62 670
LV Networks	186 147	158 608	191 388	72 664	72 664	72 664	72 111	96 581	127 973
Water Supply Infrastructure	243 731	193 086	211 412	86 341	86 341	86 341	85 684	114 759	152 059
Dams and Weirs	18 140	16 435	7 132	7 664	7 664	7 664	7 606	10 186	13 497
Boreholes	432	1 695	6 757	112	112	112	111	148	197
Reservoirs	7 943	6 850	7 777	3 190	3 190	3 190	3 166	4 240	5 618
Pump Stations	2 116	150	–	105	105	105	104	139	185
Water Treatment Works	4 138	2 911	4 669	1 537	1 537	1 537	1 526	2 043	2 707
Bulk Mains	66 798	50 964	52 527	23 490	23 490	23 490	23 311	31 221	41 369
Distribution	143 437	110 374	132 471	50 173	50 173	50 173	49 792	66 688	88 363
PRV Stations	727	3 707	79	70	70	70	69	93	123
Sanitation Infrastructure	111 154	104 067	116 233	47 241	47 241	47 241	46 882	62 790	83 199
Pump Station	3 755	23 706	31 014	10 081	10 081	10 081	10 005	13 400	17 755
Reticulation	85 600	67 543	82 605	31 817	31 817	31 817	31 575	42 290	56 035
Waste Water Treatment Works	19 491	12 818	2 614	5 343	5 343	5 343	5 302	7 101	9 409
Outfall Sewers	2 308	–	–	–	–	–	–	–	–
Solid Waste Infrastructure	2 205	3 008	5 578	299	299	299	296	397	526
Landfill Sites	1 751	151	4 164	105	105	105	104	140	185
Waste Transfer Stations	337	242	272	114	114	114	113	151	200
Waste Drop-off Points	117	2 615	1 143	80	80	80	79	106	140
Rail Infrastructure	73	67	14	31	31	31	31	41	55
Rail Lines	73	67	14	31	31	31	31	41	55
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	140 157	117 127	130 738	49 384	49 384	49 384	49 008	65 638	86 972
Community Facilities	97 943	112 848	123 859	46 387	46 387	46 387	46 034	61 654	81 694
Halls	40 736	30 863	35 293	14 392	14 392	14 392	14 282	19 129	25 346
Crèches	1 652	32 267	30 899	12 557	12 557	12 557	12 462	16 690	22 115
Clinics/Care Centres	7 353	4 034	5 353	1 881	1 881	1 881	1 867	2 501	3 313
Fire/Ambulance Stations	7 081	7 209	6 162	2 577	2 577	2 577	2 557	3 425	4 538
Testing Stations	3 977	2 718	3 029	1 217	1 217	1 217	1 208	1 618	2 143
Libraries	6 259	5 262	5 276	2 173	2 173	2 173	2 157	2 889	3 827
Cemeteries/Crematoria	9 472	7 388	8 701	3 458	3 458	3 458	3 432	4 597	6 091
Public Open Space	3 944	8 369	13 091	2 860	2 860	2 860	2 839	3 802	5 037
Nature Reserves	1 095	140	375	98	98	98	97	130	173
Public Ablution Facilities	3 857	4 283	2 086	477	477	477	473	634	840
Stalls	7 887	6 639	9 632	2 981	2 981	2 981	2 958	3 962	5 250
Taxi Ranks/Bus Terminals	4 629	3 676	3 963	1 714	1 714	1 714	1 701	2 279	3 019
Sport and Recreation Facilities	42 214	4 279	6 879	2 997	2 997	2 997	2 974	3 984	5 279
Outdoor Facilities	42 214	4 279	6 879	2 997	2 997	2 997	2 974	3 984	5 279

MBRR Table SA34d – Depreciation by Asset Class (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Depreciation by Asset Class/Sub-class									
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	339	-	-	-	-	-	-	-	-
Revenue Generating	339	-	-	-	-	-	-	-	-
Unimproved Property	339	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	72 571	58 465	69 068	25 099	25 099	25 099	24 908	33 360	44 202
Operational Buildings	65 793	53 190	60 951	22 725	22 725	22 725	22 553	30 205	40 023
Municipal Offices	58 617	52 674	60 951	22 488	22 488	22 488	22 317	29 890	39 605
Pay/Enquiry Points	406	305	-	142	142	142	141	189	250
Workshops	6 657	78	-	33	33	33	32	43	57
Stores	114	134	-	62	62	62	62	83	110
Housing	6 777	5 275	8 117	2 373	2 373	2 373	2 355	3 154	4 179
Staff Housing	1 708	1 424	1 719	577	577	577	573	767	1 016
Social Housing	5 069	3 852	6 398	1 796	1 796	1 796	1 782	2 387	3 163
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	4 540	1 828	1 900	852	852	852	1 135	1 484	1 774
Licences and Rights	4 540	1 828	1 900	852	852	852	1 135	1 484	1 774
Computer Software and Applications	4 540	1 828	1 900	852	852	852	1 135	1 484	1 774
Computer Equipment	-	-	3 524	-	-	-	313	290	304
Computer Equipment	-	-	3 524	-	-	-	313	290	304
Furniture and Office Equipment	20 529	29 975	25 660	11 245	11 245	11 245	10 455	13 939	18 594
Furniture and Office Equipment	20 529	29 975	25 660	11 245	11 245	11 245	10 455	13 939	18 594
Machinery and Equipment	13 250	9 999	11 570	4 732	4 732	4 732	4 696	6 290	8 334
Machinery and Equipment	13 250	9 999	11 570	4 732	4 732	4 732	4 696	6 290	8 334
Transport Assets	64 336	67 986	39 329	30 258	30 258	30 258	30 027	40 217	53 288
Transport Assets	64 336	67 986	39 329	30 258	30 258	30 258	30 027	40 217	53 288
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Total Depreciation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412

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

Vote Description R thousand	2023/24 Medium Term Revenue & Expenditure Framework		
	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure			
Vote 1 - Directorate - Executive Support Services	500	500	500
Vote 2 - Directorate - Municipal Manager	600	500	500
Vote 3 - Directorate - Human Settlement	278 200	236 344	249 601
Vote 4 - Directorate - Chief Financial Officer	71 938	13 500	33 500
Vote 5 - Directorate - Corporate Services	10 640	11 650	6 650
Vote 6 - Directorate - Infrastructure Services	520 461	640 126	658 198
Vote 7 - Directorate - Spatial Planning And Development	136 617	83 458	87 062
Vote 8 - Directorate - Public Safety & Emergency Services	32 188	15 500	43 500
Vote 10 - Directorate - Economic Development & Agencies	65 533	51 659	63 415
Vote 11 - Directorate - Solid Waste And Environmental Management	42 000	77 570	26 661
Vote 12 - Directorate - Sport, Recreation & Community Development	60 650	37 000	23 510
Total Capital Expenditure	1 219 326	1 167 806	1 193 097
Future operational costs by vote			
Vote 1 - Directorate - Executive Support Services	304 739	317 183	329 977
Vote 2 - Directorate - Municipal Manager	153 112	158 345	160 227
Vote 3 - Directorate - Human Settlement	187 439	175 156	188 006
Vote 4 - Directorate - Chief Financial Officer	1 012 840	1 005 554	994 471
Vote 5 - Directorate - Corporate Services	240 909	242 326	253 317
Vote 6 - Directorate - Infrastructure Services	5 291 826	5 862 170	6 482 629
Vote 7 - Directorate - Spatial Planning And Development	297 599	344 706	406 355
Vote 8 - Directorate - Public Safety & Emergency Services	516 559	538 671	560 791
Vote 10 - Directorate - Economic Development & Agencies	230 854	223 031	227 697
Vote 11 - Directorate - Solid Waste And Environmental Management	659 806	680 538	701 799
Vote 12 - Directorate - Sport, Recreation & Community Development	519 821	555 188	594 076
Total future operational costs	9 415 505	10 102 867	10 899 345
Future revenue by source			
Exchange Revenue	499 358	523 418	548 729
Service charges - Electricity	2 614 161	2 947 205	3 322 679
Service charges - Water	933 423	1 025 496	1 126 651
Service charges - Waste Water Management	493 351	517 525	541 848
Service charges - Waste Management	406 053	425 950	445 969
Agency services	27 261	28 737	29 501
Property rates	2 208 577	2 316 798	2 425 687
Fines, penalties and forfeits	20 080	21 064	22 054
Licences or permits	17 667	18 533	19 404
Transfer and subsidies - Operational	1 463 862	1 508 607	1 605 017
Fuel Levy	741 926	779 747	819 383
Transfers and subsidies - capital (monetary allocations)	760 580	801 580	834 177
Total future revenue	10 186 300	10 914 659	11 741 101
Net Financial Implications	448 531	356 014	351 340

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

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Sub-Class	2023/24 Medium Term Revenue & Expenditure Framework		
						Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality:								
<i>List all capital projects grouped by Function</i>								
Administrative And Corporate Support	Employee Performance Management System	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Furniture And Office Equipment</i>	4 000	4 000	5 000	
Asset Management	Acquire Erp Sys (Asset Manag Sys Procur	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Computer Software And Applications</i>	3 000	3 000	3 000	
Asset Management	Asset Replacements - Insurance		<i>Growth</i>	<i>Transport Assets</i>	10 000	10 000	10 000	
Cemeteries, Funeral Parlours And Crematoriums	Coast Cemetrie (Cambridge Crematorium) 2	<i>A comprehensive; responsive and sustainable social protection system</i>	<i>Inclusion and Access</i>	<i>Cemeteries/Crematoria</i>	500	500	500	
Cemeteries, Funeral Parlours And Crematoriums	Fencing Of Cemeteries	<i>A comprehensive; responsive and sustainable social protection system</i>	<i>Inclusion and Access</i>	<i>Cemeteries/Crematoria</i>	3 000	3 000	3 134	
Cemeteries, Funeral Parlours And Crematoriums	Midlands Cemeties (Mtsoto Cemetry)	<i>A comprehensive; responsive and sustainable social protection system</i>	<i>Inclusion and Access</i>	<i>Cemeteries/Crematoria</i>	1 000	1 000	500	
Community Halls And Facilities	Construction Of Nu 3 Hall	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Halls</i>	4 000	-	-	
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>Halls</i>	-	2 000	1 000	
Community Halls And Facilities	Development Ofá Community Halls	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Halls</i>	6 500	2 500	2 612	
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>Centres</i>	2 000	1 000	1 000	
Community Halls And Facilities	Halls-Tools And Equipment		<i>Growth</i>	<i>Machinery And Equipment</i>	500	1 000	1 000	
Community Parks (Including Nurseries)	Revitilisation Of Beach Infrastructure	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Outdoor Facilities</i>	5 500	5 500	5 746	
Community Parks (Including Nurseries)	Establishment Of Recreational Parks	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Depots</i>	4 000	2 000	2 090	
Community Parks (Including Nurseries)	Upgra & Devel Of Community Parks - Midla	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Depots</i>	1 000	1 000	500	
Community Parks (Including Nurseries)	Upgrading & Devel Of Community Parks - C	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Depots</i>	1 000	1 000	500	
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>Depots</i>	1 000	1 000	500	
Disaster Management	Tactical Radio Network		<i>Growth</i>	<i>Machinery And Equipment</i>	1 500	1 500	2 000	
Disaster Management	Construction Of New Disaster Management	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Depots</i>	10 000	2 500	10 000	
Economic Development/Planning	Traffic Signals	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Road Furniture</i>	-	4 000	4 179	
Economic Development/Planning	Sleeper Site Road	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads</i>	15 000	15 000	15 672	
Economic Development/Planning	Sleeper Site Road	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads</i>	9 000	-	-	
Economic Development/Planning	Bridge Designs & Implementation (Inland)	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Road Structures</i>	-	3 000	3 134	
Economic Development/Planning	Bridge Designs & Implementation (Midland	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Road Structures</i>	11 034	-	-	
Economic Development/Planning	Qumza Highway Phase 7 - Phase 1 & 2	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Road Structures</i>	58 082	20 000	20 896	
Economic Development/Planning	North West Corridor	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Taxi Ranks/Bus Terminals</i>	-	8 958	9 359	
Economic Development/Planning	T/Rank Infrastr (Rds & Ablu Fac) (Coast)	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Taxi Ranks/Bus Terminals</i>	3 000	9 800	10 239	
Economic Development/Planning	Taxi Rank Infrastr (Roads & Ablution Fac)	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	<i>Taxi Ranks/Bus Terminals</i>	5 000	-	-	
Economic Development/Planning	Township Regeneration Enabling Infrastru	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Building Plan Offices</i>	2 000	-	-	
Electricity	Electrification - Informal Dwelling Area	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Mv Networks</i>	20 000	20 000	30 000	
Electricity	Lv Networks - Rw=whole Metro	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Lv Networks</i>	-	12 000	12 538	
Electricity	Lv Networks - Rw=whole Metro	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Lv Networks</i>	5 000	6 000	7 613	
Electricity	Hv Transmission Conductor - Rc=coastal	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Hv Transmission Conductors</i>	22 000	27 642	30 000	
Electricity	Mv Network - Rn=inland	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Mv Networks</i>	60 966	61 446	62 657	
Electricity	Lv Network - Rc=coastal	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Lv Networks</i>	21 600	28 800	40 250	
Finance	Smart Metering Water Solutions	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Capital Spares</i>	56 438	-	10 000	
Fire Fighting And Protection	Refurbishment Of Fire Stations	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Depots</i>	2 000	1 000	1 500	
Fire Fighting And Protection	Refurbishment Of Fire Engines		<i>Governance</i>	<i>Transport Assets</i>	1 000	1 000	1 000	
Fire Fighting And Protection	New Fire Station - Berlin Ward 45	<i>A comprehensive; responsive and sustainable social protection system</i>	<i>Growth</i>	<i>Fire/Ambulance Stations</i>	12 188	6 000	3 000	
Fleet Management	Bcm Fleet Plant Spec Equip & S/Waste Veh		<i>Growth</i>	<i>Transport Assets</i>	10 000	10 000	-	
Housing	Amalinda 179 Military Veterans- Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	-	4 000	4 179	
Housing	Berlin Lingelitsha - Phase 1 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224	
Housing	Cluster 3 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	1 500	1 500	1 500	
Housing	Duncan Village Proper - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	200	200	209	
Housing	East Bank Restitution - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	3 000	3 000	3 314	
Housing	Ekuphumleni - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	3 000	3 000	3 314	
Housing	Empilweni - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224	

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

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Sub-Class	2023/24 Medium Term Revenue & Expenditure Framework		
						Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality:								
<i>List all capital projects grouped by Function</i>								
Housing		Ethembeni - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	3 000	3 000	3 314
Housing		Ginsberg - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Hani Park - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Hlalani - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Ilitha Sportsfield - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Khayelitsha - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Kwatshatshu - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	1 000	2 000	2 224
Housing		Matsheni Park - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Nondula-Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	9 000	9 403
Housing		Phola Park - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Potsdam Ikhwazi BI 1 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	2 500	2 500	2 500
Housing		Potsdam Ikhwazi BI 2 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	1 000	1 000	1 045
Housing		Reeston Phase 3 Stage 2 - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	-	-
Housing		Slov o Park - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Housing		Westbank Restitution - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	4 500	4 500	4 702
Housing		Xhwinjira - Water	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	-	8 000	8 358
Housing		Amalinda 179 Military Veterans- Sanitat	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Reticulation</i>	-	4 000	4 179
Housing		Boxwood Project - Sewer	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Reticulation</i>	7 000	5 000	5 224
Housing		Potsdam Ikhwazi BI 1 - Sanitation	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Reticulation</i>	2 500	2 500	2 500
Housing		Potsdam North Kanana - Sanitation	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Reticulation</i>	2 500	3 603	3 809
Housing		Reeston Phase 3 Stage 2 - Sanitation	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Reticulation</i>	6 000	-	-
Housing		Westbank Restitution - Sanitation	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Reticulation</i>	8 050	18 924	19 772
Housing		Boxwood Project - Roads	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Roads</i>	6 000	3 000	3 134
Housing		Mdantsane Z 18 Cc Ph 2 - Roads	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Roads</i>	10 000	9 000	9 403
Housing		Westbank Restitution - Roads	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Roads</i>	7 450	12 000	12 538
Housing		Boxwood Project - Stormwater 10%	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Drainage Collection</i>	7 000	5 000	5 224
Housing		Cluster 2 - Stormwater	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Drainage Collection</i>	3 500	50	52
Information Technology		Disaster Recovery Enhancement	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Data Centres</i>	1 000	1 500	-
Information Technology		Fibre Network	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Core Layers</i>	1 000	3 000	-
Information Technology		Procurement Of Ict Equipment	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Computer Equipment</i>	1 000	1 000	1 000
Libraries And Archives		Development Of Libraries	<i>Quality basic education</i>	<i>Growth</i>	<i>Libraries</i>	5 500	2 500	2 612
Markets		Upgrading Of Buildings	<i>Protect and enhance our environmental assets and natural resources</i>	<i>Inclusion and Access</i>	<i>Nature Reserves</i>	1 000	-	1 000
Markets		Upgrading Of Market Hall	<i>Protect and enhance our environmental assets and natural resources</i>	<i>Inclusion and Access</i>	<i>Nature Reserves</i>	8 000	5 500	5 746
Markets		Esplanade Beachfront Upgrade	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Outdoor Facilities</i>	5 000	7 000	-
Police Forces, Traffic And Street Parking Control		Closed Circuit Television Network - Cctv		<i>Growth</i>	<i>Machinery And Equipment</i>	2 000	2 000	2 000
Police Forces, Traffic And Street Parking Control		Refurbishment Of Traffic Services Build	<i>An efficient; effective and development-oriented public service</i>	<i>Governance</i>	<i>Depots</i>	2 000	-	1 000
Property Services		Land Acquisition		<i>Spatial Integration</i>	<i>Land</i>	15 000	15 000	15 672
Recreational Facilities		Refurbishment Of Swimming Pools	<i>Protect and enhance our environmental assets and natural resources</i>	<i>Inclusion and Access</i>	<i>Nature Reserves</i>	4 000	1 000	-
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>Outdoor Facilities</i>	5 000	1 500	-
Recreational Facilities		Upgrading Of Sportsfields	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Outdoor Facilities</i>	5 500	2 500	2 612
Recreational Facilities		Upgrading Of Zoo	<i>A long and healthy life for all South Africans</i>	<i>Inclusion and Access</i>	<i>Outdoor Facilities</i>	900	1 000	-
Recreational Facilities		Restoration Of Heritage Sites	<i>Create a better South Africa and contribute to a better Africa and a better world</i>	<i>Governance</i>	<i>Monuments</i>	1 000	-	-
Roads		Rehabilit Of Bcmm Bridges & Stormwater	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads</i>	5 000	2 500	2 612
Roads		Rehabilitation Of Beaconhurst Drive	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads</i>	5 000	4 000	-
Roads		Construction Of Road Infrast - Sandile-T	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads</i>	19 581	23 000	20 000
Roads		Upgr Of Mdantsane Rds - Clust 1: Ward 11	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	<i>Roads</i>	1 000	2 500	2 612

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

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Sub-Class	2023/24 Medium Term Revenue & Expenditure Framework		
						Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality:								
<i>List all capital projects grouped by Function</i>								
Roads		Urban Roads - Ward 37	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Roads	3 000	2 000	2 090
Roads		Urban Roads - Ward 39	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Roads	2 000	3 000	3 134
Sewerage		Mdantsane Wastewater Treatment Works	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Reticulation	19 598	34 278	29 784
Sewerage		Upgrading Of First Creek Outfall Sewer	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Reticulation	-	10 000	10 448
Sewerage		Upgrading Of Second Creek Outfall Sewer	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Reticulation	-	10 000	10 448
Sewerage		Bisho Kwt & Zwelitsha Bulk Reg Sewer Sch	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Outfall Sewers	20 000	20 000	20 896
Sewerage		Ducats Sanitation	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Outfall Sewers	3 000	5 000	5 224
Sewerage		East Beach Gravity Sewer Upgrade	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Outfall Sewers	8 000	8 000	8 000
Sewerage		Hood Point Marine Outf Sewer & Aux Illiar	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Outfall Sewers	4 000	4 000	4 179
Sewerage		Renewal Of Infrastruct - Treatment Works	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Outfall Sewers	17 000	-	-
Sewerage		Upgra Potsdam Wastewater Treatm Works	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Outfall Sewers	5 500	4 000	4 179
Sewerage		Berlin Sewers	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Reticulation	3 000	4 000	4 179
Sewerage		Bulk Mains-Kwt & Bhiso Infrastructure	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Outfall Sewers	5 000	5 000	5 224
Sewerage		Sanitation Facilities In Informal Sett	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Toilet Facilities	10 000	15 000	10 448
Solid Waste Disposal (Landfill Sites)		Purchase Bulk Containers With Removal Ve	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Capital Spares	2 000	2 000	-
Solid Waste Disposal (Landfill Sites)		Galvanised Street Litter Bins		<i>Growth</i>	Machinery And Equipment	2 500	2 000	-
Solid Waste Disposal (Landfill Sites)		Purchase Of Cambridge/Transfer Facilitie		<i>Growth</i>	Machinery And Equipment	5 000	5 000	-
Solid Waste Disposal (Landfill Sites)		Bom Fleet - Solid Waste Fleet And Plant		<i>Growth</i>	Transport Assets	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>	Municipal Offices	6 300	6 300	6 582
Solid Waste Disposal (Landfill Sites)		Upgra Garden Transfer Stations (Midland)	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Municipal Offices	4 350	4 350	4 545
Solid Waste Disposal (Landfill Sites)		Upgrad Garden Transfer Stations (Inland)	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Municipal Offices	4 350	4 350	4 545
Tourism		Mdantsane Art Centre	<i>An efficient; effective and development-oriented public service</i>	<i>Inclusion and Access</i>	Galleries	5 000	5 000	5 000
Tourism		Smme Incubator: Sekunjalo Training Cent	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Furniture And Office Equipment	3 000	5 000	5 224
Tourism		Hydroponics And Packhouse Project		<i>Growth</i>	Machinery And Equipment	4 300	5 319	5 558
Tourism		Fort Jackson Junction Hub	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Centres	5 000	5 000	5 224
Tourism		Agri-Village	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Stalls	10 000	7 819	8 170
Tourism		Informal Trade Infrastructure (Hawker St	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Stalls	8 000	9 000	9 403
Town Planning, Building Regulations And Enforcement And		Aerial Photography And Mapping	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	Building Plan Offices	2 000	500	500
Water Distribution		Reservoirs East Coast Supply	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Reservoirs	6 150	9 000	9 403
Water Distribution		Reservoirs-Pipe & W/Meter Replacement In	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Reservoirs	4 000	9 200	5 000
Water Distribution		Reservoirs-Pipe & W/Meter Replacement In	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Reservoirs	-	3 800	7 000
Water Distribution		P-Station-Pipe & W/Meter Repl In Bisho K	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Pump Stations	-	2 500	3 500
Water Distribution		Umzonyana Dam & East Coast Water Supply	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Water Treatment Works	25 000	18 128	18 940
Water Distribution		Bulk-Pipe & Water Meter Repl In Mdantsan	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Bulk Mains	4 000	4 500	5 000
Water Distribution		Bulk-Pipe & Water Meter Replacement In E	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Bulk Mains	2 500	5 000	7 000
Water Distribution		Bulk-Pipe And W/ Meter Repl In Bisho Kwt	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Bulk Mains	2 500	4 500	-
Water Distribution		Distr Points-Pipe & W/Meter Replac Bisho	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Distribution Points	2 500	6 000	8 000
Water Distribution		Distr Points-Pipe & W/Meter Replacement	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Distribution Points	5 500	3 500	5 000
Water Distribution		Distr Points-Pipe And Water Meter Replac	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Distribution Points	2 500	5 000	8 000
Water Distribution		Pump Station-Upgrade Water Netwoks	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Pump Stations	3 155	5 000	5 224
Water Distribution		Bulk Mains-Upgrade Water Networks	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Inclusion and Access</i>	Bulk Mains	4 000	5 000	5 224
Water Distribution		Dams And Weirs-Kwt & Bisho Infrastructur	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Dams And Weirs	-	7 000	7 314
Water Distribution		Reservoirs-Water Backlogs	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Reservoirs	5 000	5 000	5 224
Water Distribution		Water Treatment Works-Kwt & Bisho Infr	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Water Treatment Works	-	9 000	9 403
Water Distribution		Bulk Mains-Water Backlogs	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Bulk Mains	4 000	5 000	5 224
Water Distribution		Water Mains-Informal Settlements Inland	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Bulk Mains	2 000	7 000	7 314
Water Distribution		Alternative Water Supply	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	Distribution	-	7 000	7 314

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

R thousand	Function	Project Description	MTSF Service Outcome	IUDF	Asset Sub-Class	2023/24 Medium Term Revenue & Expenditure Framework		
						Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality:								
<i>List all capital projects grouped by Function</i>								
Water Distribution		Distribution Mains- Informal Settlements	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution</i>	4 000	9 000	9 403
Water Distribution		Distribution-Amahleke Water Supply	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution</i>	5 000	9 000	9 403
Water Distribution		Water Supply -Informal Settlements Coast	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution</i>	6 400	8 000	8 358
Water Distribution		Distribution Mains-Water Backlogs	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Distribution Points</i>	5 000	5 000	5 224
Water Distribution		W/Demand Mangm - Water Conserv - Prv Sta	<i>An efficient; competitive and responsive economic infrastructure network</i>	<i>Growth</i>	<i>Prv Stations</i>	7 000	6 000	6 269
Parent Capital expenditure						1 217 893	1 166 286	1 191 507
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>	390	390	211
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>	195	184	279
Economic Development/Planning		Computer Software	<i>An efficient; effective and development-oriented public service</i>	<i>Growth</i>	<i>Computer Software And Applications</i>	848	946	1 100
Entity Capital expenditure						1 433	1 520	1 590
Total Capital expenditure						1 219 326	1 167 806	1 193 097

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

R thousand	Function	Project name	Type	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Ward Location	Previous target year to complete	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework		
										Original Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality:														
<i>List all capital projects grouped by Function</i>														
	Water Distribution	Umzonyana Dam & East Coast Water Supply	RENEWAL	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	BUFFALO CITY METROPOLITAN MUNICIPALITY - COASTAL R	2016	19 323	27 000	25 000	18 128	18 940
	Water Distribution	WTreat Works-Pipe & W/Meter Repl Bisho	RENEWAL	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	BUFFALO CITY METROPOLITAN MUNICIPALITY - INLAND RE	2016	4 920	500	-	7 200	-
	Water Distribution	Water Treatment Works-Pipe & W/Meter Rep	RENEWAL	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	BUFFALO CITY METROPOLITAN MUNICIPALITY - COASTAL R	2016	391	-	-	3 200	-
Entities:														
<i>List all capital projects grouped by Entity</i>														
Buffalo City Development Agency														

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 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 six (6) 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 Revised 2022/2023 IDP and 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
REVENUE ITEMS:									
Non-exchange revenue by source									
Exchange Revenue									
Total Property Rates	1 574 471	1 701 602	1 861 317	2 207 456	2 207 456	2 207 456	2 489 682	2 611 677	2 734 426
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739
Net Property Rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Exchange revenue service charges									
Service charges - Electricity									
Total Service charges - Electricity	1 887 765	1 985 735	2 250 488	2 632 215	2 552 215	2 552 215	2 709 306	3 054 472	3 443 612
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>									
<i>Less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	49 660	44 962	50 947	82 663	82 663	82 663	95 146	107 267	120 933
Net Service charges - Electricity	1 838 105	1 940 773	2 199 541	2 549 552	2 469 552	2 469 552	2 614 161	2 947 205	3 322 679
Service charges - Water									
Total Service charges - Water	916 160	1 364 622	1 478 457	1 056 287	1 056 287	1 056 287	1 160 479	1 274 949	1 400 710
<i>Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>									
<i>Less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	206 416	218 559	223 324	206 670	206 670	206 670	227 056	249 453	274 059
Net Service charges - Water	709 744	1 146 063	1 255 133	849 617	849 617	849 617	933 423	1 025 496	1 126 651
Service charges - Waste Water Management									
Total Service charges - Waste Water Management	433 630	490 819	543 864	566 820	566 820	566 820	596 862	626 108	655 535
<i>Less Revenue Foregone (in excess of free sanitation service to indigent households)</i>									
<i>Less Cost of Free Basis Services (free sanitation service to indigent households)</i>	56 381	61 503	73 090	98 301	98 301	98 301	103 511	108 583	113 686
Net Service charges - Waste Water Management	377 249	429 316	470 773	468 519	468 519	468 519	493 351	517 525	541 848
Service charges - Waste Management									
Total refuse removal revenue	440 156	464 295	521 025	552 200	552 200	552 200	581 467	609 959	638 627
Total landfill revenue									
<i>Less Revenue Foregone (in excess of one removal a week to indigent households)</i>									
<i>Less Cost of Free Basis Services (removed once a week to indigent households)</i>	104 312	110 803	133 479	166 585	166 585	166 585	175 414	184 009	192 657
Net Service charges - Waste Management	335 843	353 492	387 546	385 616	385 616	385 616	406 053	425 950	445 969

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	1 376 467	1 535 646	1 563 054	1 723 367	1 645 468	1 645 468	1 828 810	1 909 613	1 998 726
Pension and UIF Contributions	250 827	288 422	299 182	318 169	318 169	318 169	339 576	356 141	372 879
Medical Aid Contributions	103 025	110 987	113 459	147 299	147 299	147 299	165 560	173 673	181 835
Overtime	152 201	156 216	153 631	147 057	147 190	147 190	142 650	149 639	156 673
Performance Bonus	121 770	121 700	122 625	140 107	140 107	140 107	154 035	161 706	169 307
Motor Vehicle Allowance	33 744	36 895	40 360	47 220	46 702	46 702	50 364	52 828	55 308
Cellphone Allowance	4 601	4 771	4 594	4 925	4 900	4 900	5 374	5 637	5 902
Housing Allowances	9 894	10 483	10 940	18 318	17 779	17 779	20 260	21 250	22 247
Other benefits and allowances	78 664	81 713	87 014	86 693	86 730	86 730	45 643	47 880	50 130
Payments in lieu of leave	71 371	58 427	38 923	188	188	188	–	–	–
Long service awards	28 082	31 421	81 302	34 927	34 927	34 927	39 425	41 356	43 300
Post-retirement benefit obligations	(24 636)	102 399	21 319	18 602	18 602	18 602	22 686	23 841	24 962
Scarcity							56 280	59 038	61 813
Acting and post related allowance							13 784	14 460	15 139
<i>sub-total</i>	2 206 010	2 539 080	2 536 403	2 686 871	2 608 061	2 608 061	2 884 448	3 017 062	3 158 220
<u>Less: Employees costs capitalised to PPE</u>									
Total Employee related costs	2 206 010	2 539 080	2 536 403	2 686 871	2 608 061	2 608 061	2 884 448	3 017 062	3 158 220
Depreciation and amortisation									
Depreciation of Property, Plant & Equipment	1 705 184	1 387 036	1 567 894	613 195	613 195	613 195	608 484	814 769	1 079 638
Lease amortisation	4 540	1 828	1 900	1 202	1 202	1 202	1 135	1 484	1 774
Total Depreciation and amortisation	1 710 622	1 388 864	1 569 794	614 397	614 397	614 397	609 619	816 253	1 081 412
Bulk purchases - electricity									
Electricity bulk purchases	1 528 586	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 512 494	2 832 586	3 193 457
Total bulk purchases	1 528 586	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 512 494	2 832 586	3 193 457
Transfers and grants									
Cash transfers and grants	126 215	103 655	124 186	165 985	185 788	185 788	142 320	128 665	132 358
Non-cash transfers and grants	4 804	1 053	2 892	4 568	4 068	4 068	11 790	10 426	11 813
Total transfers and grants	131 019	104 708	127 078	170 553	189 856	189 856	154 110	139 091	144 170
Contracted Services									
<i>Outsourced Services</i>	106 634	67 516	74 234	120 261	130 192	130 192	124 579	125 403	128 872
<i>Consultants and Professional Services</i>	83 428	69 636	76 620	178 363	181 578	181 578	128 489	122 594	134 393
<i>Contractors</i>	491 990	504 449	444 960	678 870	665 875	665 875	650 856	675 520	702 797
Total contracted services	682 052	641 601	595 813	977 494	977 645	977 645	903 924	923 516	966 061
Operational Costs									
Collection costs	41 115	40 474	39 380	27 003	26 885	26 885	27 691	29 048	30 413
Audit fees	16 056	20 883	22 321	23 363	27 068	27 068	27 927	29 205	30 571
<i>Other Operational Costs</i>	409 047	489 172	546 757	482 458	460 678	460 678	489 734	506 362	533 045
Total Operational Costs	466 217	550 528	608 458	532 823	514 631	514 631	545 352	564 616	594 029
Repairs and Maintenance by Expenditure Item									
Employee related costs									
Inventory Consumed (Project Maintenance)	372	320	12 271	17 150	17 150	17 150	17 849	19 276	20 182
Contracted Services	381 873	384 200	369 824	416 505	442 778	442 778	466 486	503 823	527 502
Operational Costs	–	–	19 295	12 474	12 474	12 474	13 135	14 186	14 853
Total Repairs and Maintenance Expenditure	382 245	384 520	401 390	446 130	472 403	472 403	497 470	537 286	562 538
Inventory Consumed									
Inventory Consumed - Water	–	234 112	247 055	191 651	191 651	191 651	215 927	236 959	260 042
Inventory Consumed - Other	339 555	93 249	122 124	123 188	75 791	75 791	70 387	74 346	77 768
Total Inventory Consumed & Other Material	339 555	327 361	369 179	314 839	267 442	267 442	286 314	311 305	337 810

Table 85: MBRR Table SA3 – Supporting detail to consolidated Statement of Financial Position

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
ASSETS										
<u>Trade and other receivables from exchange transactions</u>										
Electricity		664 807	886 531					1 090 605	1 276 001	1 462 721
Water		1 421 343	2 136 005					2 631 526	3 078 218	3 528 101
Waste		523 409	656 494					802 690	939 980	1 078 250
Waste Water		442 539	552 018					677 542	792 983	909 248
Other trade receivables from exchange transactions	2 646 909	667 258	573 830	3 776 484	3 856 484	3 856 484	3 856 484	1 492 847	1 875 287	2 211 010
Gross: Trade and other receivables from exchange transactions	2 646 909	3 719 356	4 804 879	3 776 484	3 856 484	3 856 484	3 856 484	6 695 210	7 962 469	9 189 330
Less: Impairment for debt	(1 463 084)	(1 942 874)	(2 921 227)	(2 009 761)	(2 009 761)	(2 009 761)	(2 009 761)	(4 706 913)	(5 788 873)	(6 780 546)
Impairment for Electricity		(295 627)	(579 446)					(1 079 017)	(1 584 467)	(2 072 905)
Impairment for Water		(1 158 919)	(1 543 829)					(1 689 860)	(1 833 841)	(1 969 427)
Impairment for Waste		(222 567)	(387 891)					(467 072)	(541 613)	(608 508)
Impairment for Waste Water		(202 475)	(341 990)					(438 193)	(528 760)	(610 037)
Impairment for other trade receivables from exchange transactions	(1 463 084)	(63 286)	(68 072)	(2 009 761)	(2 009 761)	(2 009 761)	(2 009 761)	(1 032 771)	(1 300 192)	(1 519 669)
Total net Trade and other receivables from Exchange Transactions	1 183 825	1 776 482	1 883 652	1 766 723	1 846 723	1 846 723	1 846 723	1 988 297	2 173 596	2 408 784
-										
<u>Receivables from non-exchange transactions</u>										
Property rates		1 019 019	1 281 612					-	-	-
Less: Impairment of Property rates		(441 749)	(668 189)					-	-	-
Net Property rates	-	577 270	613 423	-	-	-	-	-	-	-
Other receivables from non-exchange transactions	680 143	506 614	554 343	827 009	827 009	827 009	827 009	2 195 312	2 577 764	2 964 428
Impairment for other receivables from non-exchange transactions		(308 423)	(339 531)					(1 327 481)	(1 616 789)	(1 855 909)
Net other receivables from non-exchange transactions	680 143	198 191	214 811	827 009	827 009	827 009	827 009	867 830	960 974	1 108 519
Total net Receivables from non-exchange transactions	680 143	775 462	828 235	827 009	827 009	827 009	827 009	867 830	960 974	1 108 519
<u>Inventory</u>										
<u>Water</u>										
Opening Balance	5 468	5 521	6 601	7 463	7 463	7 463	7 463	7 463	7 463	7 463
System Input Volume	53	235 192	247 916	273 787	273 787	273 787	273 787	308 466	338 513	371 488
Water Treatment Works								7 673	8 049	8 427
Bulk Purchases	53	235 192	247 916	273 787	273 787	273 787	273 787	300 793	330 464	363 061
Authorised Consumption	-	(234 112)	(247 055)	(191 651)	(191 651)	(191 651)	(191 651)	(215 927)	(236 959)	(260 042)

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
ASSETS										
Land										
Opening Balance		1 697	116	62	62	62	62	(5 875)	2 039	4 039
Acquisitions								8 000	2 000	2 000
Adjustments	1 697	(1 581)	(54)	(5 937)	(5 937)	(5 937)	(5 937)	(86)		
Closing Balance - Land	1 697	116	62	(5 875)	(5 875)	(5 875)	(5 875)	2 039	4 039	6 039
Closing Balance - Inventory & Consumables	34 469	37 094	44 210	38 273	38 273	38 273	38 273	46 253	48 256	50 259
Property, plant and equipment (PPE)										
PPE at cost/valuation (ex cl. finance leases)	45 169 699	50 037 001	54 528 687	39 479 626	38 789 929	38 789 929	38 789 929	57 127 170	59 782 717	61 542 495
Less: Accumulated depreciation	25 968 643	28 513 407	30 076 881	16 572 387	16 572 387	16 572 387	16 572 387	32 513 204	32 159 895	32 383 226
Total Property, plant and equipment (PPE)	19 201 056	21 523 594	24 451 806	22 907 239	22 217 542	22 217 542	22 217 542	24 613 967	27 622 822	29 159 269
LIABILITIES										
Current liabilities - Financial liabilities										
Current portion of long-term liabilities	54 396	45 191	49 141	56 859	56 859	56 859	56 859	30 246	28 814	25 086
Total Current liabilities - Financial liabilities	54 396	45 191	49 141	56 859	56 859	56 859	56 859	30 246	28 814	25 086
Trade and other payables from exchange transactions										
Trade and other payables from exchange transactions	1 281 986	1 409 120	1 248 969	509 372	509 372	509 372	509 372	1 225 157	1 188 669	1 153 282
Other trade payables from exchange transactions	50 982	146 396	97 704	55 569	55 569	55 569	55 569	94 773	92 877	95 664
Trade payables from Non-ex change transactions: Unspent conditional	527 613	264 699	274 306	764 174	764 174	764 174	764 174	282 535	291 011	299 741
Total Trade and other payables from exchange transactions	1 860 581	1 820 214	1 620 979	1 329 115	1 329 115	1 329 115	1 329 115	1 602 464	1 572 557	1 548 687
Non current liabilities - Financial liabilities										
Borrowing	233 185	187 994	138 854	1 422 411	689 797	689 797	689 797	108 608	79 794	54 708
Total Non current liabilities - Financial liabilities	233 185	187 994	138 854	1 422 411	689 797	689 797	689 797	108 608	79 794	54 708
Provisions										
Retirement benefits	633 835	761 616	825 728	720 907	720 907	720 907	720 907	850 500	876 015	902 295
Refuse landfill site rehabilitation	10 119			48 716	48 716	48 716	48 716			
Other	833	52 983	112 623	62 242	62 242	62 242	62 242	102 055	105 117	108 271
Total Provisions	644 787	814 599	938 351	831 865	831 865	831 865	831 865	952 555	981 132	1 010 566
CHANGES IN NET ASSETS										
Accumulated surplus/(deficit)										
Accumulated surplus/(deficit) - opening balance	11 112 611	10 854 659	11 495 279	11 466 825	11 466 825	11 466 825	11 466 825	13 648 083	13 121 239	12 995 591
Restated balance	11 112 611	10 854 659	11 495 279	11 466 825	11 466 825	11 466 825	11 466 825	13 648 083	13 121 239	12 995 591
Surplus/(Deficit)	(183 049)	611 401	(262 551)	737 245	896 689	896 689	896 689	770 796	811 792	841 757
Depreciation offsets	-	-	-	1 212 237	1 212 237	1 212 237	1 212 237	(1 293 582)	(1 166 913)	(901 913)
Accumulated Surplus/(Deficit)	10 929 562	11 466 060	11 232 728	13 416 306	13 575 751	13 575 751	13 575 751	13 125 297	12 766 118	12 935 435
Reserves										
Revaluation	9 472 053	11 617 047	14 646 034	10 104 227	10 104 227	10 104 227	10 104 227	13 078 441	16 894 849	19 060 530
Total Reserves	9 472 053	11 617 047	14 646 034	10 104 227	10 104 227	10 104 227	10 104 227	13 078 441	16 894 849	19 060 530
TOTAL COMMUNITY WEALTH/EQUITY	20 401 615	23 083 107	25 878 762	23 520 534	23 679 978	23 679 978	23 679 978	26 203 738	29 660 967	31 995 966

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

Detail of Free Basic Services (FBS) provided		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Electricity	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (50 kwh per indigent household per month Rands)	49 660 147	44 961 885	50 947 131	82 663 498	82 663 498	82 663 498	95 145 686	107 267 247	120 933 094
	<i>Number of HH receiving this type of FBS</i>	81 304	72 569	61 194	63 694	63 694	63 694	66 194	68 694	71 194
	Informal settlements (Rands)	3 160 569	3 461 502	4 006 434	4 690 875	4 690 875	4 690 875	5 179 880	5 697 210	6 219 644
	<i>Number of HH receiving this type of FBS</i>	4 036	4 076	4 117	4 167	4 167	4 167	4 208	4 250	4 292
	Total cost of FBS - Electricity for informal settlements	3 160 569	3 461 502	4 006 434	4 690 875	4 690 875	4 690 875	5 179 880	5 697 210	6 219 644
Water	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (6 kilolitre per indigent household per month Rands)	206 415 858	218 559 220	223 324 162	206 670 059	206 670 059	206 670 059	227 055 994	249 452 797	274 058 821
	<i>Number of HH receiving this type of FBS</i>	40 321	40 321	40 321	42 821	42 821	42 821	45 321	47 821	50 321
	Informal settlements (Rands)	41 335 100	45 673 934	50 328 565	60 565 436	60 565 436	60 565 436	66 790 080	73 603 481	80 360 281
	<i>Number of HH receiving this type of FBS</i>	41 176	41 176	41 176	41 588	41 588	41 588	42 000	42 412	42 824
	Total cost of FBS - Water for informal settlements	41 335 100	45 673 934	50 328 565	60 565 436	60 565 436	60 565 436	66 790 080	73 603 481	80 360 281
Sanitation	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (free sanitation service to indigent households)	56 381 145	61 503 070	73 090 235	98 300 972	98 300 972	98 300 972	103 510 924	108 582 959	113 686 358
	<i>Number of HH receiving this type of FBS</i>	38 219	38 219	38 219	35 076	35 076	35 076	37 576	40 076	42 576
	Informal settlements (Rands)	55 474 249	42 151 884	46 191 369	46 191 369	46 191 369	46 191 369	50 619 103	55 573 354	59 791 372
	<i>Number of HH receiving this type of FBS</i>	41 176	41 176	41 176	41 588	41 588	41 588	42 000	42 412	42 824
	Total cost of FBS - Sanitation for informal settlements	55 474 249	42 151 884	46 191 369	46 191 369	46 191 369	46 191 369	50 619 103	55 573 354	59 791 372
Refuse Removal	<u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (removed once a week to indigent households)	104 312 299	110 803 192	133 479 196	166 584 520	166 584 520	166 584 520	175 413 500	184 008 761	192 657 173
	<i>Number of HH receiving this type of FBS</i>	42 191	42 191	42 191	44 691	44 691	44 691	47 191	49 691	52 191
	Informal settlements (Rands)	106 846 139	118 265 977	129 599 599	155 086 643	155 086 643	155 086 643	170 251 200	186 879 147	201 063 274
	<i>Number of HH receiving this type of FBS</i>	41 176	41 176	41 176	41 588	41 588	41 588	42 000	42 412	42 824
	Total cost of FBS - Refuse Removal for informal settlements	106 846 139	118 265 977	129 599 599	155 086 643	155 086 643	155 086 643	170 251 200	186 879 147	201 063 274

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

Description	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Property rates (rate in the Rand)								
Residential properties	Market Value	0,0116	0,0126	0,0136	0,0143	0,0143	0,0150	0,0157
Residential properties - vacant land	Vacant Land	0,0349	0,0378	0,0408	0,0428	0,0428	0,0449	0,0470
Farm properties - used	Market Value	0,0029	0,0032	0,0034	0,0036	0,0036	0,0037	0,0039
Farm properties - not used	Market Value	0,0029	0,0032	0,0034	0,0036	0,0036	0,0037	0,0039
Industrial properties	Market Value	0,0290	0,0315	0,0340	0,0357	0,0357	0,0374	0,0392
Business and commercial properties	Market Value	0,0290	0,0315	0,0340	0,0357	0,0357	0,0374	0,0392
State-owned properties	Various depending on prop	0,0081	0,0088	0,0088	-	-	-	-
Public service infrastructure	Land	0,0029	0,0032	0,0034	0,0036	0,0036	0,0037	0,0039
State trust land	Land	0,0349	0,0378	0,0409	0,4281	0,0428	0,0449	0,0470
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
Pensioners/social grants rebate or exemption			19 546 681	21 208 149	22 904 801	24 004 232	25 060 418	26 188 137
Bona fide farmers rebate or exemption			5 665 328	6 146 880	6 146 880	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	16	17	17	19	22	24	26
Water usage - Block 2 (c/kl)	7 - 10 kl	16	17	17	19	22	24	27
Water usage - Block 3 (c/kl)	11 - 20 kl	22	24	24	26	31	34	37
Water usage - Block 4 (c/kl)	21 - 30 kl	29	31	31	34	40	44	48
Water usage - Block 5 (c/kl)	(fill in thresholds)							
Water usage - Block 6 (c/kl)	(fill in thresholds)							
Other								
Waste water tariffs								
Domestic								
Other								
Electricity tariffs								
Domestic								
FBE	Consumers are eligible to	-	-	-	-	-	-	-
Life-line tariff - meter	0 - 50kw h - Free	-	-	-	-	-	-	-
Life-line tariff - prepaid	0 - 50 kw h - Free	-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kw h)	0 - 50kw h - Indigent	1	2	2	2	2	2	3
Meter - IBT Block 2 (c/kw h)	0 - 50kw h - Non Indigent	2	2	2	2	3	3	4
Meter - IBT Block 3 (c/kw h)	51 - 350kw h - All	2	2	2	2	3	3	4
Meter - IBT Block 4 (c/kw h)	351 - 600kw h - All	2	2	2	2	3	3	4
Meter - IBT Block 5 (c/kw h)	601 - >kw h - All	2	2	2	2	3	3	4
Prepaid - IBT Block 1 (c/kwh)	0 - 50kw h - Indigent	1	2	2	2	2	2	3
Prepaid - IBT Block 2 (c/kw h)	0 - 50kw h - Non Indigent	2	2	2	2	3	3	4
Prepaid - IBT Block 3 (c/kw h)	51 - 350kw h - All	2	2	2	2	3	3	4
Prepaid - IBT Block 4 (c/kw h)	351 - 600kw h - All	2	2	2	2	3	3	4
Prepaid - IBT Block 5 (c/kw h)	601 - >kw h - All	2	2	2	2	3	3	4
Other								
Waste management tariffs								
Domestic								

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

Description	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Exemptions, reductions and rebates (Rands)								
<i>R15 000 threshold rebate</i>		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>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
Water tariffs								
<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	22	24	26
<i>Water usage - Block 2 (c/kl)</i>	7 - 10 kl	15	16	17	19	22	24	27
<i>Water usage - Block 3 (c/kl)</i>	11 - 20 kl	20	22	24	26	31	34	37
<i>Water usage - Block 4 (c/kl)</i>	21 - 30 kl	26	29	31	34	40	44	48
<i>Water usage - Block 5 (c/kl)</i>	31 > kl	33	36	39	43	50	55	60
Waste water tariffs								
<i>Erf 0 - 300 M2</i>	Erf 0 - 300 m2	79	86	86	102	113	127	143
<i>Erf 301 - 400 M2</i>	Erf 301 - 400 m2	125	137	137	162	179	202	227
<i>Ordinary</i>	Ordinary	219	240	240	284	313	353	398
<i>Complex</i>	Complex	198	217	217	257	284	320	360
<i>Semi's</i>	Semi's	219	240	240	284	313	353	398
<i>Cluster Houses/Townhouses</i>	Cluster	271	297	297	352	388	437	493
<i>Erf 401 - 800 M2</i>	Erf 401 - 800 m2	326	356	356	422	466	526	593
<i>Erf 801 - 1200 M2</i>	Erf 801 - 1200 m2	352	385	385	456	503	567	639
<i>Erf > 1200 M2</i>	Erf > 1200 m2	383	419	419	497	548	618	697
Electricity tariffs								
<i>FBE</i>	Consumers are eligible to							
<i>Life-line tariff - meter</i>	0 - 50kw h - Free							
<i>Life-line tariff - prepaid</i>	0 - 50 kw h - Free							
<i>Meter - IBT Block 1 (c/kwh)</i>	0 - 50kw h - Indigent	1	1	2	2	2	2	3
<i>Meter - IBT Block 2 (c/kwh)</i>	0 - 50kw h - Non Indigent	2	2	2	2	3	3	4
<i>Meter - IBT Block 3 (c/kwh)</i>	51 - 350kw h - All	2	2	2	2	3	3	4
<i>Meter - IBT Block 4 (c/kwh)</i>	351 - 600kw h - All	2	2	2	2	3	3	4
<i>Meter - IBT Block 5 (c/kwh)</i>	601 - >kw h - All	2	2	2	2	3	3	4
<i>Prepaid - IBT Block 1 (c/kwh)</i>	0 - 50kw h - Indigent	1	1	2	2	3	3	4
<i>Prepaid - IBT Block 2 (c/kwh)</i>	0 - 50kw h - Non Indigent	2	2	2	2	3	3	4
<i>Prepaid - IBT Block 3 (c/kwh)</i>	51 - 350kw h - All	2	2	2	2	3	3	4
<i>Prepaid - IBT Block 4 (c/kwh)</i>	351 - 600kw h - All	2	2	2	2	3	3	4
<i>Prepaid - IBT Block 5 (c/kwh)</i>	601 - >kw h - All	2	2	2	2	3	3	4

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue																
Exchange Revenue																
Service charges - Electricity	208 339	113 484	358 660	218 987	217 221	205 772	208 575	204 548	236 091	225 108	215 202	202 175	2 614 161	2 947 205	3 322 679	
Service charges - Water	82 486	87 812	87 812	111 067	77 256	82 122	76 732	86 107	89 534	60 240	42 280	49 978	933 423	1 025 496	1 126 651	
Service charges - Waste Water Management	48 073	39 083	40 744	38 406	43 184	38 184	38 713	38 122	37 052	38 626	38 813	54 352	493 351	517 525	541 848	
Service charges - Waste Management	32 789	33 329	36 696	33 378	33 153	33 434	33 355	33 030	33 158	32 505	31 029	40 198	406 053	425 950	445 969	
Sale of Goods and Rendering of Services	27 914	16 960	6 006	4 589	5 044	15 929	26 814	5 283	5 160	5 038	6 090	21 131	145 958	153 110	160 306	
Agency services	1 381	1 567	1 567	752	1 733	2 610	516	1 164	4 445	4 053	2 946	4 527	27 261	28 737	29 501	
Interest earned from Receivables	12 917	13 462	12 924	14 335	17 484	18 416	19 291	19 687	18 363	20 081	20 701	24 254	211 915	222 299	232 747	
Interest earned from Current and Non Current Assets	1 671	1 620	2 135	1 954	2 628	770	1 697	1 676	2 089	2 846	3 783	24 054	25 224	26 402	26 402	
Rental from Fixed Assets	1 691	1 791	1 745	2 232	2 059	1 881	2 188	2 153	1 865	1 685	1 564	2 275	23 129	24 263	25 403	
Operational Revenue	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	7 012	84 138	88 261	92 409	
Non-Exchange Revenue																
Property rates	332 392	217 014	152 552	167 675	169 348	169 060	169 031	166 065	168 575	169 492	169 883	157 489	2 208 577	2 316 798	2 425 687	
Fines, penalties and forfeits	909	2 082	1 392	1 497	869	1 509	1 356	1 626	2 223	2 720	2 142	1 756	20 080	21 064	22 054	
Licences or permits	849	761	1 915	1 081	1 779	2 545	1 176	1 565	1 082	1 412	1 029	2 474	17 667	18 533	19 404	
Transfer and subsidies - Operational	466 963	1 577	12 785	10 145	20 104	402 803	53 356	14 966	294 576	6 304	7 507	172 776	1 463 862	1 508 607	1 605 017	
Fuel Levy	-	247 309	-	-	-	247 309	-	-	247 308	-	-	-	741 926	779 747	819 383	
Discontinued Operations																
Total Revenue (excluding capital transfers and contribution)	1 225 386	784 862	723 943	613 109	598 874	1 229 354	639 811	583 002	1 147 631	576 363	549 043	744 179	9 415 557	10 102 818	10 895 462	
Expenditure																
Employee related costs	217 239	230 615	222 772	240 693	243 777	251 715	225 455	246 834	222 591	227 668	222 223	332 865	2 884 448	3 017 062	3 158 220	
Remuneration of councillors	6 344	6 177	6 177	6 177	5 318	6 550	6 074	6 454	6 223	6 223	6 169	6 169	74 057	77 686	81 337	
Bulk purchases - electricity	308 762	313 309	183 824	195 622	172 559	160 632	171 746	170 132	182 768	179 091	168 998	305 053	2 512 494	2 832 586	3 193 457	
Inventory consumed	18 226	2 825	33 679	36 353	19 284	27 499	15 084	32 519	21 134	24 724	22 321	32 665	286 314	311 305	337 810	
Debt impairment	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	112 053	96 331	1 328 917	1 295 031	1 205 684	
Depreciation and amortisation	36 718	65 881	53 764	52 655	49 381	54 498	34 759	54 778	51 886	49 466	45 383	60 449	609 619	816 253	1 081 412	
Interest	1 056	1 056	1 022	1 012	979	1 012	953	861	953	877	906	2 879	13 567	13 906	14 254	
Contracted services	27 065	51 153	73 323	96 341	99 715	102 618	61 899	72 368	76 970	59 052	64 036	119 384	903 924	923 516	966 061	
Transfers and subsidies	3 047	28 294	2 576	7 037	14 752	5 334	50 248	2 672	12 468	7 042	6 431	14 209	154 110	139 091	144 170	
Operational costs	48 152	61 440	43 544	28 432	41 125	32 891	34 838	38 385	32 684	31 347	32 602	119 911	545 352	564 616	594 029	
Other Losses	5 696	883	10 526	11 361	6 027	8 594	4 714	10 163	6 605	7 727	6 976	13 268	92 540	101 554	111 446	
Total Expenditure	784 359	873 686	743 260	787 738	764 971	763 398	717 822	747 219	726 335	705 272	688 099	1 103 182	9 405 342	10 092 606	10 887 883	
Surplus/(Deficit)	441 026	(88 824)	(19 318)	(174 628)	(166 098)	465 956	(78 011)	(164 217)	421 296	(128 908)	(139 057)	(359 003)	10 215	10 212	7 579	
Transfers and subsidies - capital (monetary allocations)																
	15 518	27 643	37 629	49 315	81 632	100 561	97 762	50 083	50 797	88 216	62 264	99 162	760 580	801 580	834 177	
Transfers and subsidies - capital (in-kind)													-	-	-	
Surplus/(Deficit) after capital transfers & contributions	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	
Income Tax													-	-	-	
Surplus/(Deficit) after income tax	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	
Share of Surplus/Deficit attributable to Joint Venture													-	-	-	
Share of Surplus/Deficit attributable to Minorities													-	-	-	
Surplus/(Deficit) attributable to municipality	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	
Share of Surplus/Deficit attributable to Associate													-	-	-	
Intercompany/Parent subsidiary transactions													-	-	-	
Surplus/(Deficit) for the year	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757	

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote															
Vote 1 - Directorate - Executive Support Services	36	24	22	19	20	39	22	19	35	20	18	103	377	-	-
Vote 2 - Directorate - Municipal Manager	2 873	1 881	1 763	1 534	1 576	579	1 708	1 466	2 775	1 539	1 415	431	19 541	18 738	19 466
Vote 3 - Directorate - Human Settlement	42 225	27 648	25 915	22 541	23 156	45 254	25 098	21 543	40 780	22 614	20 801	93 276	410 850	353 397	375 428
Vote 4 - Directorate - Chief Financial Officer	460 590	301 580	282 675	245 874	252 586	496 129	273 768	234 985	444 825	246 674	226 901	284 157	3 750 743	3 954 629	4 156 589
Vote 5 - Directorate - Corporate Services	1 447	947	888	772	793	1 551	860	738	1 397	775	713	897	11 778	12 816	13 354
Vote 6 - Directorate - Infrastructure Services	594 973	389 570	365 149	317 611	326 281	637 651	353 643	303 544	574 608	318 644	293 102	294 695	4 769 472	5 371 103	5 924 191
Vote 7 - Directorate - Spatial Planning And Development	16 505	10 807	10 129	8 811	9 051	17 689	9 810	8 420	15 940	8 839	8 131	11 614	135 746	128 302	133 473
Vote 8 - Directorate - Public Safety & Emergency Services	25 251	16 533	15 497	13 480	13 847	27 062	15 009	12 883	24 387	13 523	12 439	15 705	205 616	215 355	225 477
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	11 434	7 487	7 018	6 104	6 271	12 255	6 796	5 834	11 043	6 124	5 633	76 151	162 150	149 523	148 310
Vote 11 - Directorate - Solid Waste And Environmental Management	77 188	50 540	47 372	41 205	42 329	82 724	45 879	39 380	74 545	41 339	38 025	46 642	627 167	639 906	669 935
Vote 12 - Directorate - Sport, Recreation & Community Development	8 380	5 487	5 143	4 474	4 596	8 981	4 981	4 275	8 093	4 488	4 128	19 670	82 698	60 629	63 416
Total Revenue by Vote	1 240 903	812 505	761 571	662 425	680 505	1 329 914	737 574	633 086	1 198 428	664 579	611 306	843 340	10 176 137	10 904 398	11 729 639
Expenditure by Vote to be appropriated															
Vote 1 - Directorate - Executive Support Services	25 243	28 118	23 921	25 352	24 619	24 569	23 102	24 048	23 376	22 698	22 145	37 548	304 739	317 183	329 977
Vote 2 - Directorate - Municipal Manager	13 545	15 087	12 835	13 603	13 210	13 183	12 396	12 903	12 543	12 179	11 882	9 747	153 112	158 345	160 227
Vote 3 - Directorate - Human Settlement	7 169	7 985	6 793	7 200	6 992	6 977	6 561	6 830	6 639	6 446	6 289	111 558	187 439	175 156	188 006
Vote 4 - Directorate - Chief Financial Officer	88 012	98 035	83 400	88 391	85 836	85 659	80 546	83 844	81 501	79 137	77 210	81 270	1 012 840	1 005 554	994 471
Vote 5 - Directorate - Corporate Services	20 300	22 612	19 236	20 387	19 798	19 757	18 578	19 338	18 798	18 253	17 808	26 044	240 909	242 326	253 317
Vote 6 - Directorate - Infrastructure Services	454 585	506 355	430 765	456 543	443 348	442 436	416 022	433 059	420 956	408 748	398 796	480 212	5 291 826	5 862 170	6 482 629
Vote 7 - Directorate - Spatial Planning And Development	24 368	27 143	23 091	24 473	23 765	23 716	22 300	23 214	22 565	21 911	21 377	39 677	297 599	344 706	406 355
Vote 8 - Directorate - Public Safety & Emergency Services	44 491	49 558	42 160	44 683	43 392	43 302	40 717	42 385	41 200	40 005	39 031	45 634	516 559	538 671	560 791
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	12 802	14 259	12 131	12 857	12 485	12 459	11 716	12 195	11 855	11 511	11 230	85 191	220 691	212 770	216 235
Vote 11 - Directorate - Solid Waste And Environmental Management	56 383	62 804	53 428	56 625	54 989	54 876	51 600	53 713	52 212	50 698	49 463	63 016	659 806	680 538	701 799
Vote 12 - Directorate - Sport, Recreation & Community Development	37 463	41 730	35 500	37 625	36 537	36 462	34 285	35 689	34 692	33 686	32 866	123 285	519 821	555 188	594 076
Total Expenditure by Vote	784 359	873 686	743 260	787 738	764 971	763 398	717 822	747 219	726 335	705 272	688 099	1 103 182	9 405 342	10 092 606	10 887 883
Surplus/(Deficit) before assoc.	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757
Income Tax													-	-	-
Share of Surplus/Deficit attributable to Minorities													-	-	-
Intercompany/Parent subsidiary transactions													-	-	-
Surplus/(Deficit)	456 544	(61 181)	18 311	(125 313)	(84 466)	566 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(259 841)	770 796	811 792	841 757

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

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional															
Governance and administration	468 315	306 639	287 416	249 998	256 822	501 908	278 359	238 926	452 285	250 811	230 706	287 676	3 809 862	4 013 641	4 218 122
Executive and council	1 305	1 968	1 844	1 604	1 648	1 521	1 786	1 533	2 902	1 609	1 480	717	19 918	18 738	19 466
Finance and administration	467 010	304 671	285 572	248 394	255 174	500 387	276 573	237 393	449 383	249 202	229 226	286 959	3 789 944	3 994 903	4 198 657
Internal audit															
Community and public safety	76 563	50 131	46 988	40 871	41 987	82 054	45 508	39 061	73 942	41 004	37 717	129 088	704 913	635 142	670 341
Community and social services	6 135	4 017	3 765	3 275	3 364	6 575	3 646	3 130	5 925	3 286	3 022	14 803	60 942	43 877	45 886
Sport and recreation	2 947	1 930	1 809	1 573	1 616	3 158	1 752	1 504	2 846	1 578	1 452	5 302	27 466	22 473	23 507
Public safety	25 251	16 533	15 497	13 480	13 847	27 062	15 009	12 883	24 387	13 523	12 439	15 705	205 616	215 355	225 477
Housing	42 225	27 648	25 915	22 541	23 156	45 254	25 098	21 543	40 780	22 614	20 801	93 276	410 850	353 397	375 428
Health	5	3	3	2	3	5	3	2	5	3	2	3	38	40	42
Economic and environmental services	19 464	19 292	18 083	15 729	16 158	21 578	17 513	15 032	18 456	15 780	14 515	83 492	275 093	292 418	293 083
Planning and development	13 136	8 601	8 062	7 012	7 204	14 078	7 808	6 702	12 687	7 035	6 471	78 595	177 392	165 106	164 119
Road transport	6 328	10 691	10 021	8 716	8 954	7 500	9 705	8 330	5 769	8 745	8 044	4 896	97 701	127 312	128 964
Environmental protection															
Trading services	665 126	428 957	402 066	349 723	359 268	702 119	389 397	334 233	642 702	350 860	322 735	346 003	5 293 190	5 877 935	6 459 142
Energy sources	353 033	224 607	210 527	183 119	188 117	367 639	203 893	175 009	341 291	183 715	168 988	107 151	2 707 089	3 057 191	3 451 031
Water management	154 157	100 938	94 610	82 293	84 539	165 215	91 629	78 648	148 881	82 561	75 943	81 558	1 240 971	1 412 101	1 544 014
Waste water management	81 455	53 334	49 991	43 483	44 670	87 298	48 416	41 557	78 667	43 624	40 127	111 090	723 711	774 498	800 182
Waste management	76 481	50 078	46 938	40 828	41 942	81 967	45 459	39 019	73 863	40 960	37 677	46 205	621 419	634 145	663 915
Other	11 434	7 487	7 018	6 104	6 271	12 255	6 796	5 834	11 043	6 124	5 633	7 082	93 080	85 261	88 951
Total Revenue - Functional	1 240 903	812 505	761 571	662 425	680 505	1 319 914	737 574	633 086	1 198 428	664 579	611 306	853 340	10 176 137	10 904 398	11 729 639
Expenditure - Functional															
Governance and administration	161 760	180 182	153 284	162 456	157 761	157 437	148 038	154 100	149 793	145 449	141 908	169 743	1 881 909	1 920 613	1 965 462
Executive and council	27 927	32 246	35 939	28 090	36 989	26 913	34 709	36 131	35 121	34 103	33 272	6 935	368 376	381 607	391 813
Finance and administration	132 517	146 470	116 097	133 044	119 488	129 243	112 124	116 715	113 453	110 163	107 841	161 782	1 498 577	1 523 313	1 557 215
Internal audit	1 316	1 466	1 247	1 322	1 284	1 281	1 204	1 254	1 219	1 183	1 155	1 027	14 957	15 693	16 435
Community and public safety	105 101	117 070	99 594	105 554	102 503	102 292	96 185	100 124	97 326	94 504	92 203	293 391	1 405 847	1 468 449	1 550 552
Community and social services	14 537	16 192	13 775	14 599	14 178	14 148	13 304	13 849	13 461	13 071	12 753	67 496	221 363	233 621	245 359
Sport and recreation	35 057	39 050	33 220	35 208	34 191	34 120	32 083	33 397	32 464	31 522	30 755	73 447	444 515	479 491	512 983
Public safety	43 822	48 813	41 526	44 011	42 739	42 651	40 105	41 747	40 580	39 403	38 444	39 140	502 980	524 824	546 410
Housing	7 169	7 985	6 793	7 200	6 992	6 977	6 561	6 830	6 639	6 446	6 289	111 949	187 830	175 564	188 432
Health	4 516	5 030	4 279	4 535	4 404	4 395	4 133	4 302	4 182	4 061	3 962	1 360	49 160	54 949	57 368
Economic and environmental services	59 520	66 298	56 401	59 776	58 049	57 929	54 471	56 701	55 117	53 518	52 215	154 679	784 675	909 837	1 069 904
Planning and development	16 585	18 474	15 716	16 656	16 175	16 142	15 178	15 800	15 358	14 913	14 549	106 424	281 969	306 612	346 123
Road transport	42 935	47 825	40 685	43 120	41 874	41 788	39 293	40 902	39 759	38 606	37 666		502 707	603 225	723 781
Environmental protection															
Trading services	445 177	495 877	421 851	447 095	434 174	433 280	407 413	424 098	412 245	400 290	390 543	461 512	5 173 555	5 637 130	6 136 733
Energy sources	297 297	331 154	281 719	298 577	289 948	289 352	272 077	283 219	275 304	267 320	260 811	285 534	3 432 312	3 810 648	4 218 508
Water management	72 184	80 405	68 402	72 495	70 400	70 255	66 061	68 766	66 844	64 906	63 325	88 291	852 332	913 889	973 374
Waste water management	35 291	39 311	33 442	35 443	34 419	34 348	32 298	33 620	32 681	31 733	30 960	20 223	393 769	413 012	432 164
Waste management	40 405	45 007	38 288	40 579	39 407	39 326	36 978	38 492	37 416	36 331	35 447	67 465	495 141	499 580	512 688
Other	12 802	14 259	12 131	12 857	12 485	12 459	11 716	12 195	11 855	11 511	11 230	23 856	159 355	156 577	165 232
Total Expenditure - Functional	784 359	873 686	743 260	787 738	764 971	763 398	717 822	747 219	726 335	705 272	688 099	1 103 182	9 405 342	10 092 606	10 887 883
Surplus/(Deficit) before assoc.	456 544	(61 181)	18 311	(125 313)	(84 466)	556 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(249 841)	770 796	811 792	841 757
Intercompany/Parent subsidiary transactions															
Surplus/(Deficit)	456 544	(61 181)	18 311	(125 313)	(84 466)	556 517	19 751	(114 133)	472 093	(40 693)	(76 793)	(249 841)	770 796	811 792	841 757

Table 92: MBRR Table SA31 – Aggregated Entity Budget

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R million									
Financial Performance									
Property rates									
Service charges									
Investment revenue	520	488	722	637	637	637	1 027	1 068	1 111
Transfer and subsidies - Operational	7 762	125 436	47 015	132 487	115 012	115 012	66 534	61 482	57 121
Other own revenue	41 243	6 985	8 591	18 429	17 031	17 031	400	560	
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)									
Total Revenue (excluding capital transfers and contributions)	49 524	132 909	56 328	151 552	132 680	132 680	67 961	63 110	58 232
Employee costs	25 714	28 411	23 449	32 354	32 354	32 354	39 579	34 154	35 685
Remuneration of Board Members			2 657				2 446	2 550	2 652
Depreciation and amortisation	987	1 181	1 111	984	984	984	875	941	1 101
Interest				4	4	4	2	2	3
Inventory consumed and bulk purchases	1 238	556		1 299	1 299	1 299	990	980	984
Transfers and subsidies	197	203		217	217	217	213	100	100
Other expenditure	25 779	101 237	26 708	116 694	97 821	97 821	23 856	24 382	17 708
Total Expenditure	53 916	131 590	53 926	151 552	132 680	132 680	67 961	63 110	58 232
Surplus/(Deficit)	(4 391)	1 320	2 402	-	-	-	-	-	-
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised - capital									
Borrowing									
Internally generated funds	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Total sources	13 811	1 238	631	1 140	1 140	1 140	1 108	1 152	1 127
Financial position									
Total current assets	22 505	29 611	62 591	10 120	10 120	10 120	11 710	5 471	5 728
Total non current assets	2 795	2 849	2 308	3 691	3 691	3 691	1 954	2 164	2 191
Total current liabilities	13 812	12 071	36 818	5 210	5 210	5 210	3 494	3 760	3 866
Total non current liabilities		6 498	13 540						
Community wealth/Equity	11 488	13 892	14 541	8 601	8 601	8 601	10 170	3 875	4 053
Cash flows									
Net cash from (used) operating	13 797	4 434	1 620	2 124	2 124	2 124	1 983	2 093	2 228
Net cash from (used) investing	(1 651)	(1 238)	(515)	(1 140)	(1 140)	(1 140)	(1 108)	(1 152)	(1 127)
Net cash from (used) financing									
Cash/cash equivalents at the year end	16 133	19 329	20 433	6 223	6 223	6 223	7 097	8 039	9 139

Table 93: MBRR Table SA32 – List of External Mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Afrocentric	Y	3	Supply ,Implementation,Support And Maintenance Of An Integrated , Full Asset Life Cycle Management System	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 Revenue Management Head Office)	30 November 2023	8 464
Motswako	M	60	Operating Leases For Print Machines	30 December 2022	1 153
Nashua Communications (Pty) Ltd	Y	3	Support And Maintenance Of An Voip (Voice Over Internet Protocol) Enable Pabx Telephone 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 Five 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
Skq Africa (Pty) Ltd	Y	3	Provision Of 70 Covered/Uncovered Parking Bays	18 January 2024	4 704
Skq 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 Five 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	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands									
Financial Performance									
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Service charges	3 260 941	3 869 644	4 312 993	4 253 303	4 173 303	4 173 303	4 446 988	4 916 176	5 437 148
Investment revenue	70 130	40 801	32 364	30 239	30 239	30 239	23 027	24 156	25 291
Transfer and subsidies - Operational	979 243	1 202 782	1 052 872	1 314 276	1 348 788	1 348 788	1 397 328	1 447 125	1 547 896
Other own revenue	796 081	980 718	1 062 838	1 164 051	1 222 288	1 222 288	1 271 675	1 335 454	1 401 208
Total Revenue (excluding capital transfers and contributions)	6 573 796	7 685 465	8 194 980	8 720 086	8 732 836	8 732 836	9 347 595	10 039 708	10 837 230
Employee costs	2 180 296	2 510 669	2 510 297	2 654 517	2 575 707	2 575 707	2 842 422	2 980 359	3 119 884
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
Depreciation and amortisation	1 709 074	1 387 682	1 568 683	613 412	613 412	613 412	608 745	815 312	1 080 312
Interest	32 564	25 757	20 684	49 356	49 356	49 356	13 565	13 904	14 252
Inventory consumed and bulk purchases	1 866 902	1 959 266	2 291 433	2 473 967	2 386 570	2 386 570	2 797 818	3 142 910	3 530 283
Transfers and subsidies	130 821	104 708	127 078	170 336	189 639	189 639	153 897	138 991	144 070
Other expenditure	1 792 332	2 104 584	2 564 252	2 687 005	2 687 837	2 687 837	2 846 876	2 860 334	2 859 513
Total Expenditure	7 776 677	8 156 478	9 147 110	8 718 857	8 572 785	8 572 785	9 337 380	10 029 496	10 829 651
Surplus/(Deficit)	(1 202 882)	(471 014)	(952 129)	1 229	160 051	160 051	10 215	10 212	7 579
Transfers and subsidies - capital (monetary allocations)	1 010 413	1 065 032	686 434	734 875	735 498	735 498	759 472	800 428	833 050
Transfers and subsidies - capital (in-kind)	–	14 979	2 495	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(192 468)	608 997	(263 200)	736 105	895 549	895 549	769 687	810 640	840 629
Share of Surplus/Deficit attributable to Associate	105 684	(26 628)	29 869	–	–	–	–	–	–
Surplus/(Deficit) for the year	(86 785)	582 369	(233 331)	736 105	895 549	895 549	769 687	810 640	840 629

MBRR Table A1 – Budget Summary (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands									
Capital expenditure & funds sources									
Capital expenditure	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507
Transfers recognised - capital	905 526	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Borrowing	–	3 079	11 727	732 614	–	–	–	–	–
Internally generated funds	642 141	616 049	771 693	617 733	660 027	660 027	458 421	365 858	358 456
Total sources of capital funds	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507
Financial position									
Total current assets	3 255 894	3 713 757	3 426 757	3 523 575	3 640 103	3 640 103	3 593 944	3 926 398	4 611 106
Total non current assets	20 373 351	22 696 765	25 668 573	24 116 803	23 427 106	23 427 106	25 870 268	28 914 160	30 479 148
Total current liabilities	2 361 978	2 345 212	2 167 445	1 857 153	1 857 153	1 857 153	2 201 998	2 255 481	2 308 181
Total non current liabilities	877 139	996 095	1 063 665	2 254 276	1 521 661	1 521 661	1 061 163	1 060 926	1 065 274
Community wealth/Equity	20 390 127	23 069 215	25 864 220	23 528 949	23 688 394	23 688 394	26 201 051	29 524 152	31 716 799
Cash flows									
Net cash from (used) operating	1 890 315	1 451 404	1 062 601	1 036 755	1 116 200	1 116 200	1 016 035	1 243 074	1 516 295
Net cash from (used) investing	(1 642 409)	(1 628 508)	(1 466 466)	(2 085 222)	(1 395 525)	(1 395 525)	(1 217 893)	(1 166 286)	(1 191 507)
Net cash from (used) financing	(57 974)	(54 396)	(45 191)	677 964	(54 650)	(54 650)	(43 136)	(26 246)	(24 814)
Cash/cash equivalents at the year end	1 357 578	1 126 078	677 023	881 123	917 650	917 650	693 100	743 641	1 043 616
Cash backing/surplus reconciliation									
Cash and investments available	1 357 578	1 126 078	677 023	881 123	917 650	917 650	693 100	743 641	1 043 616
Application of cash and investments	1 251 301	1 098 580	822 670	547 730	528 748	528 748	(1 222 288)	(1 583 608)	(2 058 826)
Balance - surplus (shortfall)	106 277	27 498	(145 646)	333 393	388 902	388 902	1 915 388	2 327 249	3 102 442
Asset management									
Asset register summary (WDV)	15 434 501	17 447 510	20 296 986	16 728 368	16 750 906	16 750 906	19 341 538	22 441 589	24 002 384
Depreciation	1 709 074	1 387 682	1 568 683	613 412	613 412	613 412	608 745	815 312	1 080 312
Renewal and Upgrading of Existing Assets	637 015	706 277	797 993	1 393 230	851 821	851 821	644 073	635 834	654 528
Repairs and Maintenance	382 245	384 520	401 390	446 072	472 403	472 403	537 236	562 486	–
Free services									
Cost of Free Basic Services provided	623 586	645 381	710 967	820 753	820 753	820 753	893 966	971 065	1 048 770
Revenue cost of free services provided	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739
Households below minimum service level									
Water:	5	5	2	2	2	2	2	2	1
Sanitation/sew erage:	15	11	9	7	7	7	4	4	4
Energy :	38	38	40	37	37	37	37	36	36
Refuse:	41	45	66	30	30	30	30	30	30

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

Functional Classification Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional									
<i>Governance and administration</i>	2 674 764	3 016 488	3 130 086	3 404 043	3 484 132	3 484 132	3 809 862	4 013 641	4 218 122
Executive and council	32 555	31 399	27 407	24 215	24 215	24 215	19 918	18 738	19 466
Finance and administration	2 642 208	2 985 088	3 102 680	3 379 828	3 459 917	3 459 917	3 789 944	3 994 903	4 198 657
Internal audit	–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>	472 593	679 485	450 333	638 480	639 034	639 034	704 913	635 142	670 341
Community and social services	24 613	26 858	25 320	47 067	46 982	46 982	60 942	43 877	45 886
Sport and recreation	4 363	1 100	8 435	24 210	33 502	33 502	27 466	22 473	23 507
Public safety	153 127	182 627	179 714	219 117	197 516	197 516	205 616	215 355	225 477
Housing	290 187	468 827	236 851	348 050	360 998	360 998	410 850	353 397	375 428
Health	304	73	13	36	36	36	38	40	42
<i>Economic and environmental services</i>	435 006	419 513	234 001	268 206	294 280	294 280	206 023	228 156	233 724
Planning and development	229 024	153 012	86 022	87 261	100 335	100 335	108 323	100 844	104 760
Road transport	205 143	266 257	147 979	180 945	193 945	193 945	97 701	127 312	128 964
Environmental protection	839	243	–	–	–	–	–	–	–
<i>Trading services</i>	4 071 822	4 598 723	4 990 728	5 025 896	4 941 046	4 941 046	5 293 190	5 877 935	6 459 142
Energy sources	1 978 938	1 973 021	2 248 953	2 645 758	2 560 758	2 560 758	2 707 089	3 057 191	3 451 031
Water management	921 274	1 457 580	1 541 833	1 152 514	1 144 514	1 144 514	1 240 971	1 412 101	1 544 014
Waste water management	603 286	654 124	650 803	642 008	642 008	642 008	723 711	774 498	800 182
Waste management	568 323	513 998	549 140	585 615	593 766	593 766	621 419	634 145	663 915
<i>Other</i>	35 708	51 266	78 761	118 337	109 841	109 841	93 080	85 261	88 951
Total Revenue - Functional	7 689 893	8 765 475	8 883 910	9 454 962	9 468 334	9 468 334	10 107 068	10 840 136	11 670 280
Expenditure - Functional									
<i>Governance and administration</i>	1 313 645	1 570 294	1 671 206	1 813 110	1 779 496	1 779 496	1 881 909	1 920 613	1 965 462
Executive and council	437 806	343 353	346 987	360 044	352 421	352 421	368 376	381 607	391 813
Finance and administration	866 396	1 217 360	1 313 220	1 438 849	1 413 238	1 413 238	1 498 577	1 523 313	1 557 215
Internal audit	9 442	9 580	10 998	14 216	13 838	13 838	14 957	15 693	16 435
<i>Community and public safety</i>	1 005 038	1 097 119	1 211 276	1 306 265	1 252 872	1 252 872	1 416 010	1 478 710	1 562 014
Community and social services	137 194	171 679	178 875	169 963	162 673	162 673	221 363	233 621	245 359
Sport and recreation	353 214	362 721	435 689	419 859	395 805	395 805	444 515	479 491	512 983
Public safety	425 979	470 259	496 627	496 608	469 524	469 524	513 143	535 085	557 872
Housing	45 567	45 918	48 631	162 205	172 836	172 836	187 830	175 564	188 432
Health	43 084	46 542	51 454	57 631	52 035	52 035	49 160	54 949	57 368
<i>Economic and environmental services</i>	1 524 961	1 071 471	1 097 826	697 530	695 099	695 099	706 551	836 466	1 000 210
Planning and development	519 987	233 835	203 702	191 564	190 977	190 977	203 844	233 241	276 429
Road transport	977 756	805 485	894 124	505 966	504 122	504 122	502 707	603 225	723 781
Environmental protection	27 218	32 152	–	–	–	–	–	–	–
<i>Trading services</i>	3 812 482	4 330 985	4 999 525	4 724 022	4 670 614	4 670 614	5 173 555	5 637 130	6 136 733
Energy sources	2 232 541	2 203 325	2 708 470	3 022 224	2 974 066	2 974 066	3 432 312	3 810 648	4 218 508
Water management	654 320	1 222 202	1 230 632	812 623	804 565	804 565	852 332	913 889	973 374
Waste water management	377 346	434 035	526 763	415 022	412 098	412 098	393 769	413 012	432 164
Waste management	548 274	471 423	533 661	474 152	479 885	479 885	495 141	499 580	512 688
<i>Other</i>	120 552	113 237	137 726	177 930	174 704	174 704	159 355	156 577	165 232
Total Expenditure - Functional	7 776 677	8 183 106	9 117 559	8 718 857	8 572 785	8 572 785	9 337 380	10 029 496	10 829 651
Surplus/(Deficit) for the year	(86 785)	582 369	(233 649)	736 105	895 549	895 549	769 687	810 640	840 629

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

Vote Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote									
Vote 1 - Directorate - Executive Support Services	90	442	191	522	712	712	377	-	-
Vote 2 - Directorate - Municipal Manager	32 547	31 520	27 415	23 693	23 693	23 693	19 541	18 738	19 466
Vote 3 - Directorate - Human Settlement	290 187	468 827	236 851	348 050	360 998	360 998	410 850	353 397	375 428
Vote 4 - Directorate - Chief Financial Officer	2 610 630	2 915 858	3 035 621	3 340 617	3 420 366	3 420 366	3 750 743	3 954 629	4 156 589
Vote 5 - Directorate - Corporate Services	10 957	11 216	12 451	12 489	12 489	12 489	11 778	12 816	13 354
Vote 6 - Directorate - Infrastructure Services	3 708 641	4 350 983	4 589 568	4 621 226	4 541 226	4 541 226	4 769 472	5 371 103	5 924 191
Vote 7 - Directorate - Spatial Planning And Development	249 564	210 464	140 429	113 984	127 208	127 208	135 746	128 302	133 473
Vote 8 - Directorate - Public Safety & Emergency Services	153 431	182 700	179 714	219 117	197 516	197 516	205 616	215 355	225 477
Vote 9 - Directorate - Municipal Services	598 138	542 199	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	35 708	51 266	78 761	118 337	109 841	109 841	93 080	85 261	88 951
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	549 405	591 151	608 802	608 802	627 167	639 906	669 935
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	33 503	65 776	65 484	65 484	82 698	60 629	63 416
Total Revenue by Vote	7 689 893	8 765 475	8 883 910	9 454 962	9 468 334	9 468 334	10 107 068	10 840 136	11 670 280
Expenditure by Vote to be appropriated									
Vote 1 - Directorate - Executive Support Services	310 518	281 388	278 459	291 865	282 531	282 531	304 739	317 183	329 977
Vote 2 - Directorate - Municipal Manager	134 884	136 201	148 509	154 574	153 479	153 479	153 112	158 345	160 227
Vote 3 - Directorate - Human Settlement	45 567	45 592	48 283	161 814	172 446	172 446	187 439	175 156	188 006
Vote 4 - Directorate - Chief Financial Officer	434 456	690 997	752 638	970 076	948 379	948 379	1 012 840	1 005 554	994 471
Vote 5 - Directorate - Corporate Services	224 517	245 516	243 555	227 076	227 678	227 678	240 909	242 326	253 317
Vote 6 - Directorate - Infrastructure Services	4 343 414	4 790 750	5 493 492	4 869 537	4 804 397	4 804 397	5 291 826	5 862 170	6 482 629
Vote 7 - Directorate - Spatial Planning And Development	627 806	361 243	356 036	281 535	283 011	283 011	297 599	344 706	406 355
Vote 8 - Directorate - Public Safety & Emergency Services	474 180	517 919	501 899	501 008	473 471	473 471	516 559	538 671	560 791
Vote 9 - Directorate - Municipal Services	1 060 783	1 006 724	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	120 552	106 775	130 371	171 304	168 178	168 178	152 729	149 660	158 003
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	695 442	656 627	644 938	644 938	659 806	680 538	701 799
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	468 558	433 442	414 277	414 277	519 821	555 188	594 076
Total Expenditure by Vote	7 776 677	8 183 106	9 117 241	8 718 857	8 572 785	8 572 785	9 337 380	10 029 496	10 829 651
Surplus/(Deficit) for the year	(86 785)	582 369	(233 331)	736 105	895 549	895 549	769 687	810 640	840 629

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
Revenue									
Exchange Revenue									
Service charges - Electricity	1 838 105	1 940 773	2 199 541	2 549 552	2 469 552	2 469 552	2 614 161	2 947 205	3 322 679
Service charges - Water	709 744	1 146 063	1 255 133	849 617	849 617	849 617	933 423	1 025 496	1 126 651
Service charges - Waste Water Management	377 249	429 316	470 773	468 519	468 519	468 519	493 351	517 525	541 848
Service charges - Waste Management	335 843	353 492	387 546	385 616	385 616	385 616	406 053	425 950	445 969
Sale of Goods and Rendering of Services	53 965	103 397	109 848	138 762	138 611	138 611	145 958	153 110	160 306
Agency services	21 676	25 112	23 879	40 945	25 509	25 509	26 861	28 177	29 501
Interest	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	122 587	118 562	176 561	121 249	201 249	201 249	211 915	222 299	232 747
Interest earned from Current and Non Current Assets	70 130	40 801	32 364	30 239	30 239	30 239	23 027	24 156	25 291
Dividends	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	22 652	24 222	21 116	21 965	21 965	21 965	23 129	24 263	25 403
Licence and permits	-	-	-	-	-	-	-	-	-
Operational Revenue	-	52 607	38 082	79 752	79 903	79 903	84 138	88 261	92 409
Non-Exchange Revenue									
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	2 208 577	2 316 798	2 425 687
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	10 864	16 659	12 408	22 435	19 070	19 070	20 080	21 064	22 054
Licences or permits	12 587	12 411	12 128	19 739	16 778	16 778	17 667	18 533	19 404
Transfer and subsidies - Operational	979 243	1 202 782	1 052 872	1 314 276	1 348 788	1 348 788	1 397 328	1 447 125	1 547 896
Interest	-	-	-	-	-	-	-	-	-
Fuel Levy	547 497	593 337	652 199	719 203	719 203	719 203	741 926	779 747	819 383
Operational Revenue	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	4 254	34 411	16 618	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contribution)	6 573 796	7 685 465	8 194 980	8 720 086	8 732 836	8 732 836	9 347 595	10 039 708	10 837 230
Expenditure									
Employee related costs	2 180 296	2 510 669	2 510 297	2 654 517	2 575 707	2 575 707	2 842 422	2 980 359	3 119 884
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	74 057	77 686	81 337
Bulk purchases - electricity	1 528 586	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 512 494	2 832 586	3 193 457
Inventory consumed	338 317	327 361	369 179	313 540	266 143	266 143	285 324	310 324	336 826
Debt impairment	601 842	911 741	1 385 422	1 211 246	1 211 246	1 211 246	1 328 917	1 295 031	1 205 684
Depreciation and amortisation	1 709 074	1 387 682	1 568 683	613 412	613 412	613 412	608 745	815 312	1 080 312
Interest	32 564	25 757	20 684	49 356	49 356	49 356	13 565	13 904	14 252
Contracted services	663 059	627 519	576 630	871 926	889 552	889 552	890 317	909 876	959 661
Transfers and subsidies	130 821	104 708	127 078	170 336	189 639	189 639	153 897	138 991	144 070
Irrecoverable debts written off	-	-	-	-	-	-	-	-	-
Operational costs	513 749	543 124	600 898	521 697	504 903	504 903	535 103	553 873	582 721
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-
Other Losses	13 683	22 200	1 302	82 136	82 136	82 136	92 540	101 554	111 446
Total Expenditure	7 776 677	8 156 478	9 147 110	8 718 857	8 572 785	8 572 785	9 337 380	10 029 496	10 829 651
Surplus/(Deficit)	(1 202 882)	(471 014)	(952 129)	1 229	160 051	160 051	10 215	10 212	7 579
Transfers and subsidies - capital (monetary allocations)	1 010 413	1 065 032	686 434	734 875	735 498	735 498	759 472	800 428	833 050
Transfers and subsidies - capital (in-kind)	-	14 979	2 495	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(192 468)	608 997	(263 200)	736 105	895 549	895 549	769 687	810 640	840 629
Income Tax	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	(192 468)	608 997	(263 200)	736 105	895 549	895 549	769 687	810 640	840 629
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(192 468)	608 997	(263 200)	736 105	895 549	895 549	769 687	810 640	840 629
Share of Surplus/Deficit attributable to Associate	105 684	(26 628)	29 869	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(86 785)	582 369	(233 331)	736 105	895 549	895 549	769 687	810 640	840 629

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

Vote Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Directorate - Executive Support Services	2 783	480	5 369	500	1 200	1 200	500	500	500
Vote 2 - Directorate - Municipal Manager	777	89	2 946	600	1 650	1 650	600	500	500
Vote 3 - Directorate - Human Settlement	268 249	433 952	214 662	235 992	235 992	235 992	278 200	236 344	249 601
Vote 4 - Directorate - Chief Financial Officer	69 252	112 064	205 433	250 714	84 138	84 138	71 938	13 500	33 500
Vote 5 - Directorate - Corporate Services	30 114	10 638	4 494	4 980	14 664	14 664	10 640	11 650	6 650
Vote 6 - Directorate - Infrastructure Services	737 607	663 463	653 787	1 274 245	732 891	732 891	520 461	640 126	658 198
Vote 7 - Directorate - Spatial Planning And Development	232 207	143 363	115 477	105 341	100 399	100 399	136 617	83 458	87 062
Vote 8 - Directorate - Public Safety & Emergency Services	8 257	22 932	8 836	22 900	39 805	39 805	32 188	15 500	43 500
Vote 9 - Directorate - Municipal Services	137 421	76 063	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	60 999	127 070	140 130	103 561	77 977	77 977	64 100	50 139	61 825
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	13 027	38 319	50 919	50 919	42 000	77 570	26 661
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	43 723	48 070	55 889	55 889	60 650	37 000	23 510
Capital multi-year expenditure sub-total	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507
Single-year expenditure to be appropriated									
Vote 1 - Directorate - Executive Support Services	-	-	-	-	-	-	-	-	-
Vote 2 - Directorate - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Directorate - Human Settlement	-	-	-	-	-	-	-	-	-
Vote 4 - Directorate - Chief Financial Officer	-	-	-	-	-	-	-	-	-
Vote 5 - Directorate - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 6 - Directorate - Infrastructure Services	-	-	-	-	-	-	-	-	-
Vote 7 - Directorate - Spatial Planning And Development	-	-	-	-	-	-	-	-	-
Vote 8 - Directorate - Public Safety & Emergency Services	-	-	-	-	-	-	-	-	-
Vote 9 - Directorate - Municipal Services	-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies	-	-	-	-	-	-	-	-	-
Vote 11 - Directorate - Solid Waste And Environmental Management	-	-	-	-	-	-	-	-	-
Vote 12 - Directorate - Sport, Recreation & Community Development	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507

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

Vote Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional									
Governance and administration	133 207	170 418	260 451	283 794	133 001	133 001	118 178	51 650	57 322
Executive and council	32 649	9 500	7 969	1 100	2 400	2 400	1 100	1 000	1 000
Finance and administration	100 558	160 919	252 482	282 694	130 150	130 150	117 078	50 650	56 322
Internal audit	–	–	–	–	450	450	–	–	–
Community and public safety	316 498	488 865	271 363	318 812	358 635	358 635	379 038	304 114	325 578
Community and social services	12 081	20 665	15 882	29 400	27 400	27 400	45 950	22 950	28 808
Sport and recreation	27 961	16 687	32 823	27 520	52 308	52 308	33 200	26 820	15 668
Public safety	7 107	17 180	6 033	20 900	37 805	37 805	20 688	11 500	31 500
Housing	268 249	433 952	214 662	235 992	235 992	235 992	278 200	236 344	249 601
Health	1 102	380	1 963	5 000	5 129	5 129	1 000	6 500	–
Economic and environmental services	542 865	489 013	440 341	478 569	542 517	542 517	285 953	246 389	229 678
Planning and development	213 624	130 682	80 980	83 341	76 337	76 337	112 117	67 958	70 890
Road transport	327 124	358 331	359 361	395 228	466 180	466 180	173 837	178 432	158 788
Environmental protection	2 117	–	–	–	–	–	–	–	–
Trading services	494 097	314 748	295 599	900 486	283 396	283 396	370 624	513 994	517 105
Energy sources	133 475	120 908	120 634	145 513	104 149	104 149	132 820	156 388	183 557
Water management	122 702	78 202	104 762	160 980	107 275	107 275	100 205	171 028	176 440
Waste water management	142 609	71 555	61 318	567 524	48 000	48 000	103 598	124 278	139 412
Waste management	95 312	44 082	8 886	26 469	23 971	23 971	34 000	62 300	17 694
Other	60 999	127 070	140 130	103 561	77 977	77 977	64 100	50 139	61 825
Total Capital Expenditure - Functional	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507
Funded by:									
National Government	903 947	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Provincial Government	1 579	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	905 526	970 986	624 464	734 875	735 498	735 498	759 472	800 428	833 050
Borrowing	–	3 079	11 727	732 614	–	–	–	–	–
Internally generated funds	642 141	616 049	771 693	617 733	660 027	660 027	458 421	365 858	358 456
Total Capital Funding	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507

Table 99: MBRR Table A6 - Budgeted Financial Position

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
ASSETS									
Current assets									
Cash and cash equivalents	1 357 578	1 126 078	677 023	881 123	917 650	917 650	693 100	743 641	1 043 616
Trade and other receivables from exchange transactions	1 183 764	1 775 268	1 877 456	1 781 068	1 861 068	1 861 068	1 988 297	2 173 596	2 408 784
Receivables from non-exchange transactions	680 143	775 364	828 130	823 198	823 198	823 198	866 360	960 974	1 108 519
Current portion of non-current receivables									
Inventory	34 408	37 046	44 147	38 187	38 187	38 187	46 187	48 187	50 187
VAT									
Other current assets									
Total current assets	3 255 894	3 713 757	3 426 757	3 523 575	3 640 103	3 640 103	3 593 944	3 926 398	4 611 106
Non current assets									
Investments									
Investment property	406 526	436 049	451 398	440 098	440 098	440 098	467 196	483 548	500 472
Property, plant and equipment	19 199 672	21 521 783	24 450 274	22 904 973	22 207 189	22 207 189	24 611 852	27 620 826	29 157 352
Biological assets									
Living and non-living resources									
Heritage assets	50 513	50 513	50 513				50 513	50 513	50 513
Intangible assets	13 563	11 971	10 071	12 299	12 299	12 299	9 668	9 958	10 256
Trade and other receivables from exchange transactions									
Non-current receivables from non-exchange transactions									
Other non-current assets	703 076	676 449	706 317	759 432	767 519	767 519	731 038	749 314	760 554
Total non current assets	20 373 351	22 696 765	25 668 573	24 116 803	23 427 106	23 427 106	25 870 268	28 914 160	30 479 148
TOTAL ASSETS	23 629 244	26 410 522	29 095 330	27 640 378	27 067 208	27 067 208	29 464 212	32 840 559	35 090 254
LIABILITIES									
Current liabilities									
Bank overdraft									
Financial liabilities	54 396	45 191	49 141	56 859	56 859	56 859	30 246	28 814	25 086
Consumer deposits	70 143	74 226	79 793	77 789	77 789	77 789	83 793	87 793	91 793
Trade and other payables from exchange transactions	1 332 968	1 557 064	1 357 271	1 325 908	1 325 908	1 325 908	1 397 989	1 439 928	1 483 126
Trade and other payables from non-exchange transactions	527 613	264 699	274 306				282 535	291 011	299 741
Provision	376 859	404 032	406 935	396 598	396 598	396 598	407 435	407 935	408 435
VAT									
Other current liabilities									
Total current liabilities	2 361 978	2 345 212	2 167 445	1 857 153	1 857 153	1 857 153	2 201 998	2 255 481	2 308 181
Non current liabilities									
Financial liabilities	233 185	187 994	138 854	1 422 411	689 797	689 797	108 608	79 794	54 708
Provision	643 954	808 101	924 811	831 865	831 865	831 865	952 555	981 132	1 010 566
Long term portion of trade payables									
Other non-current liabilities									
Total non current liabilities	877 139	996 095	1 063 665	2 254 276	1 521 661	1 521 661	1 061 163	1 060 926	1 065 274
TOTAL LIABILITIES	3 239 118	3 341 307	3 231 110	4 111 429	3 378 815	3 378 815	3 263 161	3 316 407	3 373 455
NET ASSETS	20 390 127	23 069 215	25 864 220	23 528 949	23 688 394	23 688 394	26 201 051	29 524 152	31 716 799
COMMUNITY WEALTH/EQUITY									
Accumulated surplus/(deficit)	10 929 562	11 466 060	11 232 728	13 416 306	13 575 751	13 575 751	13 118 193	12 616 341	12 633 676
Reserves and funds	9 460 565	11 603 155	14 631 492	10 112 643	10 112 643	10 112 643	13 082 858	16 907 811	19 083 123
Other									
TOTAL COMMUNITY WEALTH/EQUITY	20 390 127	23 069 215	25 864 220	23 528 949	23 688 394	23 688 394	26 201 051	29 524 152	31 716 799

Table 100: MBRR Table A7 - Budgeted Cash Flow Statement

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	1 468 355	1 589 415	1 387 131	1 576 364	1 576 364	1 576 364	1 777 905	1 911 358	2 061 834
Service charges	3 180 242	3 937 345	3 351 451	3 423 909	3 343 909	3 343 909	3 579 825	4 055 845	4 621 576
Other revenue	69 564	(623 535)	640 103	851 289	829 526	829 526	878 197	923 315	970 303
Transfers and Subsidies - Operational	979 243	1 202 782	1 059 983	1 314 276	1 348 788	1 348 788	1 397 328	1 447 125	1 547 896
Transfers and Subsidies - Capital	1 010 413	1 069 736	688 929	734 875	735 498	735 498	759 472	800 428	833 050
Interest	192 171	160 222	208 925	30 239	30 239	30 239	23 027	24 156	25 291
Dividends							-	-	-
Payments									
Suppliers and employees	(4 846 287)	(5 754 095)	(6 126 159)	(6 674 506)	(6 509 131)	(6 509 131)	(7 232 257)	(7 766 258)	(8 385 332)
Interest	(32 564)	(25 757)	(20 684)	(49 356)	(49 356)	(49 356)	(13 565)	(13 904)	(14 252)
Transfers and Subsidies	(130 821)	(104 708)	(127 078)	(170 336)	(189 639)	(189 639)	(153 897)	(138 991)	(144 070)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 890 315	1 451 404	1 062 601	1 036 755	1 116 200	1 116 200	1 016 035	1 243 074	1 516 295
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	10 324	36 769	1 264				-	-	-
Decrease (increase) in non-current receivables							-	-	-
Decrease (increase) in non-current investments							-	-	-
Payments									
Capital assets	(1 652 733)	(1 665 277)	(1 467 730)	(2 085 222)	(1 395 525)	(1 395 525)	(1 217 893)	(1 166 286)	(1 191 507)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 642 409)	(1 628 508)	(1 466 466)	(2 085 222)	(1 395 525)	(1 395 525)	(1 217 893)	(1 166 286)	(1 191 507)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans				-			-	-	-
Borrowing long term/refinancing				732 614			-	-	-
Increase (decrease) in consumer deposits				8 182	8 182	8 182	6 005	4 000	4 000
Payments									
Repayment of borrowing	(57 974)	(54 396)	(45 191)	(62 833)	(62 833)	(62 833)	(49 141)	(30 246)	(28 814)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(57 974)	(54 396)	(45 191)	677 964	(54 650)	(54 650)	(43 136)	(26 246)	(24 814)
NET INCREASE/ (DECREASE) IN CASH HELD	189 932	(231 500)	(449 055)	(370 503)	(333 976)	(333 976)	(244 994)	50 541	299 974
Cash/cash equivalents at the year begin:	1 167 646	1 357 578	1 126 078	1 251 626	1 251 626	1 251 626	938 094	693 100	743 641
Cash/cash equivalents at the year end:	1 357 578	1 126 078	677 023	881 123	917 650	917 650	693 100	743 641	1 043 616

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

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available									
Cash/cash equivalents at the year end	1 357 578	1 126 078	677 023	881 123	917 650	917 650	693 100	743 641	1 043 616
Other current investments > 90 days	-	-	(0)	(0)	(0)	(0)	0	0	0
Non current Investments	-	-	-	-	-	-	-	-	-
Cash and investments available:	1 357 578	1 126 078	677 023	881 123	917 650	917 650	693 100	743 641	1 043 616
Application of cash and investments									
Unspent conditional transfers	527 613	264 699	274 306	760 966	760 966	760 966	282 535	291 011	299 741
Unspent borrowing									
Statutory requirements			(10 556)	(11 063)	(11 063)	(11 063)	(11 649)	(12 220)	(12 794)
Other working capital requirements	346 830	429 849	151 986	(598 771)	(617 753)	(617 753)	(1 900 608)	(2 270 333)	(2 754 208)
Other provisions	376 859	404 032	406 935	396 598	396 598	396 598	407 435	407 935	408 435
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments									
Total Application of cash and investments:	1 251 301	1 098 580	822 670	547 730	528 748	528 748	(1 222 288)	(1 583 608)	(2 058 826)
Surplus(shortfall)	106 277	27 498	(145 646)	333 393	388 902	388 902	1 915 388	2 327 249	3 102 442

MBRR Table A9 – Asset Management (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
CAPITAL EXPENDITURE									
Total Upgrading of Existing Assets	311 922	493 299	491 837	1 075 687	574 246	574 246	342 801	295 718	314 764
<i>Roads Infrastructure</i>	70 505	232 087	280 638	364 539	402 422	402 422	150 198	100 732	101 214
<i>Electrical Infrastructure</i>	43 348	13 906	8 321	25 000	19 000	19 000	20 000	20 000	30 000
<i>Water Supply Infrastructure</i>	19 459	15 228	7 150	7 204	7 204	7 204	7 155	10 000	10 448
<i>Sanitation Infrastructure</i>	65 638	63 519	46 597	557 524	38 000	38 000	77 098	100 278	119 561
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	198 949	324 739	342 707	954 267	466 626	466 626	254 451	231 010	261 223
Community Facilities	64 547	36 612	35 502	53 200	52 012	52 012	50 450	42 408	42 340
Sport and Recreation Facilities	16 095	94 686	107 449	54 350	43 927	43 927	16 900	14 000	4 112
Community Assets	80 641	131 298	142 951	107 550	95 940	95 940	67 350	56 408	46 451
Heritage Assets	1 544	152	1 062	1 000	1 001	1 001	1 000	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	28 793	36 571	4 722	11 470	9 280	9 280	18 400	6 600	6 090
Other Assets	28 793	36 571	4 722	11 470	9 280	9 280	18 400	6 600	6 090
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	1 000	1 000	1 000	-	-	-
Intangible Assets	-	-	-	1 000	1 000	1 000	-	-	-
Transport Assets	-	-	-	-	-	-	1 000	1 000	1 000
Zoo's, Marine and Non-biological Animals	1 995	539	396	400	400	400	600	700	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507
<i>Roads Infrastructure</i>	558 282	570 267	528 401	507 044	597 551	597 551	333 103	284 630	270 991
<i>Storm water Infrastructure</i>	156 443	27 334	29 943	20 800	41 390	41 390	45 975	26 625	27 804
<i>Electrical Infrastructure</i>	163 336	180 913	179 373	239 432	124 753	124 753	129 566	157 388	193 057
<i>Water Supply Infrastructure</i>	149 787	114 957	257 724	396 681	196 171	196 171	244 168	266 903	287 350
<i>Sanitation Infrastructure</i>	168 143	169 425	101 078	609 866	92 183	92 183	142 648	183 424	189 367
<i>Solid Waste Infrastructure</i>	39 919	3 434	38	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	17 253	2 987	1 136	2 500	6 301	6 301	2 000	4 500	-
Infrastructure	1 253 162	1 069 316	1 097 693	1 776 322	1 058 350	1 058 350	897 461	923 470	968 569
Community Facilities	77 635	51 396	51 686	97 500	78 641	78 641	102 538	79 827	90 748
Sport and Recreation Facilities	16 933	94 735	108 956	63 550	61 260	61 260	23 000	22 620	11 378
Community Assets	94 567	146 131	160 642	161 050	139 900	139 900	125 538	102 447	102 127
Heritage Assets	5 526	160	1 762	2 500	3 101	3 101	2 000	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	34 166	40 997	22 528	44 939	36 577	36 577	60 900	27 400	33 284
Housing	-	176 873	31 403	21 200	28 959	28 959	46 500	5 000	5 224
Other Assets	34 166	217 869	53 931	66 139	65 536	65 536	107 400	32 400	38 508
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	1 000	1 000	1 000	-	-	-
Licences and Rights	53 718	27 844	13 632	8 500	20 872	20 872	3 000	3 000	3 000
Intangible Assets	53 718	27 844	13 632	9 500	21 872	21 872	3 000	3 000	3 000
Computer Equipment	2 836	3 750	1 733	-	1 050	1 050	2 400	1 400	1 400
Furniture and Office Equipment	7 938	5 462	14 894	9 650	20 169	20 169	16 340	15 250	21 474
Machinery and Equipment	46 466	43 908	22 521	13 661	17 271	17 271	19 654	36 619	14 758
Transport Assets	47 292	75 135	16 963	31 000	52 875	52 875	28 500	36 000	26 000
Land	-	-	23 716	15 000	15 000	15 000	15 000	15 000	15 672
Zoo's, Marine and Non-biological Animals	1 995	539	396	400	400	400	600	700	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	1 547 666	1 590 115	1 407 884	2 085 222	1 395 525	1 395 525	1 217 893	1 166 286	1 191 507

MBRR Table A9 – Asset Management (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand									
CAPITAL EXPENDITURE									
ASSET REGISTER SUMMARY - PPE (WDV)	15 434 501	17 447 510	20 296 986	16 728 368	16 750 906	16 750 906	19 341 538	22 441 589	24 002 384
<i>Roads Infrastructure</i>	4 752 462	5 463 769	6 265 695	5 229 257	5 234 757	5 234 757	13 285 795	13 924 105	13 825 100
<i>Storm water Infrastructure</i>	(96 470)	(96 279)	(94 582)	1 000	4 000	4 000	250	500	522
<i>Electrical Infrastructure</i>	3 423 469	3 903 095	4 379 685	5 131 867	5 099 259	5 099 259	1 626 150	3 432 929	4 347 594
<i>Water Supply Infrastructure</i>	2 468 644	2 816 347	3 507 232	3 632 674	3 636 018	3 636 018	1 630 875	1 649 969	1 651 156
<i>Sanitation Infrastructure</i>	1 765 574	1 910 251	2 167 684	1 811 416	1 814 416	1 814 416	1 817 666	1 801 416	1 822 640
<i>Solid Waste Infrastructure</i>	107 939	4 839	252 818	-	-	-	-	-	-
<i>Rail Infrastructure</i>	(226)	(293)	(367)	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	75	(141)	994	2 500	6 301	6 301	2 000	4 500	-
Infrastructure	12 421 467	14 001 587	16 479 158	15 808 714	15 794 752	15 794 752	18 362 735	20 813 419	21 647 014
Community Assets	1 121 344	1 272 318	1 447 950	11 130	16 418	16 418	39 330	(550)	(3 690)
Heritage Assets	50 513	50 513	50 513	50 513	50 514	50 514	50 513	50 513	50 513
Investment properties	406 526	436 049	451 398	440 098	440 098	440 098	467 196	483 548	500 472
Other Assets	916 328	1 101 231	1 304 490	369 882	376 446	376 446	366 482	374 982	356 154
Biological or Cultivated Assets									
Intangible Assets	13 563	11 736	10 071	12 299	12 299	12 299	9 668	9 958	10 256
Computer Equipment	306	(2 288)	(592)	5 048	5 888	5 888	6 948	6 448	5 948
Furniture and Office Equipment	56 518	124 786	113 803	(145 067)	(143 786)	(143 786)	(141 477)	506 463	1 261 770
Machinery and Equipment	38 137	45 833	54 526	36 015	37 706	37 706	40 908	55 074	37 212
Transport Assets	328 140	324 088	301 190	139 734	160 570	160 570	139 234	141 734	136 734
Land	81 658	81 658	84 479	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	15 434 501	17 447 510	20 296 986	16 728 368	16 750 906	16 750 906	19 341 538	22 441 589	24 002 384
EXPENDITURE OTHER ITEMS	2 091 319	1 772 202	1 970 073	1 059 485	1 085 815	1 085 815	1 106 185	1 352 547	1 642 797
Depreciation	1 709 074	1 387 682	1 568 683	613 412	613 412	613 412	608 745	815 312	1 080 312
Repairs and Maintenance by Asset Class	382 245	384 520	401 390	446 072	472 403	472 403	497 440	537 236	562 486
<i>Roads Infrastructure</i>	103 553	105 276	101 197	106 299	111 098	111 098	116 986	126 345	132 284
<i>Storm water Infrastructure</i>	10 266	10 047	11 846	11 093	11 093	11 093	11 681	12 616	13 209
<i>Electrical Infrastructure</i>	35 473	35 299	39 245	36 851	42 851	42 851	45 122	48 732	51 022
<i>Water Supply Infrastructure</i>	2 711	2 911	2 998	3 320	3 363	3 363	3 541	3 824	4 004
<i>Sanitation Infrastructure</i>	32 199	25 986	25 619	27 421	32 421	32 421	34 139	36 870	38 603
<i>Solid Waste Infrastructure</i>	1 121	1 201	1 285	1 287	1 237	1 237	1 303	1 407	1 473
Infrastructure	185 323	180 719	182 189	186 271	202 064	202 064	212 773	229 795	240 595
<i>Community Facilities</i>	5 245	6 857	10 207	5 203	5 203	5 203	5 479	5 917	6 195
<i>Sport and Recreation Facilities</i>	1 769	2 081	2 364	1 697	1 697	1 697	1 787	1 930	2 021
Community Assets	7 014	8 938	12 571	6 901	6 901	6 901	7 266	7 848	8 216
Heritage Assets	9	9	8	9	9	9	10	11	11
Investment properties	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
Other Assets	24 548	26 692	27 957	34 292	37 628	37 628	39 622	42 792	44 803
<i>Licences and Rights</i>	-	-	-	663	-	-	-	-	-
Intangible Assets	-	-	-	663	-	-	-	-	-
Computer Equipment	672	604	425	1 198	1 198	1 198	1 262	1 363	1 427
Furniture and Office Equipment	5 146	6 831	4 161	7 939	8 706	8 706	9 167	9 901	10 366
Machinery and Equipment	132 224	134 004	149 865	177 118	183 631	183 631	193 363	208 832	218 647
Transport Assets	27 308	26 724	24 215	31 682	32 267	32 267	33 977	36 695	38 420
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	2 091 319	1 772 202	1 970 073	1 059 485	1 085 815	1 085 815	1 106 185	1 352 547	1 642 797

MBRR Table A10 – Basic Service Delivery Measurement (continued)

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	40 321	40 321	40 321	42 821	42 821	42 821	45 321	47 821	50 321
Sanitation (free minimum level service)	38 219	38 219	38 219	35 076	35 076	35 076	37 576	40 076	42 576
Electricity/other energy (50kwh per household per month)	81 304	72 569	61 194	63 694	63 694	63 694	66 194	68 694	71 194
Refuse (removed at least once a week)	42 191	42 191	42 191	44 691	44 691	44 691	47 191	49 691	52 191
Informal Settlements	128	128	128	129	129	129	130	131	133
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	206 416	218 559	223 324	206 670	206 670	206 670	227 056	249 453	274 059
Sanitation (free sanitation service to indigent households)	56 381	61 503	73 090	98 301	98 301	98 301	103 511	108 583	113 686
Electricity/other energy (50kwh per indigent household per month)	49 660	44 962	50 947	82 663	82 663	82 663	95 146	107 267	120 933
Refuse (removed once a week for indigent households)	104 312	110 803	133 479	166 585	166 585	166 585	175 414	184 009	192 657
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	206 816	209 553	230 126	266 534	266 534	266 534	292 840	321 753	347 435
Total cost of FBS provided	623 586	645 381	710 967	820 753	820 753	820 753	893 966	971 065	1 048 770
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)	115	86	102	107	107	107	113	118	124
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)	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739
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	107 071	110 082	127 403	249 239	249 239	249 239	281 105	294 879	308 739

2.17 CITY MANAGER'S QUALITY CERTIFICATE

I **Ncumisa Sidukwana**, Acting City Manager of Buffalo City Metropolitan Municipality, hereby certify that the 2023/2024 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: Ncumisa Sidukwana

Acting City Manager of Buffalo City Metropolitan Municipality (BUF)

Signature _____

Date _____

ANNEXURES:

- C.1. 2023/2024 MTREF Capital Projects - Per Programme/Project
- C.2. 2023/2024 MTREF Capital Projects – Detailed Schedule
- D.1. 2023/2024 MTREF Operating Projects-Per Programme/Project
- D.2. 2023/2024 MTREF Operating Projects – Detailed Schedule
- E: BCMM mSCOA Systems Implementation Status Report
- F: 2023/2024 Tariff Book
- G: 2023/2024 Tariff Policy
- H: 2023/2024 Property Rates Policy & Property Rates By-Law
- I: 2023/2024 Supply Chain Management Policy
- J: 2023/2024 Immovable Asset Policy
- K: 2023/2024 Movable Asset Policy
- L: 2023/2024 Budget Virement Policy
- M: 2023/2024 Funding and Reserves Policy
- N: 2023/2024 Credit Control Policy
- O: 2023/2024 Indigent Support Policy
- P: 2023/2024 Long-Term Borrowing Policy
- Q: 2023/2024 Capital Infrastructure Investment Policy
- R: 2023/2024 Long-Term Financial Planning Policy
- S: 2023/2024 Budget Management and Oversight Policy
- T: 2023/2024 Investment & Cash Management Policy
- U: 2023/2024 Cost Containment Policy
- V: 2023/2024 Service Level Standards
- W: MFMA Circular 122 and 123
- X: Consolidated 2023/2024 MTREF A-Schedules
- Y: 2023/2024 MTREF A-Schedules (Parent)
- Z: 2023/2024 MTREF D-Schedules (Municipal Entity: BCMDA)
- AA: Built Environmental Performance Plan 2023/2024: BCMM Catalytic Land Development Programmes
- AB: Public Participation Written Comments Received on Draft Revised 2023/2024 Integrated Development Plan (IDP) and 2023/2024 Medium Term Revenue and Expenditure Framework