

ANNUAL BUDGET OF
UMNGENI MUNICIPALITY



2011/12 TO 2013/14
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

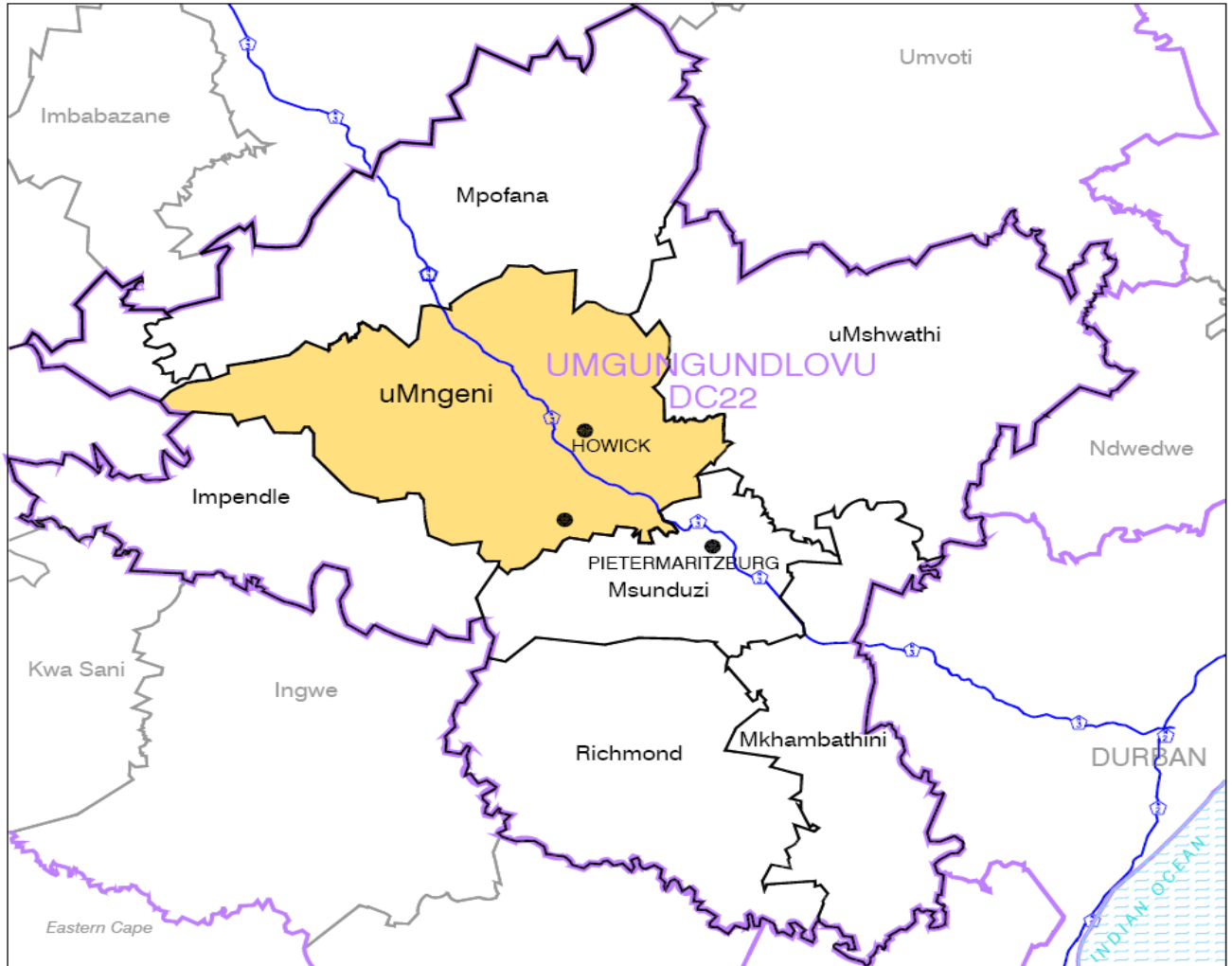
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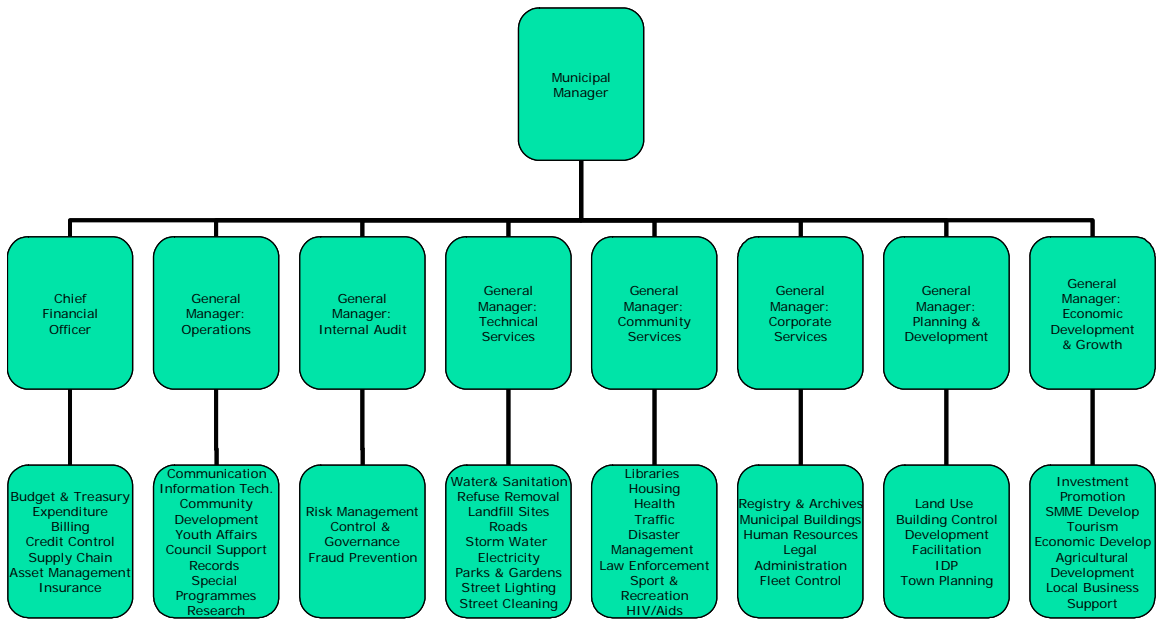
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MAP OF UMNGENI AREA



ORGANISATIONAL STRUCTURE



2011/2012

Budget Speech

**Mayor of uMngeni Municipality
Cllr. ME Dladla**

9 March 2011



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**SPEECH BY THE MAYOR OF uMNGENI MUNICIPALITY
CLLR ME DLADLA PRESENTED TO THE MUNICIPAL COUNCIL ON
THE OCCASION OF THE TABLING OF THE 2011/2012, 2012/2013,
2013/2014 DRAFT BUDGET IN THE COUNCIL CHAMBERS, HOWICK,
ON WEDNESDAY 9 MARCH 2011**

Madam Speaker,
Executive Committee Members,
Councillors,
Municipal Manager,
General Managers,
Chief Financial Officer,
Staff,
Members of the media and Public,
Ladies and Gentlemen.

It is a great honour for me to present to you the multi-year budget for uMngeni Municipality in respect of the 2011/12, 2012/13 and 2013/14 financial years.

Madam Speaker and members of Council, this is the seventh year that uMngeni Municipality is tabling a multi-year budget in terms of the Municipal Finance Management Act (MFMA), No 56 of 2003. The MFMA requires that the budget be tabled ninety (90) days before the start of the financial year and we are therefore complying fully with this requirement. It is the intention to have this budget finally approved in April 2011 which will also be well ahead of the requirements of the MFMA.

Inflation is forecast to remain within the target range of 3-6 percent, edging towards the upper end of the range in 2013 as the economy strengthens. This was taken into account when the budget was compiled.

Cognisance should be taken that the SALGA Salary Wage Collective Agreement makes provision for an annual increase. Provision has been made for a 8% increase. As part of Government's aim to create jobs, provision has been made to fill vacancies in respect of 50 General Workers with effect from 1 July 2011.

Furthermore, the increase in the electricity tariffs as approved by the National Electricity Regulator of South Africa will result in a 26.7% in the bulk purchases for 2011/12 financial year. Both these increases are way above the headline inflation forecasts.

Madam Speaker, this Council's Draft Revised Integrated Development Plan (IDP) to inform the 2011/12 financial year's budget was also tabled to Council today. I am pleased to announce that this draft budget is aligned to the draft revised IDP.

Governance

A Shared Internal Audit Services has been running for almost 3 years this is an indication of a commitment in promoting the intergovernmental relations between the participating Municipalities. The Municipality has also spearheaded the Development Planning Shared Services and assists both Mpofana and Impendle with planning and Geographic Information Systems (GIS) initiations as per an agreed business plan.

Internal Audit Activity has formed a working relationship with the Development Bank of South Africa (DBSA) to fast track and to maintain the shared services within uMgungundlovu District municipalities. Furthermore a working relationship has also been forged with the Provincial Internal Audit Unit for skills and resources sharing, as a result the Provincial Unit engaged itself in coordinating the Risk Assessment Exercise within the Municipalities participating in the shared service.

As part of Internal Audit skills requirement, internal auditors have enrolled on a Forensic Investigation Programme with University of South Africa and also on an international recognised certification programme with the Institute of Internal Auditors. This will help internal auditors sharpen their skills in Fraud and Corruption issues and also put their competencies in a world class position.

Madam Speaker, uMngeni Municipality in its efforts of fulfilling the provisions of Chapter 4 of the Systems Act has public participation platforms which allow for community involvement, consultation and information dissemination, *namely*, Mayoral Budget and Integrated Development Planning (IDP) izimbizo. The municipality also embarked on a community outreach campaign to inform and involve communities on the outcome of the Municipal Demarcation Board (MDB) delimitation of ward boundaries exercise. I am proud to announce Madam Speaker, that uMngeni Municipality has inherited a ward as a result of the MDB exercise. After which the MEC declared uMngeni Municipality as having 23 Councillors.

Madam Speaker, as we all know that 2011 marks the final year of the term of office of Councillors since we were sworn into power on 15 March 2006, the time has come for the election of new councillors to serve the community with the dignity and integrity that was held by the current councillors.

During this term of office this municipality experienced positive involvement of ward committees in the affairs of the municipality assisting ward councillors in discharging their roles and responsibilities in community development. It is important to note that ward committees have performed a sterling job; the municipality has ensured that they are capacitated through training and workshops. It must be noted that with the advent of new council leadership, there will be an establishment of new ward committee structures in terms of section 73 of the Municipal Structures Act in line with the number of wards as pronounced by the MDB.

Madam Speaker, I want to bring to the attention of this Council that uMngeni forged a vibrant working relationship with the erstwhile uMsobomvu Youth Fund which has since been disestablished as a result of a merger between the uMsobomvu Youth Fund and the Youth Commission which yielded a National Youth Development Agency (NYDA).

It is believed, Madam Speaker, that the NYDA is still finding its feet hence no budget has been earmarked to enhance youth programmes in municipalities. However, uMngeni Municipality Youth Advisory Centre is still standing and continues to service the youth who are seeking advise on careers, receiving vouchers for small businesses, life skills, and basic computer skills. Following is a breakdown of services offered during the year under view:

Best Practice

- 424 Central Applications Office (CAO) applications went through.
- 258 beneficiaries were assisted through Business Opportunity Support Service (BOSS) to venture into business.
- 1212 Youth were successfully assisted through JOBS into exit opportunities.
- 682 beneficiaries received bursaries and scholarships
- A total of 4190 beneficiaries were reached through walk-ins and outreach programmes.
- 90% of our primary school grade six learners went through Allan Grey bursary applications and are now awaiting response.

Madam Speaker, one cannot over emphasise an outstanding responsibility of the municipality towards caring for children and recognising their rights as enshrined in Act 338 of 2005 which is nested in uMngeni Local Advisory Council for Council.

Intergovernmental Initiatives

Madam Speaker, Council will recall it was reported in 2010 that the Honourable Premier of KwaZulu-Natal launched a Provincial flagship project in 2009 in an effort to alleviate poverty and to prevent the HIV/AIDS scourge in our communities. Subsequently, profiling of communities began with an aim of identifying those that are living below the poverty line in order for government to ensure implementation of programmes responsive to the needs of the people.

Ward 8 in uMngeni Municipality was the first ward to receive this intervention-since it is a ward with a large population and a high level of poverty. Reports received from the District and the Local Task Team Flagship Project is that the process is still underway and is envisaged to be finalized by June 2011; thereafter the exercise will move to ward 4 as the next affected ward. One is confident that with the success of the programme the communities are going to benefit tremendously and will put government on higher ground.

Madam Speaker, uMngeni Municipality is probably one of the few municipalities who have established the men's forum to encourage men to participate in health related issues especially issues around HIV and AIDS.

During the 16 Days of No Violence Against Women and Children Campaign; the uMngeni Mayoral Stakeholders Forum organized a March against the abuse of drugs in the Mpophomeni area. The aim of the march was to raise awareness about drug abuse and its consequences particularly amongst the youth.

Madam Speaker, uMngeni Municipality was instrumental in launching a drop in centre in Zenzane Village at Balgowan during World Aids Day last year. This is in keeping with the principle of intergovernmental relations formed in uMngeni Municipality with the Mpophomeni SAPS, Red Cross, Friends for Life, Mpophomeni Gender and Paralegal, DSD, Department of Education, CINDI Network, Red Cross, SANCA, Men's Forum, Zenzeleni Project, uMgungundlovu District Municipality and uMngeni Municipality. The initiatives were aiming at building a better society which respect people's rights and promote equality between men and women.

uMngeni Municipality also participated in the commemoration of the Nokulunga Memorial wall in Mpophomeni organized by Zulu Mpophomeni Tourism Experience (ZMTE) in celebration of an innocent 6 year old child who was killed by soldiers in a Hippo during the apartheid regime.

Madam Speaker, I must indicate that one is noticing some form of recognition for the physically challenges community by the Office of the Premier in that workshops were organized last year geared towards empowerment. There was also a Parliament programme organized for the disabled which was hosted by uMshwathi where uMngeni groups also participated. It has come to my knowledge, Madam Speaker, that there are more programmes planned by the Office of the Premier in 2011 to look into capacitating the physically challenged.

Madam Speaker, in the spirit of co-operative governance and in promoting synergistic partnerships, the municipality has planned programmes in consultation with the traditional leadership in uMngeni Municipality for the upliftment and betterment of the lives of the people in the rural communities. To cite an example; an NIP site in ward 9 is currently under repair through the funding received by the youth in Haza Location and the surroundings from the Department of Social Development to go towards small businesses.

Health

The HIV Counselling and Testing (HCT) programme is the key intervention towards the realisation for HIV/AIDS National Strategy Plan for 2007-2011 which was confirmed by the President of South Africa Mr. Jacob Zuma during the World Aids Day declaration on the 1st of December 2009.

In response to this declaration a 14 month HCT campaign which is facilitated by all provinces has also been incorporated in our Employee Assistance Programme (EAP) for all our employees and the community at large. This will be done in collaboration with the Department of Health. During this campaign our employees will benefit in other Health related issues like, hypertension, diabetes, haemoglobin and five point TB Screening, which will also be discussed and tested. This is a continuous National Programme which targets to test 15 million South Africans by the end of 2011.

The MEC for Health highlighted the importance of early detection and treatment of cervical cancer. All women are encouraged to have PAP Smears according to the protocols of the Department of Health. He also led an intensive circumcision campaign which is aimed at reducing the chances of HIV/AIDS transmission.

Agriculture

Madam Speaker, uMngeni Municipality is contributing a great deal in proving food security to our needy communities through the Empowerment for Food Security Programme, a project funded by the Department of Agriculture and Environmental Affairs through the Flemish Government. This programme is aiming at alleviating poverty in the rural, farming and township areas. The programme supports communities through provision of gardening seeds, gardening infrastructure like fencing, irrigation, planting and training for the co-operatives. Seven projects within uMngeni have received garden infrastructure and they continue receiving 100% technical support from the LIMA (an implementing agency for the Department of Agriculture).

Madam Speaker, I am pleased to report that one of the community garden projects from Mpophomeni, a beneficiary to the programme, is supplying a local market with their products. There is also a homestead project that took place in Haza, Upper Mashingeni and Chief location earmarked for farmer learning training targeting households that was a success.

Housing

There is an assessment of low income housing that is currently underway that has been commissioned by the Department of Human Settlements. This assessment is conducted by LYMA Consulting Engineers and Urban Dynamics, service providers appointed by National Home Builders Registration Council (NHBRC) for the purposes of refurbishment and repair of all houses with defects to ensure the safety and security of housing beneficiaries as the occupants of the houses in question.

The total number of houses assessed within uMngeni municipal area is 3285 houses. Once all assessments are complete, NHBRC will issue a report to the MEC for scrutiny and actual of funds. This, Madam Speaker, will be responding to the outcry of the communities concerned regarding the state of households.

Crime

Madam Speaker, allow me to give highlights on the status of crime in our area. It has been established that in comparing statistics for 2009/2010 versus 2010/2011 our municipality has been hit by high level of theft out of motor vehicle at 77%, fraud at 37 % but the dominant ones are ATM frauds, theft of motor vehicle is 29% and burglary in the business area at 2%. It must be noted that there has been a significant decrease in crime in that theft of stock is 19%, general theft is 13%, burglary in the residential area is 12%, malicious injury to property is 10% common assault is 9% and assault with intension to cause grievously bodily harm (GBH) at 3%.

uMngeni Municipality, with particular reference to traffic law enforcement officers, in collaboration with South African Police Service (SAPS) and the Community Policing Forum (CPF) have put crime prevention strategies in place. These strategies are aimed at combating the increase in crime in terms of recovering stolen property, arresting of suspects, recovery of firearms and confiscating harmful drugs.

This is monitored through the Command operations centre. In all the operations there is involvement of the crime intelligence unit, public order policing unit, highway patrol, K9 unit (dog unit) and the municipal law enforcement officers and other sector departments. To assist all the crime prevention strategies in place, the municipality together with the police are currently conducting an assessment for the possible installation of the CCTV cameras in all strategic points.

Education – Skills Development of ICT

The CyberCadet programme at Mpophomeni Library has proved to be beneficial to the community of Mpophomeni in that on average there are 20 people per day who are using computer facilities for typing, sending and receiving e-mail and searching for information on the internet. This has guaranteed digital inclusiveness in this information age using digital media. There are 100 computer certificates issued to learners last year.

Promotion of culture of writing

The KwaZulu-Natal Provincial Library in the Department of Arts and Culture initiated a writing club for the purposes of encouraging the aspiring writers to write their own stories and poems in the language of their choice especially in African / indigenous language. The writing club is currently consisting of six members who have their scripts ready for publishing in September 2011.

Economic Development

In our endeavour to fulfill our constitutional mandate of promoting economic development in the 2010/2011 Financial Year, we managed to complete the Architectural Designs and the Environmental Impact Assessment (EIA) for the Nelson Mandela Capture Site project. The EIA report has been submitted to the Department of Agriculture, Environmental Affairs and Rural Development and we are awaiting the Record of Decision (ROD) to be issued by the department.

Through financial assistance from the Department of Trade and Industry (DTI), we developed the Business Retention and Expansion (BR&E) Strategy and an Agricultural Development Strategy. We are currently in the process of implementing the recommendations outlined in these strategies.

To promote regional economic growth and development and to drive the implementation of catalytic LED projects within the KwaZulu-Natal Midlands. uMngeni, Mpofana and uMtshezi local municipalities applied for and have been granted funding by the Industrial Development Corporation (IDC) to the tune of R1.13 million for the establishment of the Midlands Development Agency. The Agency will operate under the shared ownership and mandate of the three above-mentioned local municipalities and will be established in the form of a multi-jurisdictional *municipal entity*, as provided for in Chapter 8A of the Municipal Systems Amendment Act (44 of 2003).

Madam Speaker, in ensuring that tourism development is as inclusive as possible and that the previously disadvantaged individuals and communities are brought into the mainstream of tourism development. The construction of the Mpophomeni Tourism Gateway Complex in Mpophomeni Township commenced on the 13 October 2010 and envisaged to be complete by August 2011.

The Gateway Complex will be used to promote the Midlands Region tourism products such as the Midlands Meander, Midmar Dam, Nelson Mandela Capture Site and other products within the Region. Furthermore, the Gateway Complex will be used to accommodate the region's finest crafters and it will also be the uMgungundlovu District craft hub.

Madam Speaker, evidence from various economic development studies that have been conducted and based on the knowledge of the area and its dynamics, we have identified the need to review our existing LED strategy. We approached the Department of Corporative Governance and Traditional Affairs to solicit funding through the Corridor Development Programme and an amount of R456 000.00 was approved. The project is currently on underway.

Madam Speaker, we will continue to put more focus on economic development by continuing to implement the following projects through the Midlands Development Agency:

- Upgrade of the Nelson Mandela Capture Site;
- Howick Falls Precinct Development;
- Incubation Facility for SMME's.

Madam Speaker, the year under review saw the introduction of the KwaZulu-Natal Planning and Development which has been implemented and I am pleased to confirm that uMngeni is one of the municipalities that have come to grips with the new legislation and are utilizing the Act in the best interests of the municipality to help stimulate growth and job creation within the municipality.

Infrastructure Development

Although the financial climate has had an impact on service delivery we are looking forward to improvements.

In this regard we have achieved in the following areas in 2010/2011:

- Constructed and commissioned roads and stormwater infrastructure in excess of 6.5km of new roads.
- Delivered on approximately 650 new electricity connections through the innovation of providing electricity in Eskom license area and have moved to electrify rural communities.
- Significant strengthening of existing electricity infrastructure in Howick.
- We have after many years succeeded in securing approval for the Khayelisha low income housing project which will go a long way to alleviate informal settlements.
- The Cedara low income housing project has been approved with conditions and these conditions have been addressed and construction on this project will commence in this calendar year.

- Some further 1000 low income units are in the planning **process**.
- The construction of the p390 from Mpophomeni to Msunduzi municipal boundary will have economic benefits to all.
- The construction and improvements to the main street this calendar year will reduce traffic congestion from prospect road to the uMngeni River.
- Construction and improvements on the p142 from the n3 towards the railway underpass will improve traffic flow and safety in this area.
- System design for the electricity consumer loss audit is well advanced and will result in the reduction in electricity **losses**. **Those** vandalizing municipal infrastructure and stealing electricity must be cautioned that serious action will be taken.
- Staff compliment in technical services in particular at general worker level is seriously depleted and vacancies are planned to be filled at this level. Naturally, **these vacancies seriously** affect service delivery.
- Although it is acknowledged that funding limitation does seriously affect services delivery in technical services this area is also very visible to the community and for this reason the municipality sees this as a focus area for improvement. However, these are challenges and improvements will be seen in the 2011/2012 financial year.

Free Basic Electricity of 100 kwh per month for all consumers on pre-paid meters. Free Basic Refuse Removal Service for all properties with a value of R200 000 or less. Properties with a value of more than R200 000 will continue to pay a refuse charge of R45 per month with effect from 1 July 2011.

A new general valuation roll has been compiled which will be implemented on 1 July 2011. The Rates Policy has also been amended to make provision for the new categories of properties and categories of owners.

There will be rates exemption up to R100 000 of the valuation for residential properties in 2011/12. Further exemptions will be considered for the outer years when next year's budget is compiled.

All residential properties will receive a 30% rebate and retirement villages like Amberglen, Amberfield and Golden Pond will receive an additional 20% rebate.

Pensioners with a monthly income of up to R9 000 will still receive a further rebate of 30%. All properties will receive a 10% discount for the 2011/12 rates account provided that the total rates account is paid in full on or before 31 August 2011.

Agricultural Properties, Public Service Infrastructure Properties and Public Benefit Organisation Properties must be rated in terms of a 1:0.25 ratio from 1 July 2010 as per the Government Gazette No 33016 dated 12 March 2010. This has been taken into account when the draft budget was compiled.

Incentives to commercial & industrial consumers/ratepayers are still applicable. Madam Speaker with all the incentives explained above it is not necessary to increase the rate randage for the 2011/12 financial year. The rate randage will remain at 1.22 cents in the Rand.

Madam Speaker, cognisance should be taken that for the period 1 July 2011 to 30 June 2012, Eskom will increase the municipal tariff rates for bulk electricity purchases by 26.7%. Municipalities are, however only allowed to increase the electricity selling price by 20.38%

Provision has been made for this 20.38% increase in the electricity tariffs. This is however still subject to the approval of the National Electricity Regulator of South Africa.

I must mention Madam Speaker, that after this meeting, the municipality will have a series of Mayoral Izimbizos to share with our people different views on what I am about to table to this Council.

Madam Speaker, it is now my honour to table the 2011/2012, 2012/2013 and 2013/2014 Operating and Capital multi-year Budget to Council.

I THANK YOU

RESOLUTIONS

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of uMngeni Municipality for the financial year 2011/2012 and indicative allocations for the two projected outer years 2012/2013 and 2013/2014, and the multi-year and single year capital appropriations are approved as set out in the following tables:

- 1.1 Budgeted Financial Performance (revenue & expenditure by standard classification)
- 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote)
- 1.3 Budgeted Financial Performance (revenue by source and expenditure by type)
- 1.4 Single year capital appropriations by municipal vote and standard classification and associated funding by source

2. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set out in the following tables

- 2.1 Budgeted Financial Position
- 2.2 Budgeted Cash Flows
- 2.3 Cash backed reserves and accumulated surplus reconciliation
- 2.4 Asset Management
- 2.5 Basic service delivery measurement

3. That in terms of section 24(2)(c)(i) and (ii) of the Municipal Finance Management Act, 56 of 2003 and sections 74 and 75A of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, the tariffs for the supply of electricity, refuse removal and all other tariffs as set out in Other Supporting Documents be approved with effect from 1 July 2011.

4. That in terms of section 5 of the Municipal Property Rates Act, 6 of 2004, the rates policy as amended be approved

5. That in terms of section 24(2)(c)(v) of the Municipal Finance Management Act, 56 of 2003 the various budget-related policies as amended be approved.

6. That in terms of section 14 of the Municipal Property Rates Act, 6 of 2004 the rate randaage and conditions as set out in Other Supporting Documents be approved be approved with effect from 1 July 2011

7. That in terms of section 24(2)(c)(ii) 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 be approved

8. That the Basic Services Package of Electricity and Refuse Removal as set out in the Tariff Policy be approved

9. That the salaries, wages and allowances of all employees be increased in accordance with the multi-year SALGBC wage agreement with effect from 1 July 2011.

EXECUTIVE SUMMARY

BACKGROUND

The budget timetable and IDP Process Plan approved by Council in July 2010 ensured that the said process was highly interactive and consultative in nature. The 2011 / 2012 Medium-Term Revenue and Expenditure Framework (MTREF) must comply with the Municipal Finance Management Act (No 56 of 2003) and the Municipal Systems Act (No 32 of 2000). This MTREF is a financial plan to enable the municipality to achieve its vision and mission through the IDP which is informed by the five year programme and also the inputs from the community.

uMngeni Municipality will ensure that during the revision of the IDP a series of public meetings as well as Representative Forum meetings will be held.

These meetings are of paramount importance as the IDP should represent the interest of all the roll players.

Outcomes of the consultative process will be factored into both the operational and capital budget and the budget will also be aligned with National, Provincial and District priorities.

The municipality's long-term financial plan provides a framework for guiding the MTREF process. It proposes a three year capital and operating budget that will enable the Municipality to meet its operational and strategic objectives for the 2011 / 2012 financial year as well as the outer years of the MTREF period.

This draft budget is the product of tabling the draft budget on 9 March 2011, then embarking on the public participation process in March 2011 and will be presented to Council for final adoption on 6 April 2011.

PAST PERFORMANCES, ACHIEVEMENTS AND CHALLENGES

The fast tracking of the provision of free basic services was an important milestone as uMngeni Municipality is one of a few Municipalities which supply free basic services to all its residential consumers. All consumers received monthly 6 kilolitres water free, 6 kilolitres sanitation free, (from the uMgungundlovu District Municipality), 100kwh electricity for those consumers on prepaid electricity meters and refuse removal services free for those properties with a value of R200 000 and less. The first R65 000 of the valuation of the residential properties was also exempted from rates. In addition a 30% rebate was allowed.

The challenges to improve the quality of the lives of our people has been immense but has also resulted in milestones being achieved for uMngeni and its people.

The service delivery achievements include, inter-alia the following:-

- Free basic water to all our domestic consumers
- Free basic sanitation to all our domestic consumers
- Free basic electricity (100 units per month) for all domestic consumers, which are on pre-paid meters
- Free basic refuse collection for properties with a value of R200000 and less
- Rates exemption for all residential properties up to R65 000
- Further rebates for pensions and/or disabled persons of 30% if the monthly income does not exceed R8300
- Low income houses built to the tune of R15.4 million
- 6.1kms of roads upgraded for about R20 million
- 2kms of road rehabilitated at R4.5 million
- 192water and sewer connections valued at R1.92 million
- 683 electricity connections valued at R4.1 million
- N3 Corridor Tweedie Interchange and new link from Prospect Road to Howick at R3.5 million and R7.5 million respectively in progress

- LED strategy with the accompanying projects
- Ward Committees established immediately after the local government elections
- We are fully compliant with the implementation of the MFMA
- The Supply Chain Management Unit is established together with all the Bid Committees and is in full compliance of the MFMA
- Performance Assessment and Annual Report submitted to Council in January 2011
- Audit report submitted to Council in January 2011

uMngeni Municipality has won the VUNA Municipal Excellence awards in Kwazulu-Natal in 2006 / 2007 and were the 2nd runner up nationally in this competition for the 2005 / 2006 and 2006 / 2007 financial years. We also manage to win the first prize for the following Key Performance Areas (KPA's): Service Delivery and Infrastructure Development, Good Governance and Public Participation and Institutional Transformation and Development.

In the Municipal Excellent Awards uMngeni was the runner-up for the 2007 / 2008 financial year. uMngeni Municipality also implemented the Municipal Property Rates Act in the 2007 / 2008 financial year and also converted the annual financial statements from the old IMFO Standards to the new GRAP format two years before the legal requirement.

An unqualified audit report was received for the fourth year in a row, even given the massive task to convert into the new format.

The capital investment into our area for new work over the last eight years has had a tremendous impact on the quality of roads, storm water, traffic, and commuter facilities. Although it is more cost efficient to build a surfaced road than to maintain a gravel road, repairs and maintenance funding needs to remain in place at acceptable levels. The forthcoming financial year may not have as high as usual capital injection to infrastructure. However, one should acknowledge that the final mile of a marathon is the toughest, particularly when one considers that economic development and growth has become our focus area. This focus results in the need for more strategic support infrastructure as a stimulant to growth.

uMngeni Municipality has embarked on a number of developmental studies, one such study being the N3 Corridor Development Plan which was identified as part of the Provincial Spatial Economic Development Strategy (PSEDS).

The aim of the study is to identify areas for nodal development and undertake relevant applications for funding to assist with infrastructure development implementation.

In March 2007 uMngeni Municipality established a Mayoral Stakeholders Forum chaired by the Mayor which aims to advance the principles of the Intergovernmental Relations Framework Act 13 of 2005. The forum is constituted by government departments and NGO's that operate within the jurisdiction of uMngeni Municipality. The functions of the forum are that of:

- Co-ordinating programmes aimed at developing communities in the greater area of uMngeni Municipality both socially and economically
- Co-ordinating programmes aimed at achieving the objectives of each stakeholder in the forum
- Serving as a medium for the exchange and sharing of information aimed at achieving co-operative governance
- Ensuring partnership amongst the members of the Forum to implement projects jointly and
- Ensuring implementation and monitoring of the integrated services.

We are proud of our achievements but are mindful of the challenges in the next years ahead of us. uMngeni Municipality aims to maintain stability and continue to grow as an example local authority.

ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES

Successful alignment of uMngeni Municipality's service delivery priorities as embodied in the IDP and its focus areas, objectives and perspectives to that of National and Provincial Government is seen as critical if we are to achieve our developmental goals and to ensure the maximum impact. The Municipality is confident that this budget is structured to give effect to the strategic priorities

and to support long-term sustained growth and development, in line with National and Provincial objectives.

The following priorities are part of National Government's framework to enhance the social, cultural and economic welfare of all South Africans:

- Accelerating the process of growth and rate of investment
- Interventions to accelerate the pace of job creation
- Investing in community services and human development
- Improving the effectiveness of combating crime and promoting service-orientated public administration
- Building regional and international partnerships for growth and development

In addition, the following three key policy areas are the focus of the 2011 / 2012 Provincial Budget:

- Promoting sustainable economic development and job creation
- Integrated investment in community infrastructure
- Fighting poverty and protecting vulnerable groups in society
- Implementing a comprehensive response to HIV and AIDS

Local priorities were identified which are mainly in line with the above-mentioned national and provincial priorities.

LOCAL PRIORITIES

- Accelerated and improved service delivery to communities
- Improving municipal infrastructure
- Facilitating economic growth and job creation
- Fighting poverty, and building safe, secure and sustainable communities
- Improving skills development to raise productivity

POLITICAL PRIORITIES AND LINKAGES TO THE IDP

All operating and capital programmes in the 2011/2012 medium-term budget have been evaluated through a prioritisation mechanism that was developed to ensure that there is alignment to the development strategy for the Municipality.

The IDP formed the basis of the priorities identified in the strategic plan and all resources are focused on the achievement of the priorities.

EXTERNAL SOCIO ECONOMIC FACTORS

The recent global economic crisis contributed to the Municipality's ability to limit the capital program to grant funded projects only. Due to the anticipated fixed interest rates in with next year, further growth will be expanding which will ensure the creation of jobs. Factors that the municipality has minimal control over and that impact the most on the cost of the municipality relate to increases in the procurement of bulk services especially electricity and remuneration.

People from outside our borders are also migrating into our borders in their quest to find business and job opportunities which places further pressure on the available resources of the municipality and will have to be managed in a sustainable manner.

FREE AND SUBSIDISED BASIC SERVICES

uMngeni Municipality has a special developmental responsibility in respect of service delivery to the poor. uMngeni Municipality is committed to push back the frontiers of poverty by providing a social welfare to those who cannot afford to pay for services. In doing this the Municipality will also meet its constitutional obligations.

The estimated cost for providing free basic services amounts to R.... million for the 2011/2012 financial year and it should be borne in mind that this relates to electricity, refuse removal and rates only as the provision of free basic water and sanitation is no longer captured in this MTREF period. It is now the responsibility of uMgungundlovu District Municipality.

Details of initiatives carried out by the uMngeni Municipality are as follows:-

Service	Social Package	Approximate Cost
Assessment Rates	All residential owners are exempt from paying rates on the first R100 000 of their property value. A rebate of 30% is given to all residential owners. A further rebate of 30% is given to pensioners/disabled. 10% Discount if annual rates are paid on or before 31 August of each year.	R 43 714 000
Electricity	100kwh free per month on all pre-paid meters	R 4 200 000
Refuse Removal	All properties with a value of less than R200 000 are exempted from paying for refuse removal services	R 5 000 000

The total cost of the social package is funded from the equitable share which amounts to R29.176 million for the 2011 / 2012 financial year.

CONSULTATIVE PROCESS

Since 2003, the Municipality has ensured that there is greater public participation in the budgeting process and communities are informed timeously about the road shows that we embark on. The tabling of this budget in Council on 9 March 2011 will be followed by extensive publication of the budget documentation and various public participation and community consultative meetings will be held to receive submissions from stakeholders.

Section 23(2) of the MFMA stipulates that, "after considering all budget submissions, the Council must give the Mayor an opportunity

- a) to respond to the submissions, and
- b) if necessary, to revise the budget and table amendments for consideration by the Council"

All issues raised at these public hearings will be responded to. A report will be submitted to Council in April 2011 responding to all issues raised at the public meetings and to all written representations received. This draft budget represents a first version of the tabled draft budget and after consideration, where possible, the submissions and representations during the community consultation process

Received will be incorporated in the final budget.

LEVELS OF RATES, SERVICE CHARGES AND OTHER FEES AND CHARGES

In order to remain financially viable and sustainable, sufficient resources must be generated. As limited scope exists to generate alternative revenue, it is necessary to increase rates and tariffs. The determining of tariffs is the responsibility of Council, as per the provision of the Local Government Municipal Systems Act.

Affordability is an important factor when considering any rates and tariff increases. Tariff setting plays a major role in ensuring desired levels of revenue by assisting in the compilation of a credible and balanced budget to accommodate the acceleration of basic services. There has to be alignment between the resources of municipalities, level of service and customer expectations.

RATES

uMngeni Municipality has implemented the Municipal Property Rates Act, No. 56 of 2003 with effect from 01 July 2007. Rates income has increased due to the increased market value of properties and as the current valuation roll will remain in force until 30 June 2011. A new valuation has been compiled and will be open for inspection/objection early in April 2011. In order to cater for the indigent, pensioners, disabled and lower income ratepayers it was necessary to increase the level of exemption of R65 000 to R100 000, and to allow a further rebate in respect of pensioners and the disabled with monthly income not exceeding R9000. This is over and above the 30% rebate granted to all residential owners.

Furthermore a discount of 10% is granted to a property owner if he / she pays his full annual rates account (plus any arrears) on or before 31 August 2011.

In terms of the new ratios promulgated in Government Gazette No. 33016 dated 12 March 2010, agricultural, public service infrastructure properties (PSI) and Public Benefit Organisations are now rated @ 25% of the rate applicable to residential properties. The implementation date of these ratios was 1 July 2010. The rates policy has been amended accordingly to make provision for this. No increase in the rate randage is proposed for this MTREF period.

ELECTRICITY

The electricity tariffs reflect an increase of 26.7% for the bulk purchases from ESKOM and the increase to be passed on to the consumers will be 20.8% if approved by NERSA. This increase is required to cater for the additional expenditure of bulk purchases and is also recommended by National Energy Regulator of South Africa (NERSA) as per the report submitted to Council in January 2011. These above average increases will continue in 2012/13.

REFUSE REMOVAL SERVICES

To cater for the indigent and for all residential properties with a value of R200 000 or less will still receive free refuse removal services but all other residential properties will pay a charge of R45 per month with effect from 01 July 2011 (6% increase). Council has also granted a 60% rebate to sectional title holders where they collect and transport their own refuse to the refuse site. All applications in this regard must be submitted to the Municipal Manager for approval.

GENERAL

Other general contributory factors for the above increases are salary increases (8%), filling of critical vacancies, provision of free basic services, increased maintenance, etc, etc.

All tariffs and charges are reflected on a separate document for approval with the budget.

FINANCIAL STRATEGY

uMngeni's financial strategy to ensure the availability of funds to cover all operating and capital requirements and the long term sustainability of the organisation include amongst others:

- Review of the tariff policy and all user charges and fees to ensure annual price increases are guided by inflation
- Ensuring that all grants available from national and provincial governments are availed of
- Returns on investments of surplus funds are benchmarked to ensure that optimum returns are generated
- Implementation of Performance Management Systems resulting in productivity improvements
- Review and enhancement of credit control policy

BUDGET SUMMARY

OPERATING BUDGET

EXPENDITURE	OPERATING BUDGET 2011/2012	% OF TOTAL EXPENDITURE
Employee Related Costs- Salaries & Wages	68 961 016	30.9%
Employee Related Costs- Social Contributions	10 600 479	4.7%
Remuneration of Councilors	4 778 128	2.1%
Working Capital Reserve	3 000 000	1.3%
Depreciation	8 294 824	3.7%
Repairs & Maintenance	9 801 282	4.4%
Interest Expense- External Borrowings	5 083 908	2.3%
Redemption Payments- External Borrowings	1 470 747	0.7%
Bulk purchases	40 767 342	18.2%
Contracted services	4 000 000	1.8%
Grants & Subsidies Paid	1 926 000	0.9%
General Expenses- Other	45 556 344	20.4%
Contribution to Accumulated Leave	2 500 000	1.1%
Contribution to Grap Reserves	2 380 000	1.1%
Internal Charges	14 310 565	6.4%
Total Budget Expenditure	223 430 635	100%

INCOME	OPERATING BUDGET 2011/2012	% OF TOTAL INCOME
Property Rates	98 782 212	44.2%
Property Rates- penalties imposed	1 601 365	0.7%
User Charges for Services	50 623 071	22.6%
Rent of Facilities & Equipment	1 326 137	0.6%
Interest Earned- External Investments	575 173	0.3%
Interest Earned- Outstanding Debtors	320 721	0.1%
Fines	252 773	0.1%
Licenses & Permits	2 094 914	0.9%
Operating Grants & Subsidies	46 532 000	20.8%
Other Income	7 094 293	3.2%
Internal Recoveries	14 310 565	6.4%
Total Budget Income	223 513 224	100%
Surplus	82 589	

CAPITAL BUDGET

	Budget 2010/2011	Budget 2011/2012	Budget (Indicative) 2012/2013	Budget (Indicative) 2013/2014
Information Technology	0	0		
Property Services	0	628 000	500 000	0
Library	0	0		
Museum	0	0		
Community Halls	0	0		
Cemetery	0	0		
Housing	0	0		
Traffic Police	0	0		
Disaster Management	0	0		
Sports & Recreation	0	0		
Sewerage	0	0		
Parks & Gardens	0	0	1 600 000	0
Roads & Storm Water	0	17 877 000	25 728 000	26 370 000

Refuse Removal	0	0	0	0
Land Fill	0	0	7 700 000	4 000 000
Traffic Engineering	0	0	1 400 000	0
Electricity	0	0	9 200 000	10 300 000
Municipal Offices	0	0		
Tourism	0	0		
LED	0	0		
DORA Allocations (District)*	0	8 073 000	9 816 000	10 356 000
Total Capital Requirements		26 578 000	55 944 000	51 026 000

* These are allocations to the uMgungundlovu District Municipality to be spend on MIG Projects within uMngeni Municipality

The tabling of this draft budget is in accordance with the Municipal Finance Management Act, 2003 (Act 56 of 2003) which included a consultation process with residents, community organisations, business and other stakeholder formations. Given the challenges of meeting the requirements of both the Municipal Property Rates Act and the Municipal Finance Management Act, this budget represents a great achievement for uMngeni Municipality and an important building block for future progress and prosperity.

KEY ISSUES : OPERATING BUDGET
EMPLOYEE RELATED COSTS (SALARIES & WAGES)

The percentage of employee related costs measured against the total expenditure budget is 35.6%% for the 2011 / 2012 financial year. This level is above the national norm of approximately 35% and all endeavours are put in place to retain this cost to below 30% of total expenditure. Provision has been made to appoint 50 general workers to address the concern with regard to job creation.

UNFUNDED MANDATES

In addition to the core functions that uMngeni Municipality has to carry out in terms of the Constitution, other non-core functions and services are being provided, which in terms of the Constitution is under the responsibility of National or Provincial Authorities. These functions include the provision of Health Services, Libraries, and Museums. The reduction or non-payment of subsidies for these services requires the municipality to allocate its own resources to make up the shortfall.

These unfunded mandates are as follows:

Libraries	R 5 526 010 less subsidy of R186 000 = R 5 340 010
Health (Clinics)	R 3 608 082 less subsidy of R nil = R 3 608 082
Museums	R 901 969 less subsidy of R200 000 = R 701 969

KZN222 uMngeni - Table A1 Budget Summary

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousands										
Financial Performance										
Property rates	59,513	73,716	67,807	93,691	93,691	93,691	93,691	100,384	106,407	112,791
Service charges	24,588	28,962	39,071	52,562	52,562	52,562	52,562	50,623	53,621	56,838
Investment revenue	550	124	257	252	252	252	252	575	610	646
Transfers recognised - operational	30,200	35,425	50,013	56,256	56,256	56,256	56,256	46,532	55,389	60,145
Other own revenue	35,296	32,218	22,052	23,556	30,877	30,877	30,877	25,399	27,368	29,011
Total Revenue (excluding capital transfers and contributions)	150,147	170,445	179,201	226,317	233,638	233,638	233,638	223,513	243,394	259,432
Employee costs	52,067	57,948	65,109	69,710	69,710	69,710	69,710	79,560	84,333	89,393
Remuneration of councillors	3,649	4,039	4,067	4,881	4,881	4,881	4,881	4,778	5,065	5,369
Depreciation & asset impairment	6,491	6,632	8,187	6,242	6,242	6,242	6,242	8,295	8,793	9,320
Finance charges	5,584	5,754	4,832	4,564	4,564	4,564	4,564	5,084	5,339	5,712
Materials and bulk purchases	16,169	21,550	29,225	46,861	46,861	46,861	46,861	40,767	48,921	53,324
Transfers and grants	5,941	-	-	-	-	-	-	-	-	-
Other expenditure	46,966	59,504	54,792	93,494	92,464	92,464	92,464	84,947	89,855	95,733
Total Expenditure	136,868	155,427	166,213	225,753	224,723	224,723	224,723	223,431	242,305	258,851
Surplus/(Deficit)	13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Capital expenditure & funds sources										
Capital expenditure	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,506	46,128	40,670
Transfers recognised - capital	9,444	17,519	24,057	24,707	30,207	30,207	30,207	13,447	16,228	17,939
Public contributions & donations	113	2,671	-	-	-	-	-	-	-	-
Borrowing	8,344	5,391	3,125	-	-	-	-	-	-	-
Internally generated funds	634	808	4,048	2,130	2,130	2,130	2,130	5,059	29,900	22,731
Total sources of capital funds	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,506	46,128	40,670
Financial position										
Total current assets	57,912	73,325	68,226	59,568	59,568	59,568	59,568	55,068	48,068	46,568
Total non current assets	173,069	191,739	213,642	230,439	230,439	230,439	230,439	230,391	247,668	243,960
Total current liabilities	64,909	70,987	65,929	69,928	69,928	69,928	69,928	66,000	60,800	55,600
Total non current liabilities	63,672	63,736	64,137	63,629	63,629	63,629	63,629	68,876	67,300	63,975
Community wealth/Equity	102,400	130,341	151,803	156,451	156,451	156,451	156,451	150,583	167,636	170,952
Cash flows										
Net cash from (used) operating	17,370	23,753	(4,676)	(2,863)	2,637	2,637	2,637	4,027	5,950	5,880
Net cash from (used) investing	-	949	999	(2,897)	(8,397)	(8,397)	(8,397)	(18,505)	(46,128)	(40,670)
Net cash from (used) financing	1,692	2,140	(850)	(882)	(882)	(882)	(882)	(1,975)	(2,975)	(2,475)
Cash/cash equivalents at the year end	19,062	45,904	41,377	(1,642)	(1,642)	(1,642)	(1,642)	(14,453)	(57,606)	(94,871)
Cash backing/surplus reconciliation										
Cash and investments available	(4,043)	(3,919)	3,655	15,005	15,005	15,005	15,005	14,005	14,505	15,005
Application of cash and investments	50,683	54,191	92,785	37,131	38,469	38,469	38,469	47,222	44,754	39,503
Balance - surplus (shortfall)	(54,726)	(58,110)	(89,130)	(22,126)	(23,464)	(23,464)	(23,464)	(33,217)	(30,249)	(24,498)
Asset management										
Asset register summary (WDV)	-	1,750	1,551	1,750	1,750	1,750	1,492	1,492	1,434	1,376
Depreciation & asset impairment	6,491	6,632	8,187	6,242	6,242	6,242	8,295	8,295	8,793	9,320
Renewal of Existing Assets	18,534	26,390	-	-	-	-	-	-	-	-
Repairs and Maintenance	8,054	5,851	-	11,581	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	12,286	13,049	-	14,620	14,620	14,620	9,200	9,200	9,752	10,337
Revenue cost of free services provided	47,161	51,817	55,337	64,207	64,207	64,207	68,132	68,132	72,220	76,553
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	20,000	-	24,000	-	-	-	-	-	-

KZN222 uMngeni - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		96,463	111,538	120,682	129,006	127,546	127,546	133,646	143,453	152,312
Executive and council		76,562	93,562	87,260	123,308	121,848	121,848	125,321	134,666	142,998
Budget and treasury office		18,129	16,363	30,340	3,941	3,941	3,941	5,010	5,273	5,590
Corporate services		1,773	1,613	3,081	1,757	1,757	1,757	3,315	3,514	3,725
<i>Community and public safety</i>		5,988	6,504	7,801	6,496	9,271	9,271	5,272	6,996	5,908
Community and social services		1,103	516	555	661	741	741	937	2,401	1,037
Sport and recreation		85	90	95	367	367	367	107	114	121
Public safety		2,299	3,353	3,394	4,004	4,004	4,004	4,027	4,269	4,525
Housing		1,197	974	1,089	37	37	37	39	41	44
Health		1,305	1,571	2,668	1,428	4,122	4,122	162	172	182
<i>Economic and environmental services</i>		5,669	2,030	4,003	24,747	30,447	30,447	12,984	15,218	16,131
Planning and development		1,843	556	1,541	287	5,787	5,787	792	839	889
Road transport		3,826	1,474	2,462	24,460	24,660	24,660	12,192	14,379	15,242
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		42,027	50,373	59,836	66,067	66,067	66,067	71,694	77,726	81,957
Electricity		30,129	37,789	44,746	50,798	50,798	50,798	50,525	54,663	57,589
Water		-	-	-	-	-	-	-	-	-
Waste water management		157	170	183	3,523	3,523	3,523	4,208	5,086	5,311
Waste management		11,741	12,414	14,906	11,746	11,746	11,746	16,960	17,978	19,057
<i>Other</i>	4	-	-	23	-	-	-	-	-	-
Total Revenue - Standard	2	150,147	170,445	192,345	226,317	233,331	233,331	223,596	243,394	256,308
Expenditure - Standard										
<i>Governance and administration</i>		41,843	47,441	53,669	68,635	67,598	67,598	63,581	66,174	69,610
Executive and council		20,633	25,571	28,900	41,610	40,573	40,573	31,293	32,007	33,413
Budget and treasury office		14,171	13,541	15,088	19,389	19,389	19,389	21,260	22,492	23,836
Corporate services		7,039	8,329	9,681	7,635	7,635	7,635	11,028	11,675	12,361
<i>Community and public safety</i>		29,724	30,138	33,246	37,611	37,691	37,691	42,806	46,687	47,876
Community and social services		10,581	12,122	13,153	14,984	15,064	15,064	16,115	18,431	17,980
Sport and recreation		9,999	7,876	9,360	10,406	10,406	10,406	13,366	14,147	14,954
Public safety		5,692	6,510	6,773	7,756	7,756	7,756	8,046	8,528	9,040
Housing		1,197	974	1,089	1,253	1,253	1,253	1,508	1,584	1,665
Health		2,255	2,657	2,871	3,212	3,212	3,212	3,770	3,996	4,236
<i>Economic and environmental services</i>		23,915	22,782	25,678	26,888	26,508	26,508	28,322	29,751	31,315
Planning and development		6,963	6,931	8,334	8,207	7,807	7,807	9,648	10,183	10,794
Road transport		16,952	15,851	17,344	18,681	18,701	18,701	18,674	19,568	20,521
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		48,997	60,286	66,360	92,393	92,393	92,393	88,458	99,331	106,548
Electricity		30,184	37,789	44,746	72,122	72,122	72,122	65,765	75,372	81,315
Water		-	-	-	-	-	-	-	-	-
Waste water management		3,760	3,952	4,401	5,211	5,211	5,211	4,386	4,572	4,694
Waste management		15,053	18,546	17,213	15,061	15,061	15,061	18,306	19,387	20,539
<i>Other</i>	4	442	631	405	226	226	226	347	363	379
Total Expenditure - Standard	3	144,922	161,278	179,357	225,753	224,416	224,416	223,513	242,306	255,728
Surplus/(Deficit) for the year		5,225	9,166	12,988	564	8,915	8,915	83	1,088	580

KZN222 uMngeni - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue - Standard	1									
<i>Municipal governance and administration</i>		96,463	111,538	120,682	129,006	127,546	127,546	133,646	143,453	152,312
Executive and council		76,562	93,562	87,260	123,308	121,848	121,848	125,321	134,666	142,998
<i>Mayor and Council</i>										
<i>Municipal Manager</i>		76,562	93,562	87,260	123,308	121,848	121,848	125,321	134,666	142,998
Budget and treasury office		18,129	16,363	30,340	3,941	3,941	3,941	5,010	5,273	5,590
Corporate services		1,773	1,613	3,081	1,757	1,757	1,757	3,315	3,514	3,725
<i>Human Resources</i>		932	512	524	643	643	643	401	425	450
<i>Information Technology</i>		252	273	294	311	311	311	330	350	371
<i>Property Services</i>		588	828	1,117	804	804	804	1,931	2,047	2,169
<i>Other Admin</i>				1,145				653	693	734
<i>Community and public safety</i>		5,988	6,504	7,801	6,496	9,271	9,271	5,272	6,996	5,908
Community and social services		1,103	516	555	661	741	741	937	2,401	1,037
<i>Libraries and Archives</i>		192	185	200	231	311	311	437	1,873	489
<i>Museums & Art Galleries etc</i>		117	112	121	129	129	129	259	272	277
<i>Community halls and Facilities</i>		89	87	98	117	117	117	106	113	119
<i>Cemeteries & Crematoriums</i>		161	115	117	164	164	164	113	119	126
<i>Child Care</i>										
<i>Aged Care</i>										
<i>Other Community</i>		544	18	20	21	21	21	22	23	25
<i>Other Social</i>										
Sport and recreation		85	90	95	367	367	367	107	114	121
Public safety		2,299	3,353	3,394	4,004	4,004	4,004	4,027	4,269	4,525
<i>Police</i>		2,299	3,353	3,336	4,004	4,004	4,004	3,962	4,199	4,451
<i>Fire</i>										
<i>Civil Defence</i>				58				65	69	73
<i>Street Lighting</i>										
<i>Other</i>										
Housing		1,197	974	1,089	37	37	37	39	41	44
Health		1,305	1,571	2,668	1,428	4,122	4,122	162	172	182
<i>Clinics</i>		1,305	1,571	2,668	1,428	4,122	4,122	162	172	182
<i>Ambulance</i>										
<i>Other</i>										
<i>Economic and environmental services</i>		5,669	2,030	4,003	24,747	30,447	30,447	12,984	15,218	16,131
Planning and development		1,843	556	1,541	287	5,787	5,787	792	839	889
<i>Economic Development/Planning</i>		467	347	361		5,500	5,500	389	413	438
<i>Town Planning/Building enforcement</i>		1,375	209	1,179	287	287	287	402	426	452
<i>Licensing & Regulation</i>										
Road transport		3,826	1,474	2,462	24,460	24,660	24,660	12,192	14,379	15,242
<i>Roads</i>		322	348	376	20,965	20,965	20,965	9,764	11,805	12,513
<i>Public Buses</i>										
<i>Parking Garages</i>										
<i>Vehicle Licensing and Testing</i>										
<i>Other</i>		3,504	1,127	2,087	3,495	3,695	3,695	2,428	2,574	2,729
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Pollution Control</i>										
<i>Biodiversity & Landscape</i>										
<i>Other</i>										
<i>Trading services</i>		42,027	50,373	59,836	66,067	66,067	66,067	71,694	77,726	81,957
Electricity		30,129	37,789	44,746	50,798	50,798	50,798	50,525	54,663	57,589
<i>Electricity Distribution</i>		30,129	37,789	44,746	50,798	50,798	50,798	50,525	54,663	57,589
<i>Electricity Generation</i>										
Water		-	-	-	-	-	-	-	-	-
<i>Water Distribution</i>										
<i>Water Storage</i>										
Waste water management		157	170	183	3,523	3,523	3,523	4,208	5,086	5,311
<i>Sewerage</i>										
<i>Storm Water Management</i>		68	73	79	3,412	3,412	3,412	4,091	4,962	5,179
<i>Public Toilets</i>		89	97	104	110	110	110	117	124	131
Waste management		11,741	12,414	14,906	11,746	11,746	11,746	16,960	17,978	19,057
<i>Solid Waste</i>		11,741	12,414	14,906	11,746	11,746	11,746	16,960	17,978	19,057
<i>Other</i>		-	-	23	-	-	-	-	-	-
Air Transport										
Abattoirs										
Tourism				23						
Forestry										
Markets										
Total Revenue - Standard	2	150,147	170,445	192,345	226,317	233,331	233,331	223,596	243,394	256,308

Expenditure - Standard										
<i>Municipal governance and administration</i>	41,843	47,441	53,669	68,635	67,598	67,598	63,581	66,174	69,610	
Executive and council	20,633	25,571	28,900	41,610	40,573	40,573	31,293	32,007	33,413	
<i>Mayor and Council</i>										
<i>Municipal Manager</i>	20,633	25,571	28,900	41,610	40,573	40,573	31,293	32,007	33,413	
Budget and treasury office	14,171	13,541	15,088	19,389	19,389	19,389	21,260	22,492	23,836	
Corporate services	7,039	8,329	9,681	7,635	7,635	7,635	11,028	11,675	12,361	
<i>Human Resources</i>	4,772	5,420	5,470	5,556	5,556	5,556	6,228	6,601	6,997	
<i>Information Technology</i>	675	797	873	1,248	1,248	1,248	1,106	1,172	1,243	
<i>Property Services</i>	387	342	574	831	831	831	639	662	687	
<i>Other Admin</i>	1,205	1,770	2,764				3,056	3,239	3,434	
<i>Community and public safety</i>	29,724	30,138	33,246	37,611	37,691	37,691	42,806	46,687	47,876	
Community and social services	10,581	12,122	13,153	14,984	15,064	15,064	16,115	18,431	17,980	
<i>Libraries and Archives</i>	2,777	3,704	4,576	5,339	5,419	5,419	5,526	7,267	6,207	
<i>Museums & Art Galleries etc</i>	492	635	655	863	863	863	902	956	1,013	
<i>Community halls and Facilities</i>	4,459	4,871	5,195	5,950	5,950	5,950	6,218	6,530	6,861	
<i>Cemeteries & Crematoriums</i>	618	641	563	564	564	564	675	716	759	
<i>Child Care</i>										
<i>Aged Care</i>			2,164				2,794	2,962	3,140	
<i>Other Community</i>										
<i>Other Social</i>	2,236	2,271		2,268	2,268	2,268				
Sport and recreation	9,999	7,876	9,360	10,406	10,406	10,406	13,366	14,147	14,954	
Public safety	5,692	6,510	6,773	7,756	7,756	7,756	8,046	8,528	9,040	
<i>Police</i>	5,632	6,144	6,652	7,756	7,756	7,756	7,903	8,377	8,880	
<i>Fire</i>										
<i>Civil Defence</i>	61	366	120				143	151	160	
<i>Street Lighting</i>										
<i>Other</i>										
Housing	1,197	974	1,089	1,253	1,253	1,253	1,508	1,584	1,665	
Health	2,255	2,657	2,871	3,212	3,212	3,212	3,770	3,996	4,236	
<i>Clinics</i>	2,255	2,657	2,871	3,212	3,212	3,212	3,770	3,996	4,236	
<i>Ambulance</i>										
<i>Other</i>										
<i>Economic and environmental services</i>	23,915	22,782	25,678	26,888	26,508	26,508	28,322	29,751	31,315	
Planning and development	6,963	6,931	8,334	8,207	7,807	7,807	9,648	10,183	10,794	
<i>Economic Development/Planning</i>	6,963	6,931	2,863	2,380	1,980	1,980	3,821	4,050	4,293	
<i>Town Planning/Building enforcement</i>			5,471	5,827	5,827	5,827	5,827	6,133	6,501	
<i>Licensing & Regulation</i>										
Road transport	16,952	15,851	17,344	18,681	18,701	18,701	18,674	19,568	20,521	
<i>Roads</i>	10,822	9,770	10,638	12,196	12,196	12,196	12,685	13,220	13,792	
<i>Public Buses</i>										
<i>Parking Garages</i>										
<i>Vehicle Licensing and Testing</i>										
<i>Other</i>	6,131	6,081	6,706	6,485	6,505	6,505	5,989	6,348	6,729	
Environmental protection	-	-	-	-	-	-	-	-	-	
<i>Pollution Control</i>										
<i>Biodiversity & Landscape</i>										
<i>Other</i>										
<i>Trading services</i>	48,997	60,286	66,360	92,393	92,393	92,393	88,458	99,331	106,548	
Electricity	30,184	37,789	44,746	72,122	72,122	72,122	65,765	75,372	81,315	
<i>Electricity Distribution</i>	30,184	37,789	44,746	72,122	72,122	72,122	65,765	75,372	81,315	
<i>Electricity Generation</i>										
Water	-	-	-	-	-	-	-	-	-	
<i>Water Distribution</i>										
<i>Water Storage</i>										
Waste water management	3,760	3,952	4,401	5,211	5,211	5,211	4,386	4,572	4,694	
<i>Sewerage</i>										
<i>Storm Water Management</i>	3,366	3,771	4,130	4,947	4,947	4,947	4,117	4,286	4,391	
<i>Public Toilets</i>	394	181	271	263	263	263	270	286	303	
Waste management	15,053	18,546	17,213	15,061	15,061	15,061	18,306	19,387	20,539	
<i>Solid Waste</i>	15,053	18,546	17,213	15,061	15,061	15,061	18,306	19,387	20,539	
<i>Other</i>	442	631	405	226	226	226	347	363	379	
<i>Air Transport</i>										
<i>Abattoirs</i>										
<i>Tourism</i>	442	631	405	226	226	226	347	363	379	
<i>Forestry</i>										
<i>Markets</i>										
Total Expenditure - Standard	3	144,922	161,278	179,357	225,753	224,416	224,416	223,513	242,306	255,728
Surplus/(Deficit) for the year		5,225	9,166	12,988	564	8,915	8,915	83	1,088	580

KZN222 uMngeni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue by Vote										
Vote1 - Executive and Council	1	77,291	93,835	87,496	122,896	124,317	110,311	125,651	135,015	143,369
Vote2 - Budget and Treasury Office		18,129	16,363	30,340	3,941	3,941	4,000	5,010	5,273	5,590
Vote3 - Corporate Services		1,689	1,523	1,902	1,675	1,675	1,675	2,555	2,708	2,871
Vote4 - Planning and Development		1,375	347	1,179	287	287	287	402	426	452
Vote5 - Community Services		5,738	6,303	7,586	6,216	8,990	8,111	5,053	6,764	5,662
Vote6 - Technical Services		15,796	14,076	17,564	39,775	39,975	6,864	33,357	37,438	39,605
Vote7 - Economic Development and Growth		-	209	385	-	5,900	5,500	389	413	438
Vote8 - Internal Audit		-	-	1,145	729	729	729	653	693	734
Vote9 - Electricity		30,129	37,789	44,746	50,798	50,798	46,000	50,525	54,663	57,589
Vote10 - Example 10		-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	150,147	170,445	192,345	226,317	236,612	183,477	223,596	243,394	256,308
Expenditure by Vote to be appropriated										
Vote1 - Executive and Council	1	21,307	26,366	29,773	39,570	38,540	33,200	32,399	33,179	34,656
Vote2 - Budget and Treasury Office		14,171	13,541	15,088	19,389	19,389	16,000	21,260	22,492	23,836
Vote3 - Corporate Services		10,011	10,814	11,510	12,600	12,600	11,410	13,354	14,079	14,849
Vote4 - Planning and Development		4,867	4,412	5,471	5,827	5,827	5,400	5,827	6,133	6,501
Vote5 - Community Services		24,648	24,627	27,488	30,998	30,998	28,170	35,913	39,441	40,256
Vote6 - Technical Services		35,990	38,808	39,250	39,253	39,253	26,500	41,772	43,957	46,210
Vote7 - Economic Development and Growth		2,538	3,150	3,268	3,150	3,150	2,650	4,168	4,413	4,672
Vote8 - Internal Audit		1,205	1,770	2,764	2,844	2,844	2,400	3,056	3,239	3,434
Vote9 - Electricity		30,185	37,790	44,746	72,122	72,122	50,000	65,765	75,372	81,315
Vote10 - Example 10		-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	144,922	161,278	179,357	225,753	224,723	175,730	223,513	242,306	255,728
Surplus/(Deficit) for the year	2	5,225	9,166	12,987	563	11,889	7,747	83	1,088	580

KZN222 uMngeni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue by Vote										
Vote1 - Executive and Council		77,291	93,835	87,496	122,896	124,317	110,311	125,651	135,015	143,369
Executive and Council		77,039	93,561	87,201	122,585	124,006	110,000	125,321	134,666	142,998
Information Technology		253	274	294	311	311	311	330	350	371
Vote2 - Budget and Treasury Office		18,129	16,363	30,340	3,941	3,941	4,000	5,010	5,273	5,590
Finance		18,129	16,363	30,340	3,941	3,941	4,000	5,010	5,273	5,590
Vote3 - Corporate Services		1,689	1,523	1,902	1,675	1,675	1,675	2,555	2,708	2,871
Human Resources		932	512	524	643	643	643	401	425	450
Property Services		588	828	1,117	804	804	804	1,931	2,047	2,169
Community Halls		27	17	98	30	30	30	23	24	25
Public Conveniences		89	97	104	110	110	110	117	124	131
Municipal Offices		52	70	58	88	88	88	84	89	94
Vote4 - Planning and Development		1,375	347	1,179	287	287	287	402	426	452
Planning and Development		1,375	347	1,179	287	287	287	402	426	452
Vote5 - Community Services		5,738	6,303	7,586	6,216	8,990	8,111	5,053	6,764	5,662
Environmental Health										
Clinics		1,305	1,571	2,668	1,428	4,122	4,122	162	172	182
Library		192	185	200	231	311	250	437	1,873	489
Museum		117	112	121	129	129	120	259	272	277
Housing		1,197	974	1,089	37	37	37	39	41	44
Traffic Police		2,299	3,353	3,336	3,943	3,943	3,400	3,962	4,199	4,451
Disaster Management				58	62	62	62	65	69	73
Sport and Recreation		85	90	95	367	367	100	107	114	121
Community Services		544	18	20	21	21	21	22	23	25
Vote6 - Technical Services		15,796	14,076	17,564	39,775	39,975	6,864	33,357	37,438	39,605
Technical Services		1,668	5	2,083	558	758	600	504	534	566
Cemetery		161	115	117	164	164	164	113	119	126
Stormwater				79	1,024	1,024	600	4,091	4,962	5,179
Roads		68	73	376	2,388	2,388	500	9,764	11,805	12,513
Refuse removal and Landfill sites		322	348	14,722	20,965	20,965	1,500	16,754	17,760	18,825
Workshops		11,583	12,244	3	11,545	11,545	2,000	1,925	2,040	2,163
Street Cleaning		1,994	1,140	184	3,131	3,131	1,500	206	219	232

Vote7 - Economic Development and Growth	-	209	385	-	5,900	5,500	389	413	438
Economic Development and Growth		209	361	-	5,900	5,500	389	413	438
Tourism			23						
Vote8 - Internal Audit	-	-	1,145	729	729	729	653	693	734
Internal Audit			1,145	729	729	729	653	693	734
Vote9 - Electricity	30,129	37,789	44,746	50,798	50,798	46,000	50,525	54,663	57,589
Electricity	30,129	37,789	44,746	50,798	50,798	46,000	50,525	54,663	57,589
Vote10 - Example 10	-	-	-	-	-	-	-	-	-
Subvote example 10									
Example 11 - Vote11	-	-	-	-	-	-	-	-	-
Subvote example 11									
Example 12 - Vote12	-	-	-	-	-	-	-	-	-
Subvote example 12									

Total Revenue by Vote	2	150,147	170,445	192,345	226,317	236,612	183,477	223,596	243,394	256,308
Expenditure by Vote	1									
Vote1 - Executive and Council		21,307	26,366	29,773	39,570	38,540	33,200	32,399	33,179	34,656
Executive and Council		20,633	25,569	28,900	38,322	37,292	32,000	31,293	32,007	33,413
Information Technology		675	797	873	1,248	1,248	1,200	1,106	1,172	1,243
Vote2 - Budget and Treasury Office		14,171	13,541	15,088	19,389	19,389	16,000	21,260	22,492	23,836
Finance		14,171	13,541	15,088	19,389	19,389	16,000	21,260	22,492	23,836
Vote3 - Corporate Services		10,011	10,814	11,510	12,600	12,600	11,410	13,354	14,079	14,849
Human Resources		4,772	5,420	5,470	5,556	5,556	5,200	6,228	6,601	6,997
Property Services		387	342	574	831	831	600	639	662	687
Community Halls		385	413	408	427	427	350	557	582	608
Public Conveniences		394	181	271	263	263	260	270	286	303
Municipal Offices		4,074	4,458	4,787	5,523	5,523	5,000	5,661	5,948	6,253
Vote4 - Planning and Development		4,867	4,412	5,471	5,827	5,827	5,400	5,827	6,133	6,501
Planning and Development		4,867	4,412	5,471	5,827	5,827	5,400	5,827	6,133	6,501
Vote5 - Community Services		24,648	24,627	27,488	30,998	30,998	28,170	35,913	39,441	40,256
Environmental Health										
Clinics		2,255	2,657	2,871	3,212	3,212	3,000	3,770	3,996	4,236
Library		2,777	3,704	4,576	5,339	5,419	4,800	5,526	7,267	6,207
Museum		492	635	655	863	863	700	902	956	1,013
Housing		1,197	974	1,089	1,253	1,253	1,200	1,508	1,584	1,665
Traffic Police		5,632	6,144	6,652	7,345	7,345	6,800	7,903	8,377	8,880
Disaster Management		61	366	120	411	411	150	143	151	160
Sport and Recreation		9,849	7,876	9,360	10,406	10,406	9,400	13,366	14,147	14,954
Community Services		2,386	2,271	2,164	2,169	2,169	2,120	2,794	2,962	3,140
Vote6 - Technical Services		35,990	38,808	39,250	39,253	39,253	26,500	41,772	43,957	46,210
Technical Services		4,081	4,027	4,661	4,151	4,351	4,000	3,841	4,071	4,315
Cemetery		618	641	563	564	564	500	675	716	759
Stormwater		2,452	2,304	4,130	4,947	4,947	2,000	4,117	4,286	4,391
Roads		3,366	3,771	10,638	12,196	12,196	5,000	12,685	13,220	13,792
Refuse removal and Landfill sites		10,822	9,770	14,965	12,981	12,981	11,000	15,932	16,869	17,871
Workshops		12,602	16,241	2,045	2,333	2,333	2,000	2,149	2,277	2,414
Street Cleaning		2,049	2,054	2,248	2,080	2,080	2,000	2,375	2,517	2,668

Vote7 - Economic Development and Growth		2,538	3,150	3,268	3,150	3,150	2,650	4,168	4,413	4,672
Economic Development and Growth		2,096	2,520	2,863	2,924	3,324	2,500	3,821	4,050	4,293
Tourism		442	631	405	226	226	150	347	363	379
Vote8 - Internal Audit		1,205	1,770	2,764	2,844	2,844	2,400	3,056	3,239	3,434
Internal Audit		1,205	1,770	2,764	2,844	2,844	2,400	3,056	3,239	3,434
Vote9 - Electricity		30,185	37,790	44,746	72,122	72,122	50,000	65,765	75,372	81,315
Electricity		30,185	37,790	44,746	72,122	72,122	50,000	65,765	75,372	81,315
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Total Expenditure by Vote	2	144,922	161,278	179,357	225,753	224,723	175,730	223,513	242,306	255,728
Surplus/(Deficit) for the year	2	5,225	9,166	12,987	563	11,889	7,747	83	1,088	580

KZN222 uMngeni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue By Source											
Property rates	2	55,825	68,108	65,228	93,191	93,191	93,191	93,191	98,782	104,709	110,992
Property rates - penalties & collection charges		3,688	5,608	2,580	500	500	500	500	1,601	1,697	1,799
Service charges - electricity revenue	2	19,433	23,404	30,907	44,582	44,582	44,582	44,582	40,477	42,866	45,438
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	5,155	5,558	8,164	7,980	7,980	7,980	7,980	10,146	10,755	11,400
Service charges - other											
Rental of facilities and equipment		407	441	414	529	529	529	529	1,326	1,406	1,490
Interest earned - external investments		550	124	257	252	252	252	252	575	610	646
Interest earned - outstanding debtors		3,827	4,885	1,562	500	500	500	500	321	340	360
Dividends received											
Fines		150	1,035	376	319	319	319	319	253	268	284
Licences and permits		1,741	1,934	2,697	1,911	1,911	1,911	1,911	2,095	2,221	2,354
Agency services					1,354	1,354	1,354	1,354			
Transfers recognised - operational		30,200	35,425	50,013	56,256	56,256	56,256	56,256	46,532	55,389	60,145
Other revenue	2	29,171	23,924	16,640	18,944	26,265	26,265	26,265	21,405	23,133	24,523
Gains on disposal of PPE				364							
Total Revenue (excluding capital transfers and contributions)		150,147	170,445	179,201	226,317	233,638	233,638	233,638	223,513	243,394	259,432
Expenditure By Type											
Employee related costs	2	52,067	57,948	65,109	69,710	69,710	69,710	69,710	79,560	84,333	89,393
Remuneration of councillors		3,649	4,039	4,067	4,881	4,881	4,881	4,881	4,778	5,065	5,369
Debt impairment	3	713	8,627	2,736	17,965	17,965	17,965	17,965	3,000	2,000	1,500
Depreciation & asset impairment	2	6,491	6,632	8,187	6,242	6,242	6,242	6,242	8,295	8,793	9,320
Finance charges		5,584	5,754	4,832	4,564	4,564	4,564	4,564	5,084	5,339	5,712
Bulk purchases	2	16,169	21,550	29,225	46,861	46,861	46,861	46,861	40,767	48,921	53,324
Other materials	8										
Contracted services		3,039	3,196	2,389	2,672	2,672	2,672	2,672	4,000	4,240	4,494
Transfers and grants		5,941									
Other expenditure	4, 5	43,214	47,563	49,667	72,857	71,827	71,827	71,827	77,947	83,615	89,739
Loss on disposal of PPE			117								
Total Expenditure		136,868	155,427	166,213	225,753	224,723	224,723	224,723	223,431	242,305	258,851
Surplus/(Deficit)											
Transfers recognised - capital		13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Taxation											
Surplus/(Deficit) after taxation		13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		13,279	15,018	12,987	564	8,915	8,915	8,915	82	1,088	580

KZN222 uMngeni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote1 - Executive and Council		696	429	1,156	-	-	-	-	-	-	-
Vote2 - Budget and Treasury Office		112	35	58	-	-	-	-	-	-	-
Vote3 - Corporate Services		109	6,579	20	-	-	-	-	628	500	-
Vote4 - Planning and Development		18	18	246	-	-	-	-	-	-	-
Vote5 - Community Services		1,062	707	1,336	-	-	-	-	-	1,600	-
Vote6 - Technical Services		8,632	14,449	22,083	23,837	23,837	23,837	23,837	17,877	34,828	30,370
Vote7 - Economic Development and Growth		-	-	1,442	-	5,500	5,500	5,500	-	-	-
Vote8 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote9 - Electricity		7,904	4,172	4,889	3,000	3,000	3,000	3,000	-	9,200	10,300
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,505	46,128	40,670
Single-year expenditure, to be appropriated	2										
Vote1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote4 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote6 - Technical Services		-	-	-	-	-	-	-	-	-	-
Vote7 - Economic Development and Growth		-	-	-	-	-	-	-	-	-	-
Vote8 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote9 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,505	46,128	40,670
Capital Expenditure - Standard											
<i>Governance and administration</i>		918	7,044	1,234	-	-	-	-	629	500	-
Executive and council		696	429	1,156	-	-	-	-	-	-	-
Budget and treasury office		112	35	58	-	-	-	-	-	-	-
Corporate services		109	6,579	20	-	-	-	-	629	500	-
<i>Community and public safety</i>		1,062	707	1,335	-	-	-	-	-	1,600	-
Community and social services		403	56	37	-	-	-	-	-	1,600	-
Sport and recreation		340	632	531	-	-	-	-	-	-	-
Public safety		105	-	761	-	-	-	-	-	-	-
Housing		185	-	3	-	-	-	-	-	-	-
Health		29	19	3	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8,613	14,348	19,624	23,837	29,337	29,337	29,337	17,877	34,828	30,370
Planning and development		18	18	246	-	-	-	-	-	-	-
Road transport		8,595	14,330	19,378	23,837	29,337	29,337	29,337	17,877	34,828	30,370
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		7,904	4,291	7,341	3,000	3,000	3,000	3,000	-	9,200	10,300
Electricity		7,904	4,172	4,889	3,000	3,000	3,000	3,000	-	9,200	10,300
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	119	2,452	-	-	-	-	-	-	-
<i>Other</i>		37	-	1,695	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,506	46,128	40,670
Funded by:											
National Government		9,187	12,067	21,774	14,907	14,907	14,907	14,907	13,447	16,228	17,939
Provincial Government		257	1,925	2,283	9,800	15,300	15,300	15,300	-	-	-
District Municipality		-	3,526	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	9,444	17,519	24,057	24,707	30,207	30,207	30,207	13,447	16,228	17,939
Public contributions & donations	5	113	2,671	-	-	-	-	-	-	-	-
Borrowing	6	8,344	5,391	3,125	-	-	-	-	-	-	-
Internally generated funds		634	808	4,048	2,130	2,130	2,130	2,130	5,059	29,900	22,731
Total Capital Funding	7	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,506	46,128	40,670

KZN222 uMngeni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Capital expenditure - Municipal Vote	1										
Multi-year expenditure appropriation	2										
Vote1 - Executive and Council		696	429	1,156	-	-	-	-	-	-	-
Executive and Council				1,156							
Information Technology		696	429								
0											
Vote2 - Budget and Treasury Office		112	35	58	-	-	-	-	-	-	-
Finance		112	35	58							
Vote3 - Corporate Services		109	6,579	20	-	-	-	-	628	500	-
Human Resources				20							
Property Services			6,579						628	500	
Community Halls											
Public Conveniences											
Municipal Offices		109									
Vote4 - Planning and Development		18	18	246	-	-	-	-	-	-	-
Planning and Development		18	18	246							
Vote5 - Community Services		1,062	707	1,336	-	-	-	-	-	1,600	-
Environmental Health											
Clinics		29	18	3							
Library		377	54	35							
Museum				2							
Housing		185		3							
Traffic Police		105	2	761							
Disaster Management											
Sport and Recreation		340	632	531						1,600	
Community Services		26									
Vote6 - Technical Services		8,632	14,449	22,083	23,837	23,837	23,837	23,837	17,877	34,828	30,370
Technical Services		36		51							
Cemetery											
Stormwater		2,578	4,299	19,378	5,111	5,111	5,111	5,111	5,505	4,869	5,136
Roads		6,016	10,031	2,452	18,726	18,726	18,726	18,726	12,372	22,259	21,234
Refuse removal and Landfill sites			119	202						7,700	4,000
Workshops											
Street Cleaning											
0											

Vote7 - Economic Development and Growth	-	-	1,442	-	5,500	5,500	5,500	-	-	-
Economic Development and Growth										
Tourism			1,442		5,500	5,500	5,500			
Vote8 - Internal Audit	-	-	-	-	-	-	-	-	-	-
Internal Audit										
Vote9 - Electricity	7,904	4,172	4,889	3,000	3,000	3,000	3,000	-	9,200	10,300
Electricity	7,904	4,172	4,889	3,000	3,000	3,000	3,000		9,200	10,300
Capital multi-year expenditure sub-total	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,505	46,128	40,670
Capital expenditure - Municipal Vote										
Single-year expenditure appropriation	2									
Vote1 - Executive and Council	-	-	-	-	-	-	-	-	-	-
Executive and Council										
Information Technology										
0										
Vote2 - Budget and Treasury Office	-	-	-	-	-	-	-	-	-	-
Finance										
Vote3 - Corporate Services	-	-	-	-	-	-	-	-	-	-
Human Resources										
Property Services										
Community Halls										
Public Conveniences										
Municipal Offices										

Vote4 - Planning and Development	-	-	-	-	-	-	-	-	-	-
Planning and Development										
Vote5 - Community Services	-	-	-	-	-	-	-	-	-	-
Environmental Health										
Clinics										
Library										
Museum										
Housing										
Traffic Police										
Disaster Management										
Sport and Recreation										
Community Services										
Vote6 - Technical Services	-	-	-	-	-	-	-	-	-	-
Technical Services										
Cemetery										
Stormwater										
Roads										
Refuse removal and Landfill sites										
Workshops										
Street Cleaning										
0										
Vote7 - Economic Development and Growth	-	-	-	-	-	-	-	-	-	-
Economic Development and Growth										
Tourism										
Vote8 - Internal Audit	-	-	-	-	-	-	-	-	-	-
Internal Audit										
Vote9 - Electricity	-	-	-	-	-	-	-	-	-	-
Electricity										
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,505	46,128	40,670

KZN222 uMngeni - Table A6 Budgeted Financial Position

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
ASSETS											
Current assets											
Cash		5	5	5	5	5	5	5	5	5	5
Call investment deposits	1	1,117	970	4,590	10,000	10,000	10,000	10,000	15,000	15,000	15,000
Consumer debtors	1	54,663	65,500	63,631	48,063	48,063	48,063	48,063	40,063	33,063	31,563
Other debtors		2,127	6,851	0	1,500	1,500	1,500	1,500	-	-	-
Current portion of long-term receivables											
Inventory	2										
Total current assets		57,912	73,325	68,226	59,568	59,568	59,568	59,568	55,068	48,068	46,568
Non current assets											
Long-term receivables		350	-								
Investments					10,000	10,000	10,000	10,000			
Investment property			1,750	1,551	1,750	1,750	1,750	1,750	1,492	1,434	1,376
Investment in Associate											
Property, plant and equipment	3	172,718	189,989	212,091	218,689	218,689	218,689	218,689	228,899	246,234	242,584
Agricultural											
Biological											
Intangible											
Other non-current assets											
Total non current assets		173,069	191,739	213,642	230,439	230,439	230,439	230,439	230,391	247,668	243,960
TOTAL ASSETS		230,981	265,064	281,868	290,007	290,007	290,007	290,007	285,459	295,736	290,527
LIABILITIES											
Current liabilities											
Bank overdraft	1	5,165	4,894	939	5,000	5,000	5,000	5,000	1,000	500	-
Borrowing	4	2,442	3,129	2,635	3,344	3,344	3,344	3,344	3,500	3,700	3,900
Consumer deposits		1,320	1,418	1,551	1,584	1,584	1,584	1,584	1,500	1,600	1,700
Trade and other payables	4	52,890	59,835	60,088	60,000	60,000	60,000	60,000	60,000	55,000	50,000
Provisions		3,092	1,711	715							
Total current liabilities		64,909	70,987	65,929	69,928	69,928	69,928	69,928	66,000	60,800	55,600
Non current liabilities											
Borrowing		48,128	44,635	44,461	39,860	39,860	39,860	39,860	45,001	43,025	39,050
Provisions		15,544	19,101	19,676	23,769	23,769	23,769	23,769	23,875	24,275	24,925
Total non current liabilities		63,672	63,736	64,137	63,629	63,629	63,629	63,629	68,876	67,300	63,975
TOTAL LIABILITIES		128,581	134,723	130,066	133,557	133,557	133,557	133,557	134,876	128,100	119,575
NET ASSETS	5	102,400	130,341	151,803	156,451	156,451	156,451	156,451	150,583	167,636	170,952
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		7,863	107,018	129,166	133,128	133,128	133,128	133,128	126,210	142,213	144,479
Reserves	4	94,537	23,323	22,637	23,323	23,323	23,323	23,323	24,373	25,423	26,473
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	102,400	130,341	151,803	156,451	156,451	156,451	156,451	150,583	167,636	170,952

KZN222 uMngeni - Table A7 Budgeted Cash Flows

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		22,405	29,382		127,739	127,739	127,739	127,739	87,640	93,254	98,851
Government - operating	1				32,359	34,181	34,181	34,181	33,186	38,055	42,206
Government - capital	1				23,897	29,397	29,397	29,397	13,347	17,334	17,939
Interest		550	125	257	255	255	255	255	717	760	805
Dividends						-	-	-			
Payments											
Suppliers and employees					(181,162)	(184,014)	(184,014)	(184,014)	(125,414)	(137,698)	(147,844)
Finance charges		(5,584)	(5,754)	(4,932)	(4,564)	(4,564)	(4,564)	(4,564)	(5,084)	(5,389)	(5,712)
Transfers and Grants	1				(1,386)	(356)	(356)	(356)	(365)	(365)	(365)
NET CASH FROM/(USED) OPERATING ACTIVITIES		17,370	23,753	(4,676)	(2,863)	2,637	2,637	2,637	4,027	5,950	5,880
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			599	999							
Decrease (Increase) in non-current debtors											
Decrease (Increase) other non-current receivables			350		21,000	21,000	21,000	21,000			
Decrease (Increase) in non-current investments											
Payments											
Capital assets					(23,897)	(29,397)	(29,397)	(29,397)	(18,505)	(46,128)	(40,670)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	949	999	(2,897)	(8,397)	(8,397)	(8,397)	(18,505)	(46,128)	(40,670)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		3,682	4,946	3,125	2,500	2,500	2,500	2,500	2,000	1,000	1,500
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing		(1,990)	(2,807)	(3,976)	(3,382)	(3,382)	(3,382)	(3,382)	(3,975)	(3,975)	(3,975)
NET CASH FROM/(USED) FINANCING ACTIVITIES		1,692	2,140	(850)	(882)	(882)	(882)	(882)	(1,975)	(2,975)	(2,475)
NET INCREASE/ (DECREASE) IN CASH HELD		19,062	26,842	(4,527)	(6,642)	(6,642)	(6,642)	(6,642)	(16,453)	(43,153)	(37,265)
Cash/cash equivalents at the year begin:	2		19,062	45,904	5,000	5,000	5,000	5,000	2,000	(14,453)	(57,606)
Cash/cash equivalents at the year end:	2	19,062	45,904	41,377	(1,642)	(1,642)	(1,642)	(1,642)	(14,453)	(57,606)	(94,871)

KZN222 uMngeni - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	19,062	45,904	41,377	(1,642)	(1,642)	(1,642)	(1,642)	(14,453)	(57,606)	(94,871)
Other current investments > 90 days		(23,106)	(49,824)	(37,722)	6,647	6,647	6,647	6,647	28,458	72,111	109,876
Non current assets - Investments	1	-	-	-	10,000	10,000	10,000	10,000	-	-	-
Cash and investments available:		(4,043)	(3,919)	3,655	15,005	15,005	15,005	15,005	14,005	14,505	15,005
Application of cash and investments											
Unspent conditional transfers		8,236	10,347	28,329	10,000	10,000	10,000	10,000	5,000	5,000	5,000
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	42,447	43,843	64,457	27,131	28,469	28,469	28,469	42,222	39,754	34,503
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		50,683	54,191	92,785	37,131	38,469	38,469	38,469	47,222	44,754	39,503
Surplus(shortfall)		(54,726)	(58,110)	(89,130)	(22,126)	(23,464)	(23,464)	(23,464)	(33,217)	(30,249)	(24,498)

References

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

Example supporting calculations only below (municipalities to adjust to suit their circumstances)

Other working capital estimate

Current debtors collected in 30 days	9,592	13,252	(4,369)	32,269	30,931	30,931	30,931	17,778	15,246	15,497
Other debtors collected in 30 days	851	2,740	-	600	600	600	600	-	-	-
Creditors due in 30 days	(52,890)	(59,835)	(60,088)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(55,000)	(50,000)
Total	(42,447)	(43,843)	(64,457)	(27,131)	(28,469)	(28,469)	(28,469)	(42,222)	(39,754)	(34,503)

Debtors collection assumptions

Balance outstanding - consumer debtors	54,663	65,500	63,631	48,063	48,063	48,063	48,063	40,063	33,063	31,563
Estimate of consumers debtors collection rate	18%	20%	-7%	67%	64%	64%	64%	44%	46%	49%
Balance outstanding - other debtors	2,127	6,851	0	1,500	1,500	1,500	1,500	-	-	-
Estimate of other debtors > 90 days	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%

Long term investments committed

Balance (Insert description: eg sinking fund)

	-	-	-	-	-	-	-	-	-	-
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Reserves to be backed by cash/investments

Housing Development Fund	13,486	12,544	11,944	12,544	12,544	12,544	12,544	13,594	14,644	15,694
Capital replacement	760	760								
Self-insurance										
Other (list)										
	14,246	13,304	11,944	12,544	12,544	12,544	12,544	13,594	14,644	15,694

KZN222 uMngeni - Table A9 Asset Management

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	18,533	26,390	31,230	26,837	32,337	32,337	18,505	46,128	40,670
Infrastructure - Road transport		8,595	14,330	13,564	14,037	14,037	14,037	17,877	27,128	26,370
Infrastructure - Electricity		7,904	4,172	4,889	3,000	3,000	3,000	-	9,200	10,300
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	7,700	4,000
Infrastructure		16,499	18,502	18,453	17,037	17,037	17,037	17,877	44,028	40,670
Community		852	707	1,333	9,800	15,300	15,300	-	1,600	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	1,182	7,181	11,444	-	-	-	628	500	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	18,534	26,390	-	-	-	-	-	-	-
Infrastructure - Road transport		8,595	14,330	-	-	-	-	-	-	-
Infrastructure - Electricity		7,904	4,172	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	119	-	-	-	-	-	-	-
Infrastructure		16,499	18,621	-	-	-	-	-	-	-
Community		747	651	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	1,289	7,118	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	17,189	28,660	13,564	14,037	14,037	14,037	17,877	27,128	26,370
Infrastructure - Road transport		15,808	8,345	4,889	3,000	3,000	3,000	-	9,200	10,300
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	119	-	-	-	-	-	7,700	4,000
Infrastructure		32,997	37,123	18,453	17,037	17,037	17,037	17,877	44,028	40,670
Community		1,598	1,358	1,333	9,800	15,300	15,300	-	1,600	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		2,471	14,299	11,444	-	-	-	628	500	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	37,067	52,780	31,230	26,837	32,337	32,337	18,505	46,128	40,670
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5									
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										
Heritage assets										
Investment properties		-	1,750	1,551	1,750	1,750	1,750	1,492	1,434	1,376
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	-	1,750	1,551	1,750	1,750	1,750	1,492	1,434	1,376
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment	3	6,491	6,632	8,187	6,242	6,242	6,242	8,295	8,793	9,320
Repairs and Maintenance by Asset Class		8,054	5,851	-	11,581	-	-	-	-	-
Infrastructure - Road transport		1,682	1,438	-	3,426	-	-	-	-	-
Infrastructure - Electricity		2,511	1,376	-	3,468	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		4,192	2,814	-	6,895	-	-	-	-	-
Community		3,481	2,883	-	4,594	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6,7	380	154	-	92	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		14,545	12,482	8,187	17,822	6,242	6,242	8,295	8,793	9,320

KZN222 uMngeni - Table A10 Basic service delivery measurement

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Household service targets (000)	1									
Water:										
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		5	5		5					
Electricity - prepaid (min.service level)		6	6		8					
<i>Minimum Service Level and Above sub-total</i>		10	10	-	13	-	-	-	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	10	10	-	13	-	-	-	-	-
Refuse:										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week			18		22					
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal			2		2					
<i>Below Minimum Service Level sub-total</i>		-	20	-	24	-	-	-	-	-
Total number of households	5	-	20	-	24	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		13	13							
Sanitation (free minimum level service)		13	13							
Electricity/other energy (50kwh per household per month)		7	7		8					
Refuse (removed at least once a week)		13	13		8					
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		2,741	2,901							
Sanitation (free sanitation service)		2,142	2,276							
Electricity/other energy (50kwh per household per month)		2,381	2,603		8,733	8,733	8,733	4,200	4,452	4,719
Refuse (removed once a week)		5,022	5,269		5,887	5,887	5,887	5,000	5,300	5,618
Total cost of FBS provided (minimum social package)		12,286	13,049	-	14,620	14,620	14,620	9,200	9,752	10,337
Highest level of free service provided										
Property rates (R value threshold)		50,000	65,000	65,000	65,000	65,000	65,000	100,000	100,000	100,000
Water (kilolitres per household per month)		6	6	6	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		6	6	6	-	-	-	-	-	-
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		100	100	100	100	100	100	100	100	100
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)		41,133	45,678	47,935	55,152	55,152	55,152	58,932	62,468	66,216
Water										
Sanitation										
Electricity/other energy		849	573	1,285	5,152	5,152	5,152	4,200	4,452	4,719
Refuse		5,178	5,566	6,118	3,904	3,904	3,904	5,000	5,300	5,618
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	47,161	51,817	55,337	64,207	64,207	64,207	68,132	72,220	76,553

OVERVIEW OF THE ANNUAL BUDGET PROCESS

2.1 OVERVIEW

The budget process is governed by the legislation, viz:

- The Constitution of the Republic of South Africa; and
- Municipal Finance Management Act;(MFMA) and
- Municipal Systems Act;(MSA) and
- Municipal Structures Act; and
- Municipal Property Rates Act; and
- National Treasury Circulars.

The budget process is an effective process that every local government must undertake to ensure good governance and accountability. The process outlines the current and future direction that uMngeni would follow in order to meet legislative stipulations. The budget process enables uMngeni Municipality to optimally involve residents and other stakeholders in the budgeting process.

A Budget Steering Committee was established to comply with section 4 of the Municipal Budget and Reporting Regulations, 2009 consisting of the following:

- (a) The Councillor responsible for financial matters (Mayor)
- (b) The Municipal Manager
- (c) The Chief Financial Officer
- (d) All General Managers
- (e) Deputy Chief Financial Officer

uMngeni Municipality's Budget/Integrated Development Plan (IDP) Review process for the 2011/12 financial year started with the development and approval in July 2010 of the "Process Plan for the Budget formulation and IDP Review". The outcome of the process plan was an understanding and commitment by all stakeholders on the process to be followed in reviewing the IDP as well as formulating the budget.

As a prelude to finalising the budget process for the compilation of the 2011/12 medium term budget various meetings and a workshop was held by the Management Committee in August 2010 to review the existing procedures and to ensure that the budget is more closely aligned to the IDP and Service Delivery and Budget Implementation Plan (SDBIP). To assist with the integration between the IDP and the budget, regular meetings were scheduled involving the Municipal Manager, Budget & Treasury Office and all Heads of Departments.

This was an ongoing process and presentations were made to all departments on outcomes based budgeting and its link to the IDP / SDBIP and Performance Management. In October 2010 budget instructions (broad expenditure parameters) were issued to departments by the budget and treasury office. During November 2010 a series of meetings were held with all General Managers to discuss the budget strategy.

The revised IDP is submitted to Council for approval on 9 March 2011 and this then informed the budget.

During January 2011 and February 2011 deliberations were held on the budget with the Budget Steering Committee with a view to assessing the budget and reducing the deficit in order to ensure that the increases in rates and tariffs to balance the budget was restricted to an acceptable level. This entailed the re-examining of certain items of expenditure. This draft budget is now tabled by the Mayor on 9 March 2011 in terms of section 16(2) of the MFMA.

During the prioritisation process of the capital budget, the impact of capital projects on future operating budgets was assessed and considered prior to these projects being approved. Both the Operating and Capital budgets have been evaluated through a prioritisation mechanism that ensures alignment to the development strategy of the municipality.

2.2 POLITICAL OVERSIGHT OF THE BUDGET PROCESS

The key to strengthening the link between priorities and spending lies in enhancing political oversight of the budget process. Section 53(1)(a) of the MFMA states that the mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of the budget.

He must also co-ordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purposes of the budget; and

take all reasonable steps to ensure –

- (i) that the municipality approves its annual budget before the start of the budget year.
- (ii) that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget; and
- (iii) that the annual performance agreements as required in terms of section 57 (1)(b) of the Municipal Systems Act for the municipal manager and all senior managers –
 - (aa) comply with this Act in order to promote sound financial management.
 - (bb) are linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan; and
 - (cc) are concluded in accordance with section 57 (2) of the Municipal Systems Act.

The Management Committee has a significant role to play in the financial planning process. Strengthening the link between Government's priorities and spending plans is not an end in itself, but the goal should be enhanced service delivery aimed at improving the quality of life for all people within the municipality.

Budgeting is primarily about the priorities and choices that the Municipality has to make in deciding how to meet the agreed set of policy objectives through better service delivery. Political oversight of the budget process allows Government, and in particular, the Municipality to manage the divergence between competing policy priorities and fiscal realities. The Management Committee and the Executive Committee advise Council accordingly.

2.3 SCHEDULE OF KEY DEADLINES RELATING TO BUDGET PROCESS

The budget time schedule for the compilation of the 2011/12 medium term budget was approved by Council in July 2010, well before the start of the budget year and in compliance with the MFMA. This time schedule was revised by Council in January 2011 to cater for the upcoming Local Government elections. One of the objectives of the budget timetable is to ensure integration between the development of the IDP and the budget and also to ensure that a balanced budget is tabled for consideration and approval.

The following provides an extract of the key deadline relating to the budget process.

DESCRIPTION	DATE
-------------	------

1.	Time Schedule Approved by Council.	July 2010
2.	IDP Process Plan Approved by Council	July 2010
3.	Public hearings on the Revised IDP.	March 2011
4.	Revised IDP tabled to Council.	9 March 2011
5.	Tabling of draft budget to Council.	9 March 2011
6.	Mayoral Imbizo's on the draft budget.	12 March to 23 March 2011
7.	Closing date for inputs on draft budget.	31 March 2011
8.	Report to Council on inputs on the budget.	6 April 2011
9.	Approval of final budget by Council.	6 April 2011
10.	Approval of Revised IDP by Council	6 April 2011
11.	Submission of Budget to P.T., N.T. & DLGTA	12 April 2011
12.	Approval of SDBIP's by Mayor.	4 May 2011

2.4 PROCESS FOR CONSULTATIONS WITH EACH GROUP OF STAKEHOLDERS AND OUTCOMES.

The tabling of the draft Budget in Council on 9 March 2011 will be followed by extensive publication of the budget documentation in the local media in March 2011. Copies of the tabled budget in both electronic and printed formats will be submitted to National Treasury as well as the Kwazulu-Natal Provincial Treasury.

The tabled budget will also be published on the Council's website.

In terms of the Municipal Systems Act and in conjunction with the Municipal Finance Management Act, Mayoral Imbizo's on both the operating and capital budgets will be held during March 2011.

The following notice was published in the local newspapers inviting ratepayers, residents, businesses, agriculture and other stakeholders for their inputs:



MUNICIPAL NOTICE.... / 2011

**TABLING OF MULTI-YEAR BUDGET 2011/2012
INTEGRATED DEVELOPMENT PLAN REVISION
NEW GENERAL VALUATION ROLL
INDIGENT POLICY
MAYORAL IMBIZOS FOR 2011/2012 BUDGET YEAR**

Notice is hereby given in terms of Chapter 4 of the Municipal Systems Act, No 32 of 2000 and Section 16(2) of the Municipal Finance Management Act, No 56 of 2003 that the Mayor of uMngeni Municipality will table the draft Multi-year Budget for the 2011/2012, 2012/2013 and 2013/2014 years at a Council Meeting to be held on 9 March 2011.

In terms of Section 22 of the Municipal Finance Management Act, No 56 of 2003, this budget will be made public and the local community is invited to submit representations in connection with the budget.

Copies of the budget will be open for inspection at all Libraries, Municipal Offices and the Budget and Treasury Office of the Chief Financial Officer, corner Somme and Dick streets, Howick during office hours, 08h00 – 16h00 Monday to Friday. Photostat copies of the budget document can be made available at 70c per page.

Further notice is also hereby given in terms of Chapter 4 of the Municipal Systems Act, No 32 of 2000 and Section 23 (1)(a) of the Municipal Finance Management Act, No 56 of 2003, that the following Mayoral Imbizos will take place to show case budget highlights from the uMngeni Municipality Multi-year Budget for the 2011/2012, 2012/2013 and 2013/2014 financial years. At these Imbizos the Integrated Development Plan Revision will also be presented, procedures to be followed for the inspection/objection of the new General Valuation Roll will be presented and the conditions and procedures to apply for indigent support will be presented.

Venue	Date:	Time:
Howick (Ward Committee Members only) Council Chambers c/o Dicks and Somme Street Howick	12 March 2011	10h00
Mpophomeni Zenzeleni Youth Center 2691 Nelson Mandela Highway Mpophomeni	14 March 2011	17h00
Lidgetton West	15 March 2011	17h00

New Hall		
Lidgetton		
Nottingham Road	16 March 2011	17h00
Nottingham Road Farmers Ass. Hall (Next to Nottingham Road Library)		
Hilton Community Hall	22 March 2011	17h00
27 Hilton Avenue		
Hilton		
Howick West Community Hall	23 March 2011	17h00
10 Alpine Road		
Howick West		
Howick Council Chambers	24 March 2011	17h00
c/o Dicks and Somme Street		
Howick		

The closing date for input / comments on the draft budget is 31 March 2011 as Council will consider the approval of the budget on 6 April 2011.

H.S. BUTHELEZI

ACTING MUNICIPAL MANAGER
uMngeni Municipality
Corner Dicks and Somme Streets
PO Box 5
Howick, 3290

OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

VISION OF uMNGENI MUNICIPALITY

uMngeni is to develop as a people focused, efficient and cost effective municipality providing quality services and addressing unemployment and poverty through the promotion of agricultural, commercial and industrial productivity, education, tourism and conservation.

MISSION OF uMNGENI MUNICIPALITY

The uMngeni Municipality will ensure community participation in all projects; improve the skills of the municipal staff; strive for financial viability; provide sustainable services and promote local economic development.

INTEGRATED DEVELOPMENT PLANNING

WHAT IS INTEGRATED DEVELOPMENT PLANNING?

1. Integrated Development Planning is a process through which municipalities prepare a strategic development plan, for a five year period. The integrated Development Plan (IDP) is a product of the process.
2. The IDP is the principal strategic planning document which guides all planning, budgeting, management and decision-making in a municipality.
3. Integrated Development Planning is therefore one of the key tools for local government to fulfill its new developmental role.

LEGAL REQUIREMENTS

In terms of Chapter 5 of the Municipal Systems Act, 2000 all municipalities are required to prepare and adopt Integrated Development Plans. The uMngeni IDP was adopted in 2002.

An annual review of Council's Integrated Development Plan (IDP) is required in terms of Section 34 of the Municipal Systems Act read in conjunction with the provisions of Section 53 (1) (b) of the Municipal Finance Management Act (No. 56 of 2003). These have duly been undertaken.

The IDP has a five year lifespan which is in accordance with the term of office of the Council. At the end of the five year period, the new council has the option of either adopting the IDP of its predecessor or to develop a new plan altogether. The present Council has continued with the existing IDP, as reviewed annually.

APPROACH

The IDP is one of the 4 important management tools employed by the municipality in its management cycle. The other 3 being the Budget, the Service Delivery and Budget Implementation Plan, and the Performance Management System.

Although the IDP cycles are 5 years, the IDP Vision contained in the IDP, and reflected in the Strategic Framework and Spatial Development Framework relates to a longer time horizon of up to 20 years.

In undertaking the Review, Council has to ensure that the process is:

- Implementation orientated
- Strategic
- Integrated
- Participatory

The product of this process is the IDP Review Report.

The review process has been guided by a Process Plan, which was adopted by Council in July 2010 advertised for public comment and submitted to the IDP Forum.

Extensive public consultation was undertaken to inform the review.

The review has two main functions:

- To review the relevance and priority of projects;
- To refine the existing IDP in certain identified areas where funding is available.

This IDP Review has included the capture of existing and new information into a format that aligns with that recommended by the Ministry of Local Government and Traditional Affairs.

This report indicates that all future IDP Assessments will keep within the following seven broad assessment factors:

- Municipal Transformation and Institutional Development.
- Local Economic Development.
- Basic Service Delivery and Infrastructure Investment
- Financial Viability and Financial Management.
- Good Governance and Community Participation
- Spatial Development Framework
- Cross-cutting Issues such as Legal Compliance and Document Outlook.

In the annual review for the 2011/12 financial year which will be adopted by the uMngeni Municipality Council on 9 March 2011 the above seven broad assessment factors will be kept in mind.

LINK BETWEEN IDP AND NATIONAL/PROVINCIAL/DISTRICT PRIORITIES

uMngeni Municipality's developmental plan needs to be aligned with National, Provincial and District initiatives to ensure optimal impact from the combined effects of government. uMngeni Municipality is pleased to note that this plan meets the priorities that more directly affect local government.

IDP REVIEW PROCESS AND STAKEHOLDER PARTICIPATION

As set out in the Municipal Systems Act (2000), in the review of the IDP on an annual basis, a stakeholder consultation process is necessary. Of critical importance is for the Municipality to ensure that there is thorough consultation with the community and strategic stakeholders. As part of the Annual Review of the municipality's IDP as prescribed by the Municipal Systems Act, the Council embarked on an extensive process to engage with stakeholders and elicit comments which were fed into the 2011/2012 reviewed IDP.

The review process began with the approval of the Process Plan in July 2010. The broad strategic intent of the IDP, the proposed changes to the way the document will be restructured and the detailed revised process plan was accepted in principle.

Following from the Process Plan, technical committee meetings were held in July, August and October 2010, Forum meetings in August and November 2010, Public meetings March 2011 in all wards. On 9 March 2011 the Council was submitted with a draft IDP Review Report, thereafter it will

be advertised for public scrutiny, inputs, comments and the final adoption will be on 6 April 2011 in order to inform the 2011/12 budgeting process.

As is the case every year, once the draft IDP is completed, the following mechanisms will be used to ensure effective participation and consultation of the plan:

- The draft IDP will be placed on the Municipality's website for perusal and comment
- Every Municipal Library and Municipal Office will have copies for comment
- Local media (including community newspapers) will be informed of the IDP review and publicises the need for civil society organisations to comment on the document.

LINK BETWEEN THE IDP AND THE BUDGET

In compliance with the Municipal Structures Act (1998) and Municipal Financial Management Act (2003), uMngeni municipality's budget is informed and aligned to the IDP objectives. The IDP determines and prioritises the needs of the community. The budgetary allocations for both the capital and operating expenditure are undertaken in a manner that will not only ensure that our IDP outcomes are achieved but also to ensure that the municipality's vision is realised.

uMngeni has come a long way in capital budgeting – away from departmental budgeting. Currently the capital budget is allocated according to the revised IDP. During the 2011/12 IDP revision process, this allocation process was further entrenched through committing to make hard choices.

In terms of the operating budget we have made an excellent start but now more committed than ever to ensure that critical operating budget resources are prioritised in terms of stated IDP outcomes. More importantly, the Performance Management System (PMS) allows the municipality an opportunity to monitor and evaluate individual and organisational performance in meeting our IDP outcomes and vision.

As with previous year's uMngeni's IDP remains the strategic driver of both the budget and performance management system.

MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

1. KEY FINANCIAL RATIOS/INDICATORS

The benchmarks reflected in the table below are based on actual results in the 2009/10 financial year:

Financial Benchmarks	Basis of Calculation	2009/10
Debt to Asset Ratio	Total Debt/Total Assets	0.29:1
Debt to Revenue	Total Debt/Annual Income	0.23:1
Average Interest Paid on Debt	Interest Paid/Total Interest Bearing Debt	0.11:1
Capital Charges to Operating Expenditure	Interest and Principal Paid/Operating Expenditure	0.04:1
Interest as a % of Operating Expenditure	Interest Paid/Operating Expenditure	2.75%
Credit Rating	Calculated by Moody's	Baa2.za Stable
Current Ratio	Current Assets/Current Liabilities	1.03:1
Creditors System Efficiency	% of Creditors paid within terms	95%
Electricity Distribution Losses	Total units purchased less total units sold/Total units purchased	44%

OVERVIEW OF BUDGET-RELATED POLICIES

The following budget-related policies have been approved by Council, or have been reviewed/amended and/or are currently being reviewed/amended in line with National Guidelines and other legislation.

1. Budget Policy
2. Supply Chain Management Policy
3. Rates Policy
4. Tariff Policy
5. Credit Control & Debt Collection Policy
6. Subsistence & Travel Policy
7. Leave Policy
8. Human Resources Training & Development Policy.
9. Virement Policy
10. Funding and Reserves Policy
11. Cash Management and Investment Policy
12. Overtime Policy
13. Organisational Performance Management Policy
14. Social Housing Policy

The promulgation of the Municipal Budget and Reporting Regulations in Government Gazette No. 32141 dated 17 April 2009 is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirement for insuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes of those institutions and other relevant matters as required by the MFMA.

These regulations are effective for all Municipalities from 1 July 2010 and the budget has been compiled accordingly to be in full compliance from 1 July 2010.

In terms of section 7 of these regulations the Municipal Manager must prepare, or take all reasonable steps to ensure the preparation of the budget-related policies of the municipality, or any amendments to such policies, in accordance with the legislation applicable to those policies for tabling in the municipal council by the applicable deadline specified by the mayor in terms of section 21(1)(b) of the Act.

1. BUDGET POLICY

The budget policy is there to assist Mayors, Councillors, Accounting Officers and Senior Managers in dealing with the changes brought about by the Municipal Finance Management Act No 56 of 2003. This policy provides a framework within which Senior Management can compile, control and review budgets of their respective departments to ensure effective financial management

2. SUPPLY CHAIN MANAGEMENT POLICY

Municipalities are required in terms of section 111 of the MFMA to have a supply chain management policy.

This policy is within the framework of the relevant legislation and regulations. The policy ascribes to the following principles:

- a. A procurement system which is fair, equitable, transparent, competitive and cost-effective in terms of section 217 of the Constitution of South Africa No. 108 of 1996
- b. As enshrined in Chapter 11 of the Municipal Finance Management Act and its regulations
- c. Best practices in supply chain management
- d. Uniformity in supply chain management systems between organs of state in all spheres
- e. Broad Based Black Economic Empowerment

3. RATES POLICY

Section 5(1) of the Municipal Property Rates Act, No. 6 of 2004 states that a municipal council must annually review, and if necessary, amend its rates policy. Any amendments must accompany the municipality's annual budget when it is tabled in the Council. The policy is designed to ensure equitable treatment by Council in the levying of rates on property owners, including owners under sectional title, as well as other persons who may become liable for the payment of rates.

4. TARIFF POLICY

The Municipal Systems Act, No 32 of 2000, requires a municipality to have a tariff determination policy. The challenge in setting tariffs lies in striking a balance between maintaining financial sustainability of the relevant departments (and so the sustainability of service provision) and ensuring affordability of those services by consumers. The municipality's tariff policy provides a broad framework with which the Council can determine fair, transparent and affordable service charges that also promote sustainability of service provision. The policy is based on principles that address the social, economic and financial imperatives that the process of tariff setting should take account of.

5. CREDIT CONTROL & DEBT COLLECTION POLICY

The municipality's credit control and debt collection policy provides the procedures and mechanisms for credit control and for the collection of debts. The primary objective of this policy is to ensure that all monies due and payable to the municipality in respect of rates, fees for services, surcharges on such fees, charges, tariffs, interest which has accrued on any amounts due and payable in respect of the foregoing and any collection charges are collected efficiently and promptly.

6. SUBSISTANCE AND TRAVEL POLICY

The purpose of this policy is to determine guidelines for Councillors and officials for the payment of travelling and subsistence allowances when performing official functions on behalf of the Municipality.

7. LEAVE POLICY

The leave policy for uMngeni Municipality has been adopted by Council in January 2009 and the goal is to ensure that the services rendered by this municipality to the community are efficient, effective and uninterrupted.

The objections are as follows:

- 7.1 Ensure continuity in operational requirements of the organisation while other employees are on leave.
- 7.2 To develop a better understanding regarding leave policy and procedure.
- 7.3 Ensure the development of clearly written administrative policy and procedure.
- 7.4 To ensure proper and accurate record keeping.
- 7.5 To ensure that the private and confidential information is maintained.

7.6 Ensure that leave policy respond effectively to crisis and emergency situations.

8. HUMAN RESOURCE TRAINING AND DEVELOPMENT POLICY

This policy deals with the process whereby people acquire the necessary knowledge and skills to perform delegated tasks. The objective is to ensure that the municipality is served by professional, competent, and productive employees who will have, through continuous improvement in skills and attitude facilitated by the Training Division, distinguish themselves of being capable of delivering high quality services to all people in an endeavor to achieve the municipal strategic objectives.

9. VIREMENT POLICY

This policy's objective is to allow flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

10. FUNDING AND RESERVES POLICY

The funding and reserves policy is aimed at ensuring that the municipality procures sufficient and cost effective funding in order to achieve its capital expenditure objectives in a optimum manner. The policy is adhered to in the procurement of funding for the municipality having due regard to the assets and liability maturity profile of the municipality

11. CASH MANAGEMENT AND INVESTMENT POLICY

Section 13(2) of the MFMA requires that a municipality have a policy dealing with cash management and investment. The municipality's cash management and investment policy is developed within the framework of the MFMA.

12. OVERTIME POLICY

This policy is to ensure that a clear policy guideline is established for all employees of the municipality for working overtime and performing standby duties.

13. ORGANISATIONAL PERFORMANGE MANAGEMENT POLICY

The Performance Management System (PMS) is aimed at:

Providing Guidelines on the effective implementation and maintenance of a single and uniform performance management process within uMngeni Municipality;
Ensuring that every employee's output is optimized in terms of quality and quantity, thereby improving uMngeni Municipality's overall performance and service delivery;
Ensuring that individual employee performance is evaluated fairly and objectively;
Ensuring that categories of performance that exceed expectations are recognized, and;
Also ensuring that categories of performance that does not meet expectations are managed.

14. SOCIAL HOUSING POLICY

The objectives of this Social Housing Policy for uMngeni Municipality are as follows;

To address the housing backlog in the uMngeni municipal area
To ensure that housing beneficiaries are given a choice in respect of the housing types that will suite their life styles and requirements

To facilitate the development and rejuvenation of the town of Howick through social housing development

uMngeni Municipality also intends to facilitate the institution of a Social Housing Company that will be responsible for driving and championing social housing projects within the Municipal area through the social housing policy

This policy seeks to address the imbalances of the past which were a result of the promulgation of policies under the apartheid regime that granted specifically located land for racial segregation as such policies were also determining the urban landscape.

The acceptance of this policy by uMngeni Municipality's EXCO will enable the Municipality and other role-players in the social housing sector to work co-operatively towards improving and upgrading the municipal infrastructure in the identified restructuring zones so that new social housing projects have easy access to services as per Chapter 2, section 5 (iii) of the Social Housing Policy, 2006.

To ensure access to funding for social housing development is not interrupted by a lack of policy framework within the municipal structure/municipality

The policy is intended to create an enabling environment for the Municipality to enter into performance agreements with social housing institutions that will be responsible for the overall management of social housing stock within uMngeni Municipality

All the above policies are available at the Municipal Offices in Howick, Hilton, Mpophomeni and Howick West, all the libraries in Howick, Howick West, Hilton and Mpophomeni as well as on the municipality's website www.umngeni.gov.za.

OVERVIEW OF BUDGET ASSUMPTIONS

GLOBAL RECOVERY AND SOUTH AFRICA'S ECONOMIC OUTLOOK

The Minister of Finance, Mr. Pravin Gordhan in his budget speech to Parliament on 23 February 2011, inter alia said the following:

ECONOMIC OUTLOOK

Mister Speaker, there are encouraging signs of stronger recovery in the global economy as we enter 2011. But it remains essentially a two-speed recovery. There is moderate growth in the United States and parts of Europe again, whereas China and many other emerging economies continue to expand rapidly.

The roots of this divergent growth pattern lie in the unbalanced structure of world growth in the years leading up to the financial crisis. World growth came to rely too heavily on countries that exhibited overly high consumption, financed by countries with high savings and large trade surpluses.

The financial crisis and subsequent recession brought painful adjustments. However, the shift in world trade, investment, manufacturing, incomes and consumption is a structural transition that will take many years, as a multi-polar world evolves.

Up until the turn of the century, developing countries accounted for about 20 per cent of global output. This will increase to 40 per cent by about 2015. Developing economies in Africa, Latin America and South Asia will play an increasingly important role in the global economy in coming years as incomes rise and poverty falls.

South Africa's invitation to join the BRIC economies reflects this broadening of the sources of economic growth. Over the next five years, these economies will account for 36 per cent of world economic growth. We have to construct our own growth and development strategies to propel our economy forward, create jobs and compete on the global stage.

The New Growth Path outlines our approach to accelerate growth and employment, focusing on several key drivers:-

- Continuing and broadening public investment in infrastructure.
- Targeting more labour-absorbing activities in the agricultural and mining value chains, manufacturing, construction and services
- Promoting innovation through "green economy" initiatives, and
- Supporting rural development and regional integration.

The latest estimate released by the Statistician-General is that the domestic economy grew by 2.8 per cent in 2010. Strong commodity prices, low interest rates, and faster global growth, have been the main focus behind our economic recovery. Improving household consumption and accelerating investment will support an increase in economic growth over the medium term. Real GDP growth is projected to reach 3.4 per cent in 2011, 4.1 per cent in 2012 and 4.4 per cent in 2013.

Steady employment gains – of about 2 per cent a year – will raise disposable incomes, supporting household consumption and investment. Private gross fixed-capital formation increased in the second and third quarters of 2010 – a marked turnaround after five successive quarters of decline. Total investment is expected to grow by 3.9 per cent in 2011, rising to 6.8 per cent in 2013. The buoyancy of the investment recovery is an important determinant of future economic growth.

Real growth in exports is expected to average 6.5 per cent a year over the medium term as commodity exports benefit from strong demand and high prices. Inflation is forecast to remain within the target range of 3-6 per cent, edging towards the upper end of the range in 2013 as the economy strengthens. Increasing food and oil prices represent risks to the inflation outlook. The price of Brent crude reached \$107.00 US yesterday – further increases will put upward pressure on prices more broadly.

The improved terms of trade for South Africa contributed to a better current account deficit for 2010 than was expected a year ago. As it widens from the 3.2 per cent of GDP expected this year to 5 per cent in 2013, we would like it to reflect rapidly rising investment rather than higher consumption.”

KEY FINANCIAL INDICATORS

Budget assumption and parameters are determined in advance of the budget process to allow the budget to be constructed to support the achievement of the longer term financial and strategic targets. The municipal fiscal environment is influenced by various macro economic control measures. Municipal service delivery is affected by the level of national and provincial grants and subsidies i.e. equitable share, municipal infrastructure grant, the neighborhood development partnership grant, the national electrification programme, the expanded public works programme, the National Electricity Regulator of South Africa (NERSA) who regulates the electricity increase, National Treasury determines the year-on-year increases in the total budget, etc. etc.

Upon developing the operating budget the following key budget assumptions/parameters were used:

DESCRIPTION	2011/2012	2012/2013	2013/2014
Inflation Rates (CPI)	3.6%	4%	6%
Remuneration Increase	8%	7%	6%
Electricity Tariffs Increase	20.8%	20%	20%
Rate Randage Increase	0%	6%	6%
Fuel & Oil Increase	6%	6%	6%
Printing & Stationery	6%	6%	6%
Telephones	6%	6%	6%
Postage	6%	6%	6%

CREDIT RATING

A credit rating is an opinion with a future focus on the ability and willingness of a borrower to repay its obligations in full and on time.

Moody’s Investors Service has assigned a national scale issuer rating of Baa2.za with the stable outlook to the uMngeni Municipality, on the global rating scale, a Baseline Credit Assessment (BCA) of 12 (on a scale of 1-21 where 1 represents the lowest credit risk) and a low likelihood that the South African Government (Local Currency A2, stable) would act to prevent a default by the municipality. This rating was determined at November 2010.

INTEREST RATES FOR BORROWING

Infrastructure backlogs are enormous and existing assets are ageing rapidly and need refurbishment. Municipalities face a number of challenges to fulfill their extensive mandate of

service delivery. The borrowing needs are therefore high and increasing all the time. There is however, no need to approach the capital market for the 2011/12 financial year but it will be a requirement for the years to come.

The MFMA specifies that borrowing can only be used to fund capital costs. Loans were raised from the Development Bank of SA and ABSA and the details of the loans are as follows:

EXTERNAL LOANS	AMOUNT	FIXED INTEREST RATE	REPAYMENT TERMS
DBSA	R10 million	12.62%	20 years
DBSA	R20 million	10.095%	20 years
ABSA	R20 million	9.2%	15 years

BULK SERVICES INCREASES

The draft budget was compiled to make provision for a 26.7% increase in the electricity bulk purchase tariffs based on the approved tariffs by the National Electricity Regulator of South Africa (NERSA). NERSA has also announced that an annual guideline increase of 20.8% for 2011/12. NERSA still has to approve this increase and uMngeni's application must reach them before 30 April 2011.

TIMING OF REVENUE COLLECTION

uMngeni Municipality renders monthly accounts for rates and services and all annual residential and commercial ratepayers have since the 2004/05 financial year been converted to monthly ratepayers. Incentives for early payment of rates accounts are also still applicable in this MTREF period.

GROWTH IN REVENUE BASE OF uMNGENI MUNICIPALITY

The number of Development applications through the Development Facilitation Act has increased at a positive rate which broadens the tax base of the municipality. The Corridor Development projects together with the Neighbourhood Development Partnership Grant Fund will further attract investment into uMngeni Municipality with increased revenue and spin-offs realised. Developments like Gowrie Estates, Garlington, Amber Valley (to name a few examples) will contribute to the revenue base in the next years to come.

COLLECTION RATES FOR EACH REVENUE SOURCE

The collection rate is the cash collected from ratepayers and consumers expressed as a percentage of the amount billed. The average monthly collection rate and the projections for 2010/11 are as follows:

	AVERAGE 2010/11	PROJECTIONS 2011/12
Rates	85%	90%
Electricity	85%	90%
Refuse Removal	85%	90%

RATES

Due to the strict implementation of the credit control and debt collection policy of uMngeni Municipality the collection of arrear rates will increase as summonses are now issued after 3 months and services are disconnected in respect of arrear rates.

Due to a focus placed on large debt owed by government departments, farmers and businesses a higher collection rate is anticipated.

The arrear accounts of Government Departments are still a concern but good progress have been made in this regard.

Provision has been made to retain the current rate randage for the 2011/12 financial year due to the increase in the total valuation roll. The new regulations on the rate ratios between residential and agricultural, public service infrastructure and public benefit organizations have also impacted on the income but provision was made to incorporate these ratios in the total rates revenue.

ELECTRICITY

Strict credit control measures are now in place to minimize theft and therefore a higher collection rate is anticipated.

REFUSE REMOVAL

It is anticipated that the introduction of a refuse removal fee for all residential properties over R200000 will realize a higher collection rate

OTHER TARIFF INCREASES

All other tariffs have been amended to cater for the additional costs related thereto, i.e. building plan fees, valuation fees, objections, sub-divisions, etc. etc.

AVERAGE SALARY INCREASES

Provision has been made for a 8% salary increase in employee's salaries and 5% for Councillors and Section 57 Employees for the 2011/12 financial year, 7% in 2012/13 and 6% in 2013/14. The total salary expenditure for 2011/2012 amounts to 35.6% of the total operating budget.

ABILITY OF THE MUNICIPALITY TO SPEND AND DELIVER ON THE PROGRAMMES

The municipality has demonstrated over the past 4 to 5 years that it has the ability to spend and deliver on its programmes in this municipal area.

The projected capital spending for the 2010/11 financial is estimated at 95% if compared to the approved budget. It is however, projected that the total capital budget for the 2011/12 financial year will be spend by 30 June 2011.

The operating budget for 2010/2011 will reach a projected 85 % spending as a result of the savings in all expenditure costs due to the intervention program instituted by Provincial Treasury and COGTA.

OVERVIEW OF BUDGET FUNDING

OPERATING BUDGET

The projected 2010/11 operating expenditure in the amount of R 224.7 million is fully funded from the municipality's revenues and from grants and subsidies from National and Provincial Government. For this financial year the revenue collected was sufficient to cover the operating expenditure with no reliance placed on the prior year's surpluses.

The expenditure for the 2011/12 financial year in the amount of R 223.4 million will be funded from our revenue, grants and subsidies.

The income from rates will amount to R 100.3 million an increase of 7.1% compared to the projected income for 2010/11 due to the new valuation roll.

The income for electricity and refuse removal amounts to R 50.5 million and R 16.3 million respectively whilst operating grants and subsidies amounts to R 33.1 million. This includes the equitable share of R30.5 million as promulgated in the Division of Revenue Bill, 2011.

CAPITAL BUDGET

The 2010/11 capital budget was funded from the accumulated surplus (projected to be R 32.3 million) and grants from National Government.

MEDIUM TERM OUTLOOK 2011/2012 to 2013/2014

OPERATING BUDGET

The operating budget decreased from R 224.7 million in 2010/11 to R 223.4 million in 2011/12. The operating budget for 2012/2013 amounts to R 242.3 million and R 258.8 million for the 2013/2014 financial year.

This is mainly attributable to:

1. Cost of addressing service delivery backlogs
2. Repairs and maintenance of infrastructure.
3. Employee related costs.
4. Cost of bulk purchases (electricity).

CAPITAL BUDGET

Over the next three financial years, 2011/2012 to 2013/2014, capital spending is projected to be as follows: R 18.5 million in 2011/2012, R 46.1 million in 2012/2013 and R 40.6 million in 2013/2014

LOAN DEBT

In line with the anticipated budget performance, and taking into account the National and Provincial Grant allocations, uMngeni Municipality will continue to fund each year's operating budget from current revenues.

With regard to the funding of the capital budget the municipality has access to long-term loans due to its favourable credit rating. An annual contribution from the accumulated surplus will also be made in order to finance capital projects.

The ability of uMngeni Municipality, to deliver on progress depends a lot on its funding sources which are summarised as follows:

CAPITAL

	2011/12	2012/13	2013/14
Funding Source	R	R	R
Internal Funding	5 158 000	29 900 000	23 550 000
Grant Funding	13 347 000	16 228 000	17 120 000
External Funding	0	0	0
Total Capital Budget	18 505 000	46 128 000	40 670 000

OPERATING

uMngeni Municipality receives its funding from various sources including property rates, electricity charges, refuse charges, fines, licenses, permits, interest, etc. etc.

The table below indicates the funding sources:

Funding Source	2011/12	%	2012/13	%	2013/14	%
Assessment Rates	100 384 000	44.9%	106 407 000	43.7%	112 791 000	43.5%
Service Charges	50 623 000	22.6%	53 621 000	22.0%	56 838 000	21.9%
Investment Income	575 000	0.3%	610 000	0.3%	646 000	0.2%
Transfers recognized	46 532 000	20.8%	55 389 000	22.8%	60 145 000	23.2%
Other Income	25 399 000	11.4%	27 368 000	11.2%	29 011 000	11.2%
Total	223 513 000	100%	243 394 000	100%	259 432 000	100%

67.5% of the Operating Budget is funded from assessment rates and service charges (tariffs).

SOURCES OF FUNDING

In the case of uMngeni Municipality a basket of differential tariff increases determines the most acceptable and equitable funding regime taking into consideration the actual cost of delivery services, budget priorities and national legislation, regulations and policy guidelines. The main sources of income for uMngeni Municipality are derived from property rates, electricity, refuse removal and fiscal transfers from Provincial and National Government.

GRANT ALLOCATIONS

Municipalities play a critical role in the delivery of social and household services and National & Provincial government are aware of this and are increasing transfers to local authorities on an annual basis.

The grants allocated to uMngeni Municipality as promulgated in the 2011 Division of Revenue Bill, 2011 in the MTREF period are as follows:

A. NATIONAL GRANTS ALLOCATED TO uMNGENI MUNICIPALITY

	2011/12 R	2012/13 R (Indicative)	2013/14 R (Indicative)
Financial Management Grant	1 450 000	1 500 000	1 750 000
Municipal Systems Improvement Grant	790 000	800 000	900 000
Municipal Infrastructure Grant	13 347 000	16 228 000	17 120 000
<i>Equitable Share</i>	29 176 000	32 477 000	34 629 000
Councillor Allowances	1 384 000	1 461 000	1 546 000
Total	46 147 000	52 466 000	55 945 000

B. PROVINCIAL GRANTS ALLOCATED TO uMNGENI MUNICIPALITY

	2011/12 R	2012/13 R (Indicative)	2013/14 R (Indicative)
Museum Subsidy	200 000	210 000	211 000
Health (Clinics)	0	0	0
Provincialisation of Libraries	0	1 411 000	2 963 000
Community Library Services Grant	186 000	196 000	197 000
Total	386 000	1 817 000	3 371 000

C. INDIRECT GRANTS ALLOCATED TO uMNGENI MUNICIPALITY

	2011/12 R	2012/13 R (Indicative)	2013/14 R (Indicative)
Water Services (Equitable Share Allocation)	12 042 000	13 352 000	14 209 000
Sanitation Services (Equitable Share Allocation)	10 488 000	11 629 000	12 376 000
Municipal Infrastructure Grant	8 073 000	9 816 000	10 356 000
Total	30 603 000	34 797 000	36 941 000

EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

INTRODUCTION

In terms of the Division of Revenue Bill, 2011 as promulgated in the Government Gazette in March 2011, the following grants have been allocated to uMngeni Municipality for the Medium Term Revenue and Expenditure Framework:

a) NATIONAL GRANTS ALLOCATED TO UMGNGENI MUNICIPALITY

	2011 / 12	2012 / 13	2013 / 14
	R	R (Indicative)	R (Indicative)
Financial Management Grant	1 450 000	1 500 000	1 750 000
Municipal Systems Improvement Grant	790 000	800 000	900 000
Municipal Infrastructure Grant	13 347 000	16 228 000	17 120 000
<i>Equitable Share</i>	29 176 000	32 477 000	34 629 000
Councillor Allowances	1 384 000	1 461 000	1 546 000
Total	46 147 000	52 466 000	55 945 000

ALLOCATIONS MADE TO UMGNGENI LOCAL MUNICIPALITY FOR THE 2011/12, 2012/13, & 2013/14 FINANCIAL YEARS.

b) PROVINCIAL GRANTS ALLOCATED TO UMGNGENI MUNICIPALITY

	2011 / 12	2012 / 13	2013 / 14
	R	R (Indicative)	R (Indicative)
Museum Subsidy	200 000	210 000	211 000
Health (Clinics)	0	0	0
Provincialisation of Libraries	0	1 411 000	2 963 000
Community Library Services Grant	186 000	196 000	197 000
Total	386 000	1 817 000	3 371 000

INDIRECT GRANTS FROM UMGUNGUNDLOVU DISTRICT MUNICIPALITY AS GAZETTED IN TERMS OF DIVISION OF REVENUE BILL, 2011

	2011 / 12	2012 / 13	2013 / 14
	R	R (Indicative)	R (Indicative)
Water Services (Equitable Share Allocation)	12 042 000	13 352 000	14 209 000
Sanitation Services (Equitable Share Allocation)	10 488 000	11 629 000	12 376 000
Municipal Infrastructure Grant	8 073 000	9 816 000	10 356 000

Total	30 603 000	34 797 000	36 941 000

All of the above grants are conditional grants except for the equitable share allocation which is mainly utilised for the provision of free basic services.

1.1 FINANCIAL MANAGEMENT GRANT (FMG)

Purpose

To promote and support reforms in financial management by building the capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

Measurable outputs

- Improved and sustained skills development including internship programme on financial management.
- Upgrading of IT systems to deliver reports required for financial management improvement and improve the quality of data.
- Preparation and implementation of multi-year budgets meeting uniform norms and standards.
- Assist in the implementation of supply chain reforms, accounting reforms, producing quality and timely financial statements.
- Assist in the preparation of financial recovery plans.
- Progressive improvements in audit outcomes.
- Improvements to internal and external reporting on budgets, finances, SDBIP, In-year and annual reports.
- Implementation of the Municipal Finance Management Act.

1.2 MUNICIPAL SYSTEMS IMPROVEMENT GRANT (MSIG)

Purpose

To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Local Government Municipal Systems Act, 2000 and related legislation and policies.

Measurable outputs

- Number of municipalities developing / updating rates policies and by-laws, developing / updating valuation rolls in terms of the Local Government Municipal Property Rates Act, 2004.
- Number of municipalities improving on financial viability and management through targeted support interventions for improvement of municipal audit outcomes and systems.
- Number of municipalities with strengthened administrative systems for effective implementation of ward participation system.
- Number of municipalities implementing by-laws, policies and/or systems that support local government legislations.

1.3 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

Purpose

The grant is intended to:-

- Provide capital finance for basic municipal infrastructure for poor households, micro enterprises and social institutions.
- Provide for new, rehabilitation and upgrading of municipal infrastructure, and
- Eradicate bucket sanitation system mainly in urban townships

It is important that it is properly targeted to ensure efficient use of funds

Measurable outputs

- Number of new households receiving water and sanitation services per annum.
- Number of additional kilometres of roads developed.
- Number of additional sports facilities developed.
- Number of jobs created using Expanded Public Works Programme (EPWP) guidelines for above outputs.
- Number of households where the bucket sanitation system has been replaced with an alternative system

1.4 NATIONAL ELECTRIFICATION PROGRAMME (MUNICIPAL) GRANT (INEP)

Purpose

- To implement the INEP by providing capital subsidies to municipalities to address the electrification backlog of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.
- To implement the INEP by providing capital subsidies to municipalities to address electrification backlogs of permanently occupied residential dwellings by utilising alternative energy solutions eg solar home systems.
- To implement the INEP by providing capital subsidies to municipalities to address electrification backlogs of permanently occupied residential dwellings in both Eskom and municipal area of supply.

Measurable outputs

- The number of connections to households, schools and clinics per annum.
- The number of bulk infrastructure installations
- Progress on reduction of electrification backlogs
- Implementation of labour intensive methods on electrification projects and the number of jobs created

1.5 NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

Purpose

- To support neighbourhood development projects that provide community infrastructure and create the platform for other public and private sector development, towards improving the quality of life of residents in targeted underserved neighbourhoods (townships generally).
- A Technical Assistance Grant aimed at supporting the development of township development plans.
- A Capital Grant aimed at supporting nodal investment into the construction or upgrading of community facilities, which may attract private sector investment.

Measurable outputs

- Number of projects granted award status.
- Number of projects with funding agreements concluded.
- Number of projects in receipt of planning and project preparation technical assistance
- Number of projects under construction

2.1 MUSEUM SUBSIDY

The purpose of this subsidy is to assist municipalities in rendering this service. The estimated cost for this service for the 2011/12 financial year amounts to R 901 969 whilst the subsidy amounts to R 200 000

2.2 HEALTH SUBSIDY (CLINICS)

Municipal Clinics is utilised to subsidise primary health care for personal services provided by local municipal clinics. The total expenditure for 2011/12 is estimated at R 3 608 082 whilst the subsidy amounts to R nil

2.3 ENVIRONMENTAL HEALTH

This is a District Function and uMngeni is the provider of this service.

2.4 PROPERTY RATES

This subsidy is there to assist municipalities to implement the Municipal Property Rates Act which includes the compilation of the valuation roll, policies, by-laws, Valuation Appeals Board, etc.

3. INDIRECT GRANTS

The Division of Revenue Bill, 2011 has promulgated amounts to be allocated to uMngeni Municipality by the uMgungundlovu District Municipality from their equitable share, i.e. Water

R 12 042 000 and Sanitation R 10 488 000 for the 2011/12 financial year. Projects to the minimum of these amounts have to be funded by the District Municipality.

Furthermore the uMgungundlovu District Municipality must also indicate projects which must be undertaken in uMngeni in the amount of R 8 073 000 in respect of the Municipal Infrastructure Grant for the 2011/12 financial year.

ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Section 67 of the Municipal Finance Management Act, No. 56 of 2003 regulates the transfer of funds to an organization or body outside any sphere of Government

Provision has been made in the 2010/2012 draft budget for contributions to the following organizations:

ORGANISATION	SERVICE	AMOUNT
Lions River Fire Protection Service	Fire Protection	R 300 000
SPCA	Caring for Animals	R 600 000
Nottingham Road Tourism Association	Tourism	R 120 000
The Zulu Mpophomeni Tourism Association	Tourism	R 120 000
Total		R 1 140 000

KZN222 uMngeni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Salary		3,649	4,011	4,067	4,881	4,881	4,286	4,778	5,065	5,369
Pension Contributions										
Medical Aid Contributions										
Motor vehicle allowance										
Cell phone allowance										
Housing allowance										
Other benefits or allowances										
In-kind benefits										
Sub Total - Councillors		3,649	4,011	4,067	4,881	4,881	4,286	4,778	5,065	5,369
% increase	4		9.9%	1.4%	20.0%	-	(12.2%)	11.5%	6.0%	6.0%
Senior Managers of the Municipality	2									
Salary		6,267	7,420	8,239	6,806	6,806	6,806	8,273	8,770	9,296
Pension Contributions										
Medical Aid Contributions										
Motor vehicle allowance										
Cell phone allowance										
Housing allowance										
Performance Bonus		575	-	-						
Other benefits or allowances										
In-kind benefits										
Sub Total - Senior Managers of Municipality		6,842	7,420	8,239	6,806	6,806	6,806	8,273	8,770	9,296
% increase	4		8.4%	11.0%	(17.4%)	-	-	21.6%	6.0%	6.0%
Other Municipal Staff										
Basic Salaries and Wages		29,949	36,059	39,051	45,854	45,854	45,854	52,982	56,161	59,531
Pension Contributions		7,209	7,706	8,343	7,175	7,175	7,175	7,140	7,569	8,023
Medical Aid Contributions					2,412	2,412	2,412	2,896	3,070	3,254
Motor vehicle allowance		3,727	843	804	811	811	811	766	812	861
Cell phone allowance					54	54	54	58	61	65
Housing allowance		316	338	236	232	232	232	202	214	227
Overtime		3,553	3,728	4,613	1,495	1,495	1,495	2,996	3,175	3,366
Performance Bonus					3,939	3,939	3,939	3,810	4,038	4,281
Other benefits or allowances		458	1,855	3,824	459	459	459	438	465	493
In-kind benefits										
Sub Total - Other Municipal Staff		45,212	50,528	56,871	62,431	62,431	62,431	71,288	75,565	80,099
% increase	4		11.8%	12.6%	9.8%	-	-	14.2%	6.0%	6.0%
Total Parent Municipality		55,703	61,959	69,177	74,118	74,118	73,522	84,339	89,399	94,763
% increase			11.2%	11.6%	7.1%	-	(0.8%)	14.7%	6.0%	6.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		55,703	61,959	69,177	74,118	74,118	73,522	84,339	89,399	94,763
% increase	4		11.2%	11.6%	7.1%	-	(0.8%)	14.7%	6.0%	6.0%
TOTAL MANAGERS AND STAFF	5	52,055	57,948	65,109	69,237	69,237	69,237	79,561	84,334	89,395

KZN222 uMngeni - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No. 10	Salary	Contrib. 1.	Allowances	Performance Bonuses	In-kind benefits 2.	Total Package 3.
Rand per annum								
Councillors	4							
Speaker	5		128,876	53,818	72,094			254,788
Chief Whip								-
Executive Mayor			331,501	104,475	163,277			599,253
Deputy Executive Mayor			124,988	55,645	86,334			266,967
Executive Committee			115,397	53,247	82,338			250,982
Total for all other councillors			1,370,826	781,884	1,253,428			3,406,138
Total Councillors	9	-	2,071,588	1,049,069	1,657,471			4,778,128
Senior Managers of the Municipality	6							
Municipal Manager (MM)			924,015					924,015
Chief Finance Officer			765,582					765,582
General Manager:Operations			725,582					725,582
General Manager:Internal Audit			758,237					758,237
General Manager:Community Services			769,519					769,519
General Manager - Corporate Services			765,547					765,547
<i>List of each official with packages >= senior manager</i>								
General Manager:Technical Services			769,519					769,519
General Manager:Planning and Development			765,547					765,547
General Manager: Economic Development and Growth			753,241					753,241
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	9	-	6,996,789	-	-	-	-	6,996,789
A Heading for Each Entity	7.8							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	9	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		-	9,068,377	1,049,069	1,657,471	-	-	11,774,917

MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Total Council Vote 01 Monthly Projections of Revenue by Source	Jul-11 Revenue R'000	Aug-11 Revenue R'000	Sep-11 Revenue R'000	Oct-11 Revenue R'000	Nov-11 Revenue R'000	Dec-11 Revenue R'000
Regional Levies	-	-	-	-	-	-
Property Rates	19,032,819.13	12,522,480.09	11,402,711.72	10,705,597.56	16,307,374.81	8,406,148.47
Property Rates Penalties Imposed & Collection Charges	193,251.83	127,148.38	115,778.69	108,700.46	165,578.73	85,352.75
Electricity Revenue from tariff Billings	4,884,766.04	3,213,889.92	2,926,501.78	2,747,587.68	4,185,281.76	2,157,434.92
Water Revenue from tariff Billings	-	-	-	-	-	-
Sanitation Revenue from tariff Billings	-	-	-	-	-	-
Refuse Revenue from tariff Billings	1,224,397.63	805,581.92	733,546.26	688,700.30	1,049,067.45	540,774.76
Grants	5,615,455.53	3,694,640.80	3,364,263.60	3,158,586.58	4,811,338.64	2,480,155.60
Interest & Investment Income	69,411.55	45,668.74	41,585.01	39,042.67	59,472.02	30,656.72
Rent of Facilities & Equipment	102,894.55	67,698.58	61,644.93	57,876.22	88,160.35	45,445.02
Interest Earned Outstanding Debtors	38,704.43	25,465.25	23,188.13	21,770.50	33,162.07	17,094.43
Fines	30,504.50	20,070.18	18,275.49	17,158.20	26,136.35	13,472.80
Licenses & Permits	252,813.04	166,336.17	151,462.28	142,202.51	216,610.95	111,658.92
Income from Agency Services	-	-	-	-	-	-
Other	913,877.37	601,277.78	547,511.13	514,038.58	783,012.79	403,628.53
Total Revenue By Source	32,358,896	21,290,258	19,386,469	18,201,261	27,725,196	14,291,823

Total Council Vote 01 Monthly Projections of Revenue by Source	Jan-12 Revenue R'000	Feb-12 Revenue R'000	Mar-12 Revenue R'000	Apr-12 Revenue R'000	May-12 Revenue R'000	Jun-12 Revenue R'000
Regional Levies	-	-	-	-	-	-
Property Rates	10,396,386	8,801,343	19,319,947	7,201,629	13,482,111	20,132,388
Property Rates Penalties Imposed & Collection Charges	105,561	89,365	196,167	73,123	136,892	204,416
Electricity Revenue from tariff Billings	2,665,757	2,256,769	4,953,864	1,846,583	3,456,974	5,162,184
Water Revenue from tariff Billings	-	-	-	-	-	-
Sanitation Revenue from tariff Billings	-	-	-	-	-	-
Refuse Revenue from tariff Billings	668,808	566,198	1,242,869	463,287	867,316	1,295,134
Grants	3,067,357	2,596,754	5,700,170	2,124,773	3,977,771	5,939,873
Interest & Investment Income	37,915	32,098	70,459	26,264	49,168	73,422
Rent of Facilities & Equipment	56,205	47,582	104,447	38,933	72,887	108,839
Interest Earned Outstanding Debtors	21,142	17,898	39,288	14,645	27,417	40,940
Fines	16,663	14,106	30,965	11,542	21,608	32,267
Licenses & Permits	138,095	116,908	256,627	95,659	179,083	267,419
Income from Agency Services	-	-	-	-	-	-
Other	501,663	424,696	932,257	347,504	650,560	971,460
Total Revenue By Source	17,675,551	14,963,718	32,847,060	12,243,943	22,921,787	34,228,341

Monthly Projections of Revenue and expenditure by vote	Jul-11			Aug-11			Sep-11		
	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000
Expenditure & Revenue by Vote									
Department: Municipal Managers Office									
Vote: Executive & Council- Operations	2,878,956	-	21,922,013	2,472,147	-	14,423,400	2,346,975	-	13,133,650
Vote: Information Technology	101,752	-		87,374	-		82,950	-	
Department: Chief Financial Officer									
Vote: Finance	1,955,920	-	312,770	1,679,540	-	205,785	1,594,500	-	187,383
Department: Corporate Services									
Vote: Human Resources	572,976	-	12,212	492,012	-	8,034	467,100	-	7,316
Vote: Property Services	58,788	57,776	157,257	50,481	49,612	103,466	47,925	47,100	94,214
Vote: Community Halls	51,244	-	1,354	44,003	-	891	41,775	-	811
Vote: Public Toilets	24,840	-		21,330	-		20,250	-	
Vote: Municipal Offices	520,812	-	3,004	447,219	-	1,977	424,575	-	1,800
Department: Planning & Development									
Vote: Planning & Development	536,084	-	164,698	460,333	-	108,362	437,025	-	98,672
Department: Community Services									
Vote: Clinic	346,840	-	-	297,830	-	-	282,750	-	-
Vote: Environmental Health	-	-	-	-	-	-	-	-	-
Vote: Libraries	508,392	-	32,737	436,554	-	21,539	414,450	-	19,613
Vote: Fort Nottingham	-	-	-	-	-	-	-	-	-
Vote: Housing	138,736	-	-	119,132	-	-	113,100	-	-
Vote: Traffic Police	727,076	-	432,665	624,337	-	284,669	592,725	-	259,213
Vote: Disaster Management	13,156	-	-	11,297	-	-	10,725	-	-
Vote: Sport & Recreation	1,229,672	-	535	1,055,914	-	352	1,002,450	-	320
Vote: Museums	82,964	-	24,136	71,258	-	15,880	67,650	-	14,460
Vote: Community Services Admin	257,048	-	-	220,726	-	-	209,550	-	-
Department: Technical Services									
Vote: Cemetery	62,100	-	10,024	53,325	-	6,595	50,625	-	6,006
Vote: Sewerage	-	-	-	-	-	-	-	-	-
Vote: Storm Water Management	378,764	493,396	483,080	325,243	423,677	317,838	308,775	402,225	289,417
Vote: Roads	1,167,020	1,151,196	1,127,508	1,002,115	988,527	741,834	951,375	938,475	675,499
Vote: Landfill Site	-	-	9,969	-	-	6,559	-	-	5,973
Vote: Refuse Removal	1,465,744	-	1,863,999	1,258,628	-	1,226,402	1,194,900	-	1,116,736
Vote: Street Cleaning	218,500	-	-	187,625	-	-	178,125	-	-
Vote: Water Distribution	-	-	-	-	-	-	-	-	-
Vote: Electricity Distribution	6,050,380	-	5,576,020	5,195,435	-	3,668,695	4,932,375	-	3,340,637
Vote: Technical Services	353,372	-	907	303,439	-	597	288,075	-	543
Vote: Workshop/Building Inspection	197,708	-	223,391	169,771	-	146,978	161,175	-	133,835
Department: Internal Audit									
Vote: Internal Audit	281,152	-	-	241,424	-	-	229,200	-	-
Department: Local Economic Develop									
Vote: Local Economic Develop	351,532	-	-	301,859	-	-	286,575	-	-
Vote: Tourism	31,924	-	-	27,413	-	-	26,025	-	-
Total by Vote	20,563,472	1,702,368	32,358,279	17,657,764	1,461,816	21,289,852	16,763,700	1,387,800	19,386,099

Monthly Projections of Revenue and expenditure by vote	Oct-11			Nov-11			Dec-11		
	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000
Expenditure & Revenue by Vote									
Department: Municipal Managers Office									
Vote: Executive & Council	2,659,905	-	12,330,714	2,346,975	-	18,782,844	2,941,542	-	9,682,207
Vote: Information Technology	94,010	-	-	82,950	-	-	103,964	-	-
Department: Chief Financial Officer									
Vote: Finance	1,807,100	-	175,927	1,594,500	-	267,983	1,998,440	-	138,140
Department: Corporate Services									
Vote: Human Resources	529,380	-	6,869	467,100	-	10,463	585,432	-	5,393
Vote: Property Services	54,315	53,380	88,454	47,925	47,100	134,738	60,066	59,032	69,455
Vote: Community Halls	47,345	-	761	41,775	-	1,160	52,358	-	598
Vote: Public Toilets	22,950	-	-	20,250	-	-	25,380	-	-
Vote: Municipal Offices	481,185	-	1,690	424,575	-	2,574	532,134	-	1,327
Department: Planning & Development									
Vote: Planning & Development	495,295	-	92,639	437,025	-	141,114	547,738	-	72,741
Department: Community Services									
Vote: Clinic	320,450	-	-	282,750	-	-	354,380	-	-
Vote: Environmental Health	-	-	-	-	-	-	-	-	-
Vote: Libraries	469,710	-	18,414	414,450	-	28,049	519,444	-	14,459
Vote: Fort Nottingham	-	-	-	-	-	-	-	-	-
Vote: Housing	128,180	-	-	113,100	-	-	141,752	-	-
Vote: Traffic Police	671,755	-	243,366	592,725	-	370,709	742,882	-	191,094
Vote: Disaster Management	12,155	-	-	10,725	-	-	13,442	-	-
Vote: Sport & Recreation	1,136,110	-	301	1,002,450	-	458	1,256,404	-	236
Vote: Museums	76,670	-	13,576	67,650	-	20,680	84,788	-	10,660
Vote: Community Services Admin	237,490	-	-	209,550	-	-	262,636	-	-
Department: Technical Services									
Vote: Cemetery	57,375	-	5,639	50,625	-	8,589	63,450	-	4,427
Vote: Sewerage	-	-	-	-	-	-	-	-	-
Vote: Storm Water Management	349,945	455,855	271,723	308,775	402,225	413,904	386,998	504,122	213,360
Vote: Roads	1,078,225	1,063,605	634,202	951,375	938,475	966,052	1,192,390	1,176,222	497,982
Vote: Landfill Site	-	-	5,608	-	-	8,542	-	-	4,403
Vote: Refuse Removal	1,354,220	-	1,048,464	1,194,900	-	1,597,079	1,497,608	-	823,265
Vote: Street Cleaning	201,875	-	-	178,125	-	-	223,250	-	-
Vote: Water Distribution	-	-	-	-	-	-	-	-	-
Vote: Electricity Distribution	5,590,025	-	3,136,405	4,932,375	-	4,777,550	6,181,910	-	2,462,738
Vote: Technical Services	326,485	-	510	288,075	-	777	361,054	-	401
Vote: Workshop/Building Inspection	182,665	-	125,653	161,175	-	191,402	202,006	-	98,664
Department: Internal Audit									
Vote: Internal Audit	259,760	-	-	229,200	-	-	287,264	-	-
Department: Local Economic Develop									
Vote: Local Economic Develop	324,785	-	-	286,575	-	-	359,174	-	-
Vote: Tourism	29,495	-	-	26,025	-	-	32,618	-	-
Total by Vote	18,998,860	1,572,840	18,200,914	16,763,700	1,387,800	27,724,667	21,010,504	1,739,376	14,291,550

Monthly Projections of Revenue and expenditure by vote	Jan-12			Feb-12			Mar-12		
	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000
Expenditure & Revenue by Vote									
Department: Municipal Managers Office									
Vote: Executive & Council	2,753,784	-	11,974,564	2,753,784	-	10,137,392	2,503,440	-	22,252,727
Vote: Information Technology	97,328	-	-	97,328	-	-	88,480	-	-
Department: Chief Financial Officer									
Vote: Finance	1,870,880	-	170,846	1,870,880	-	144,634	1,700,800	-	317,489
Department: Corporate Services									
Vote: Human Resources	548,064	-	6,670	548,064	-	5,647	498,240	-	12,396
Vote: Property Services	56,232	55,264	85,899	56,232	55,264	72,720	51,120	50,240	159,629
Vote: Community Halls	49,016	-	739	49,016	-	626	44,560	-	1,374
Vote: Public Toilets	23,760	-	-	23,760	-	-	21,600	-	-
Vote: Municipal Offices	498,168	-	1,641	498,168	-	1,389	452,880	-	3,050
Department: Planning & Development									
Vote: Planning & Development	512,776	-	89,964	512,776	-	76,161	466,160	-	167,182
Department: Community Services									
Vote: Clinic	331,760	-	-	331,760	-	-	301,600	-	-
Vote: Environmental Health	-	-	-	-	-	-	-	-	-
Vote: Libraries	486,288	-	17,882	486,288	-	15,138	442,080	-	33,231
Vote: Fort Nottingham	-	-	-	-	-	-	-	-	-
Vote: Housing	132,704	-	-	132,704	-	-	120,640	-	-
Vote: Traffic Police	695,464	-	236,337	695,464	-	200,077	632,240	-	439,193
Vote: Disaster Management	12,584	-	-	12,584	-	-	11,440	-	-
Vote: Sport & Recreation	1,176,208	-	292	1,176,208	-	247	1,069,280	-	543
Vote: Museums	79,376	-	13,184	79,376	-	11,161	72,160	-	24,500
Vote: Community Services Admin	245,872	-	-	245,872	-	-	223,520	-	-
Department: Technical Services									
Vote: Cemetery	59,400	-	5,476	59,400	-	4,636	54,000	-	10,176
Vote: Sewerage	-	-	-	-	-	-	-	-	-
Vote: Storm Water Management	362,296	471,944	263,875	362,296	471,944	223,390	329,360	429,040	490,368
Vote: Roads	1,116,280	1,101,144	615,884	1,116,280	1,101,144	521,393	1,014,800	1,001,040	1,144,518
Vote: Landfill Site	-	-	5,446	-	-	4,610	-	-	10,120
Vote: Refuse Removal	1,402,016	-	1,018,181	1,402,016	-	861,969	1,274,560	-	1,892,119
Vote: Street Cleaning	209,000	-	-	209,000	-	-	190,000	-	-
Vote: Water Distribution	-	-	-	-	-	-	-	-	-
Vote: Electricity Distribution	5,787,320	-	3,045,816	5,787,320	-	2,578,518	5,261,200	-	5,660,140
Vote: Technical Services	338,008	-	495	338,008	-	419	307,280	-	921
Vote: Workshop/Building Inspection	189,112	-	122,024	189,112	-	103,303	171,920	-	226,761
Department: Internal Audit									
Vote: Internal Audit	268,928	-	-	268,928	-	-	244,480	-	-
Department: Local Economic Develop									
Vote: Local Economic Develop	336,248	-	-	336,248	-	-	305,680	-	-
Vote: Tourism	30,536	-	-	30,536	-	-	27,760	-	-
Total by Vote	19,669,408	1,628,352	17,675,214	19,669,408	1,628,352	14,963,432	17,881,280	1,480,320	32,846,434

Monthly Projections of Revenue and expenditure by vote	Apr-12			May-12			Jun-12		
	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000	Opex R'000	Capex R'000	Revenue R'000
Expenditure & Revenue by Vote									
Department: Municipal Managers Office									
Vote: Executive & Council	2,127,924	-	8,294,840	2,753,784	-	15,528,704	2,753,784	-	23,188,717
Vote: Information Technology	75,208	-	-	97,328	-	-	97,328	-	-
Department: Chief Financial Officer									
Vote: Finance	1,445,680	-	118,346	1,870,880	-	221,554	1,870,880	-	330,840
Department: Corporate Services									
Vote: Human Resources	423,504	-	4,621	548,064	-	8,650	548,064	-	12,917
Vote: Property Services	43,452	42,704	59,503	56,232	55,264	111,395	56,232	55,264	166,342
Vote: Community Halls	37,876	-	512	49,016	-	959	49,016	-	1,432
Vote: Public Toilets	18,360	-	-	23,760	-	-	23,760	-	-
Vote: Municipal Offices	384,948	-	1,137	498,168	-	2,128	498,168	-	3,178
Department: Planning & Development									
Vote: Planning & Development	396,236	-	62,318	512,776	-	116,666	512,776	-	174,213
Department: Community Services									
Vote: Clinic	256,360	-	-	331,760	-	-	331,760	-	-
Vote: Environmental Health	-	-	-	-	-	-	-	-	-
Vote: Libraries	375,768	-	12,387	486,288	-	23,189	486,288	-	34,628
Vote: Fort Nottingham	-	-	-	-	-	-	-	-	-
Vote: Housing	102,544	-	-	132,704	-	-	132,704	-	-
Vote: Traffic Police	537,404	-	163,712	695,464	-	306,483	695,464	-	457,662
Vote: Disaster Management	9,724	-	-	12,584	-	-	12,584	-	-
Vote: Sport & Recreation	908,888	-	202	1,176,208	-	379	1,176,208	-	566
Vote: Museums	61,336	-	9,133	79,376	-	17,097	79,376	-	25,530
Vote: Community Services Admin	189,992	-	-	245,872	-	-	245,872	-	-
Department: Technical Services									
Vote: Cemetery	45,900	-	3,793	59,400	-	7,101	59,400	-	10,603
Vote: Sewerage	-	-	-	-	-	-	-	-	-
Vote: Storm Water Management	279,956	364,684	182,787	362,296	471,944	342,195	362,296	471,944	510,988
Vote: Roads	862,580	850,884	426,626	1,116,280	1,101,144	798,683	1,116,280	1,101,144	1,192,647
Vote: Landfill Site	-	-	3,772	-	-	7,062	-	-	10,545
Vote: Refuse Removal	1,083,376	-	705,299	1,402,016	-	1,320,384	1,402,016	-	1,971,686
Vote: Street Cleaning	161,500	-	-	209,000	-	-	209,000	-	-
Vote: Water Distribution	-	-	-	-	-	-	-	-	-
Vote: Electricity Distribution	4,472,020	-	2,109,852	5,787,320	-	3,949,836	5,787,320	-	5,898,159
Vote: Technical Services	261,188	-	343	338,008	-	643	338,008	-	959
Vote: Workshop/Building Inspection	146,132	-	84,527	189,112	-	158,242	189,112	-	236,297
Department: Internal Audit									
Vote: Internal Audit	207,808	-	-	268,928	-	-	268,928	-	-
Department: Local Economic Develop									
Vote: Local Economic Develop	259,828	-	-	336,248	-	-	336,248	-	-
Vote: Tourism	23,596	-	-	30,536	-	-	30,536	-	-
Total by Vote	15,199,088	1,258,272	12,243,709	19,669,408	1,628,352	22,921,350	19,669,408	1,628,352	34,227,910

ANNUAL BUDGETS & SERVICE DELIVERY & SERVICE DELIVERY & BUDGET

IMPLEMENTATION PLAN- INTERNAL DEPARTMENTS

SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

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1. Introduction

1.1 Legislative Framework in terms of MFMA

The Municipal Finance Management Act (MFMA) requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by

municipalities for the financial year are aligned with their Integrated Development Plan Strategy.

Section 1 of the Municipal Finance Management Act (MFMA) No. 56 of 2003 defines the “service delivery and budget implementation plan” as the detailed plan approved by the mayor of the municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of municipal services and its annual budget and which must include the following:-

- a) Projections of each month of –
 - (i) revenue to be collected, by source, and
 - (ii) operational and capital expenditure, by vote;
- b) Service delivery targets and performance indicators for each quarter, and
- c) Any other matters that may be prescribed, and includes any revisions of such plan by the Mayor in terms of section 54 (1)(c).

In terms of Section 53 (1)(c)(ii) of the MFMA, the SDBIP must be approved by the Mayor of the municipality within 28 days of the approval of the budget.

1.2 Overview

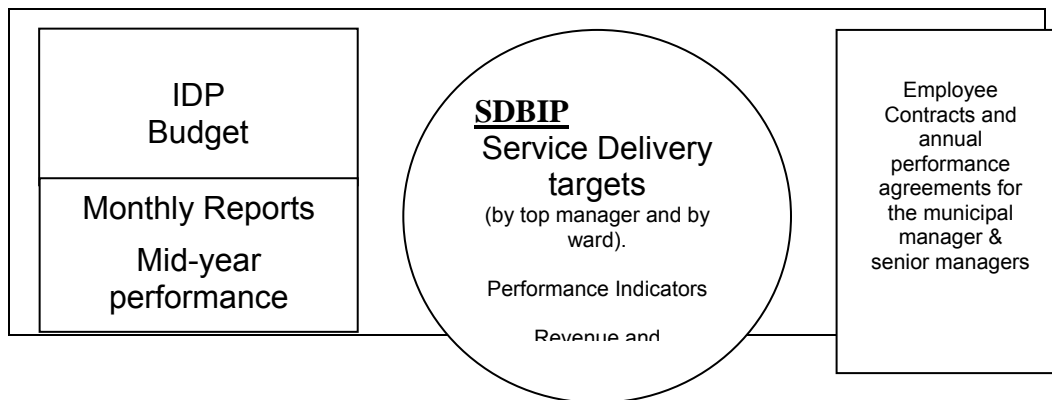
The primary objective of uMngeni’s SDBIP 2011/12 as an implementation tool for the municipality is to strengthen our local accountability and governance and improve capital as well as operational planning, spending and service delivery.

The SDBIP 2011/12 will not only ensure appropriate monitoring in the execution of the municipality’s budget and processes involved in the allocations of budgets to achieve key strategic priorities as set by the Municipality’s Integrated Development Plan (IDP), but will also serve as the kernel of annual performance contracts for senior management and provide a foundation for the overall annual and quarterly organization performance for the 2011/12 financial year.

In an effort to avoid issues related to budgets being under spent and not achieving the programs desired outcomes as a result of unrealistic revenue projections when preparing the budget, uMngeni’s SDBIP document will also give an outline of the quarterly projections of service delivery targets and performance indicators.

The SDBIP will also empower all Councilors and allow them to undertake the appropriate oversight and monitoring of programs. The SDBIP document will also acquire council committees the ability to measure in-year progress in the implementation of the budget.

The overview can be diagrammatically represented as follows:



1.3 Components of the SDBIP

- o Monthly Projections of Revenue to be Collected for each Source
- o Monthly Projections of Expenditure and Revenue for each Vote.
- o Quarterly projections of Service Delivery Targets and Performance Indicators for each Vote.

1.3.1 Monthly Projections of Revenue to be collected for each source:

The failure to collect its revenue as budgeted will severely impact on the Municipality's ability to provide services to the community. The municipality therefore has to institute measures to achieve its monthly revenue targets for each source. These measures will enable the municipality to assess its cash flow on a monthly basis with the view to undertaking contingency plans should there be a cash flow shortage or alternatively invest surplus cash. Furthermore, the effectiveness of credit control policies and procedures can be monitored with appropriate action taken if considered necessary.

1.3.2 Monthly projections of expenditure and revenue for each vote:

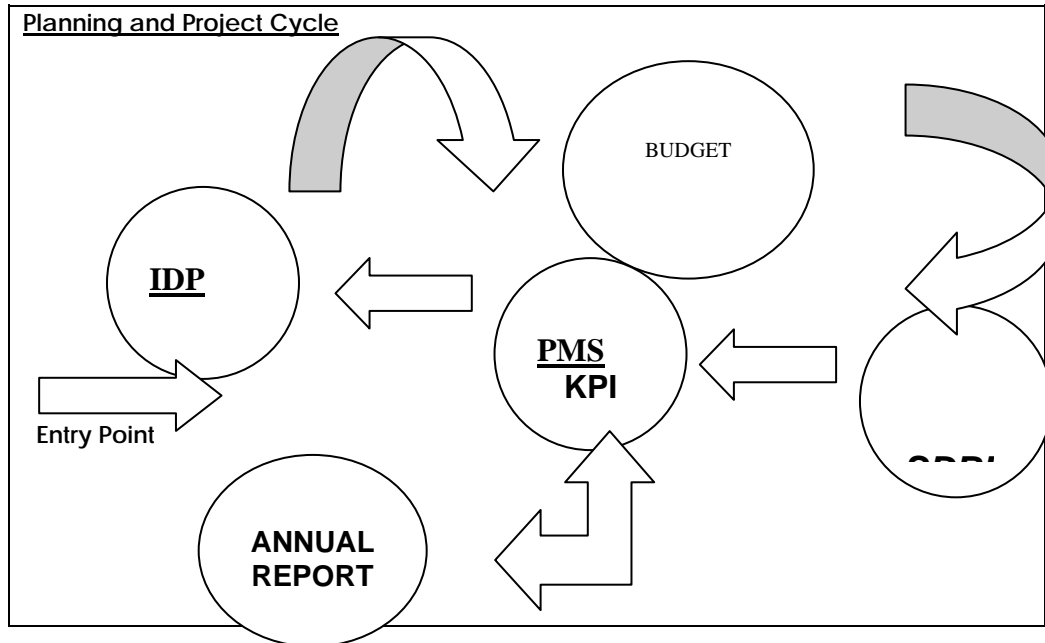
The monthly projection of revenue and expenditure per vote relate to the cash paid and reconciles with the cash flow statement adopted with the budget. The focus under this component is a monthly projection per vote in addition to projections by source. When reviewing budget projections against actual, it is useful to consider revenue and expenditure per vote in order to gain a more complete picture of budget projections against actual

1.3.3 Quarterly projections of Service Delivery Targets and Performance Indicators for each vote.

This component of the SDBIP requires non-financial measurable performance objectives in the form of service delivery targets and other indicators of performance. The focus is on outputs rather than inputs. Service delivery targets relate to the level and standard of service being provided to the community and include the addressing of backlogs in basic services.

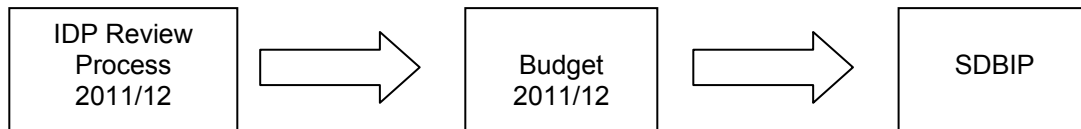
1.4 Strategic Direction and Planning Cycle

A seamless process between the IDP, SDBIP, Performance Management System (PMS) and Annual Report would create an enabling environment for the municipality to achieve its deliverables.



The MFMA clearly outlines the elements of the SDBIP to provide an order of logical sequence to ensure that the principal aim of the SDBIP of aligning the IDP to the Budget is achieved and a conceptual framework was adopted. The framework for uMngeni's SDBIP 2011/12 is derived from the municipality's IDP and the Budget 2011/12 as outlined in the following diagram:

SERVICE DELIVERY AND BUDGET IMPLEMENTATION FRAMEWORK



2. The Budget Process

2.1 Background to the Budget Preparation Process

The MFMA requires that Council submit a detailed plan of the budget process for the ensuing financial year for approval. Accordingly, a budget process plan scheduling key deadlines was noted by Council at its meeting in July 2010. The National Treasury Circular No. 51 of 2010, provided guidance on content and format for the municipal budget documentation in respect of the Medium Term Revenue and Expenditure Framework (MTREF).

2.2. Capital Budget Process

The Capital Budgeting process was through strategic sessions that were held by the Management Committee (MANCO) where the following broad strategic splits were made based on municipal wide priorities, derived from the IDP.

The prioritization of the capital budgets included budgeting involved program budgeting based on the IDP thereby ensuring that budgeting also occurred horizontally. The adoption of this outcomes-based approach by the municipality in their budgeting process has ensured the refinement of the municipality's budget.

The process of compilation of the capital budget commenced in November 2010 with a budget discussion meeting being held by the Budget Steering Committee. Several meetings were held thereafter which culminate in the draft capital budget being tabled on 9 March 2011.

2.3 Operating Budget Process

The process of the compilation of the operating budget started in October 2010 when budget instructions (broad expenditure parameters etc) were issued to departments. During November 2010 a series of budget meetings were by the Budget Steering Committee. At these meetings, budget strategy, budget policies, and the alignment of the operating budget with the IDP were discussed. Departments submitted inputs and a first draft budget was compiled during January 2011.

During February 2011 deliberations were held on the budget with the various Departments and their teams with a view to assessing the budget and reducing the deficit in order to ensure that the increase in rates and tariffs to balance the budget was restricted to an acceptable level. This entailed the re-examining of certain items of expenditure and include overtime, temporary staff, employment services and consultants.

2.4 Public Participation Process

The tabling of the draft budget to Council on 9 March 2011 will be followed by extensive publication of the budget in order to involve citizens; they were also invited to Mayoral Imbizos during March 2011. Various public participation and community consultative meetings were scheduled to receive representations and submissions from ward committees, residents, community organizations, organized business and other stakeholder formations.

In terms of the Municipal Systems Act and in conjunction with the Municipal Finance Management Act Mayoral Imbizo's on both the Operating and Capital budgets will be held in March 2011 as part of the process of consultation. Council will evaluated all responses to the draft budget in April 2011 before finalization and ultimate approval of the budget on 6 April 2011.

KZN222 uMngeni - Supporting 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		
ESKOM			AGENCY FEES	INDEFINATE	7,674
BYTES			SAMRAS SYSTEM	INDEFINATE	522
UMNGENI SPCA			GRANT	INDEFINATE	1,320
ABSA VEHICLE FINANCE			LEASING OF VEHICLES	INDEFINATE	1,125
TELKOM			RENTAL FOR TELEPHONE LINES	INDEFINATE	711
SA POST OFFICE			POSTAGE	INDEFINATE	1,347

KZN222 uMngeni - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding	Current Year	2011/2012 medium Term Revenue & Expenditure Framework			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total Contract	
		Years	2010/11	Budget Year	Budget Year	Budget Year	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	Value
R thousand	1.3	Total	Original Budget	2011/2012	2012/2013	2013/2014	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1													--	
Contract 2													--	
Contract 3 etc:													--	
Total Operating Revenue Implication		--	--	--	--	--	--	--	--	--	--	--	--	
Expenditure Obligation By Contract	2													
ESKOM		6,907	7,674	8,441	9,286	10,214	11,236	12,359	13,595	14,955	16,450	18,095	19,905	149,116
BYTES TECHNOLOGY		470	522	574	632	695	764	841	925	1,017	1,119	1,231	1,354	10,145
UMNGENI SPCA		1,188	1,320	1,452	1,597	1,757	1,933	2,126	2,338	2,572	2,830	3,112	3,424	25,649
ABSA VEHICLE FINANCE		1,012	1,125	1,237	1,361	1,497	1,646	1,811	1,992	2,191	2,411	2,652	2,917	21,851
TELKOM		640	711	782	860	946	1,041	1,145	1,259	1,385	1,524	1,676	1,844	13,812
SA POST OFFICE		1,212	1,347	1,482	1,630	1,793	1,972	2,169	2,386	2,625	2,887	3,176	3,493	26,171
Total Operating Expenditure Implication		11,429	12,698	13,968	15,365	16,902	18,592	20,451	22,496	24,746	27,220	29,942	32,936	246,745
Capital Expenditure Obligation By Contract	2													
Contract 1														--
Contract 2														--
Contract 3 etc:														--
Total Capital Expenditure Implication		--	--	--	--	--	--	--	--	--	--	--	--	--
Total Parent Expenditure Implication		11,429	12,698	13,968	15,365	16,902	18,592	20,451	22,496	24,746	27,220	29,942	32,936	246,745
Entities:														
Revenue Obligation By Contract	2													
Contract 1														--
Contract 2														--
Contract 3 etc:														--
Total Operating Revenue Implication		--	--	--	--	--	--	--	--	--	--	--	--	--
Expenditure Obligation By Contract	2													
Contract 1														--
Contract 2														--
Contract 3 etc:														--
Total Operating Expenditure Implication		--	--	--	--	--	--	--	--	--	--	--	--	--
Capital Expenditure Obligation By Contract	2													
Contract 1														--
Contract 2														--
Contract 3 etc:														--
Total Capital Expenditure Implication		--	--	--	--	--	--	--	--	--	--	--	--	--
Total Entity Expenditure Implication		--	--	--	--	--	--	--	--	--	--	--	--	--

KZN222 uMngeni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote1 - Executive and Council		696	429	1,156	-	-	-	-	-	-	-
Vote2 - Budget and Treasury Office		112	35	58	-	-	-	-	-	-	-
Vote3 - Corporate Services		109	6,579	20	-	-	-	-	628	500	-
Vote4 - Planning and Development		18	18	246	-	-	-	-	-	-	-
Vote5 - Community Services		1,062	707	1,336	-	-	-	-	-	1,600	-
Vote6 - Technical Services		8,632	14,449	22,083	23,837	23,837	23,837	23,837	17,877	34,828	30,370
Vote7 - Economic Development and Growth		-	-	1,442	-	5,500	5,500	5,500	-	-	-
Vote8 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote9 - Electricity		7,904	4,172	4,889	3,000	3,000	3,000	3,000	-	9,200	10,300
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,505	46,128	40,670
Single-year expenditure, to be appropriated	2										
Vote1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote4 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote6 - Technical Services		-	-	-	-	-	-	-	-	-	-
Vote7 - Economic Development and Growth		-	-	-	-	-	-	-	-	-	-
Vote8 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote9 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,505	46,128	40,670
Capital Expenditure - Standard											
<i>Governance and administration</i>		918	7,044	1,234	-	-	-	-	629	500	-
Executive and council		696	429	1,156	-	-	-	-	-	-	-
Budget and treasury office		112	35	58	-	-	-	-	-	-	-
Corporate services		109	6,579	20	-	-	-	-	629	500	-
<i>Community and public safety</i>		1,062	707	1,335	-	-	-	-	-	1,600	-
Community and social services		403	56	37	-	-	-	-	-	1,600	-
Sport and recreation		340	632	531	-	-	-	-	-	-	-
Public safety		105	-	761	-	-	-	-	-	-	-
Housing		185	-	3	-	-	-	-	-	-	-
Health		29	19	3	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8,613	14,348	19,624	23,837	29,337	29,337	29,337	17,877	34,828	30,370
Planning and development		18	18	246	-	-	-	-	-	-	-
Road transport		8,595	14,330	19,378	23,837	29,337	29,337	29,337	17,877	34,828	30,370
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		7,904	4,291	7,341	3,000	3,000	3,000	3,000	-	9,200	10,300
Electricity		7,904	4,172	4,889	3,000	3,000	3,000	3,000	-	9,200	10,300
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	119	2,452	-	-	-	-	-	-	-
<i>Other</i>		37	-	1,695	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,506	46,128	40,670
Funded by:											
National Government		9,187	12,067	21,774	14,907	14,907	14,907	14,907	13,447	16,228	17,939
Provincial Government		257	1,925	2,283	9,800	15,300	15,300	15,300	-	-	-
District Municipality		-	3,526	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	9,444	17,519	24,057	24,707	30,207	30,207	30,207	13,447	16,228	17,939
Public contributions & donations	5	113	2,671	-	-	-	-	-	-	-	-
Borrowing	6	8,344	5,391	3,125	-	-	-	-	-	-	-
Internally generated funds		634	808	4,048	2,130	2,130	2,130	2,130	5,059	29,900	22,731
Total Capital Funding	7	18,534	26,390	31,230	26,837	32,337	32,337	32,337	18,506	46,128	40,670

LEGISLATION COMPLIANCE STATUS

- The promulgation of the Municipal Finance Management Act and the Municipal Property Rates Act had a profound effect on the operations of local government as it requires a transformation on financial planning processes.
- This MTREF is an expression of a continuous process of improving the financial planning progress at local government level, incorporating revised formats in accordance with National Treasury requirements.
- This MTREF has surpassed most of these requirements within the deadlines prescribed in the MFMA and MPRA.
- New Municipal Budget & Reporting Regulations have been promulgated in Government Gazette No. 32141 dated 17 April 2010 and all municipalities are required to implement these regulations from 1 July 2010.

- **The following are some of the key MFMA areas and the status thereof:**
 - **Integrated Development Plan:** Revised IDP to be approved by Council on 6 April 2011
 - **Budget:** This budget has been prepared in accordance with MFMA and National Treasury requirements and approved within the required legislative timeframes
 - **Annual Report:** Has been compiled in terms of MFMA and National Treasury requirements and was tabled to Council on 25 January 2011. Council will adopt the Oversight Report & Annual Report on 31 March 2011.
 - **Audit Report:** An unqualified audit report for the 2009/10 financial year was received and Council has dealt with the report on 25 January 2011 in terms of the MFMA and The Public Audit Act, No. 25 of 2004
 - **Audit Committee:** An Audit Committee has been established and meet regularly in accordance with the MFMA. A shared service is in place with uMgungundlovu District Municipality, Impendle and Mkhambathini Local Municipalities
 - **In-year Reporting:** uMngeni Municipality submits monthly & quarterly reports to the Executive Committee, Council, Provincial & National Treasuries, other Organs of State and the Auditor General on an ongoing basis
 - **Budget & Treasury Office:** Has been established in accordance with the MFMA and National Treasury requirements
 - **Service Delivery Budget Implementation Plan:** The draft SDBIP is attach to the Budget Document and will be approved by the Mayor within 28 days after approval of the budget

- **Municipal Property Rates Act:** All the requirements in respect of Valuation Roll, Rates Policy, Valuation Appeals Board, etc. have been met

- **Municipal Systems Act:** All requirements in respect of Public Participation, Notices, Advertising, Promulgation, etc. have been met

uMNGENI MUNICIPALITY



MUNICIPAL NOTICE NO: 7/ 2011

ASSESSMENT OF GENERAL RATES FOR 2011 / 2012

Notice is hereby given in terms of Section 14 of the Local Government: Municipal Property Rates Act No 6 of 2004, that by Resolution taken onthe Council of uMngeni Municipality has resolved to determine the rates payable on all ratable property within the area of uMngeni Municipality for the financial year 1 July 2011 to 30 June 2012 as 1,22 cents in the rand on the market value of the property as stated in the valuation roll.

All rebates and exemptions are contained in the Rates Policy and may in certain instances be applied to the rate as assessed above.

General:

1. Rates will be payable monthly in eleven (11) equal installments with the first installment payable on 31 August 2011 and the last installment payable on the 30 June 2012.
2. The date on which the determination of rates came into operation is 01 July 2011.
3. Any rates remaining unpaid for a period longer than 3 months will be subject to legal action to be instituted to recover the arrear amount.
4. Any rates that are not paid on the due date will be subject to interest at the rate of 1% per month or part thereof.
5. A collection fee of 10% will be raised on the amount outstanding on 28 February 2012.
6. A discount of 10% will be granted to all ratepayers if the annual rates for the 2011/2012 financial year is paid on or before 31 August 2011. This 10% is only applicable to the 2011/2012 rates, subject to the total account, including all arrears, are paid on or before 31 August 2011.
7. The date on which the notice was first displayed on the Municipal Notice Board is 01 June 2011.
8. This notice is also available on uMngeni Municipality's website www.umngeni.gov.za

HS BUTHELEZI
ACTING MUNICIPAL MANAGER
PO BOX 5
HOWICK, 3290

uMNGENI MUNICIPALITY

MUNICIPAL NOTICE NO.:8/2011

AMENDMENT TO TARIFFS: 2011/2012 FINANCIAL YEAR

Notice is hereby given in terms of Section 75A(3)(b) of the Local Government: Municipal Systems Act (Act 32 of 2000), that uMngeni Municipal Council by Resolution taken on resolved to amend the following tariffs as indicated:

1. Refuse Removal Tariffs

- | | | |
|-----|-------------------------|--|
| (a) | Domestic Consumers | Free up to total market value per property of R200 000. |
| | | Consumers/Ratepayers with property values in excess of R200 000 will have a monthly charge of R45.40 |
| (b) | Commercial Consumers | R75.00 per 120ℓ bin per month
(One collection per week) |
| (c) | Government Institutions | R62.00 per bin 120ℓ per month
(One collection per week) |

Sectional title complexes that collect and transport domestic refuse to the landfill site for disposal must make application in writing to the Municipal Manager in order to qualify for reduced refuse removal tariffs subject to all necessary criteria being met.

The above tariff excludes Vat.

2. Electricity Tariffs

Domestic Conventional

BLOCK 1 : 0 – 50 Kwh	63c/kwh
BLOCK 2 : 51 - 350 Kwh	72c/kwh
BLOCK 3 : 351 – 600 Kwh	98c/kwh
BLOCK 4 : >600	114c/kwh
MCB<= 60	R 74.20
MCB>60	R 14.06/amp/month

Domestic Low: Indigent

BLOCK 1 : 0 – 50 Kwh
BLOCK 2 : 51 - 350 Kwh

BLOCK 3 : 351 – 600 Kwh

Domestic Prepaid

BLOCK 1 : 0 – 50 Kwh

BLOCK 2 : 51 - 350 Kwh

BLOCK 3 : 351 – 600 Kwh

BLOCK 4 : 601 and above

Commercial Prepaid

BLOCK 1 : 0 – 2000 Kwh 122c/kwh

Commercial Conventional 122c/kwh

MCB R 14.06

3. Deposits

(a) Domestic Consumers:

 Electricity R1276,00

(a) All Other Consumers:

 Electricity: Minimum deposit of R4463,00 but will be
 Based on 2 months consumption.

4. Meter Reading Fees

(a) Domestic Consumers: R 72,59 per reading on request

(b) All Other Consumers:R141,78 per reading

The above tariff excludes Vat.

ELECTRICITY - STANDARD CONNECTIONS

Electricity: (Conventional & Prepaid) R5047,00 per connection.

Electricity: (Conversion to Pre-paid) R510,39 per connection

(The standard conversion tariff applies to indigent applicants only and the application must
Be made for a 20 amp circuit breaker or lower)

Domestic Circuit Breaker upgrades R 964,07 per change
Any other Circuit Breaker upgrades are at cost plus 10 %

ELECTRICITY - OTHER CONNECTIONS

All other electricity connections, beyond the above standard connection are at cost + 20%.

Conversion from conventional to prepaid above 20 amps is at cost + 20%.

All new electricity, water and sewerage connections are made to the boundary of the property and not the dwelling, depending on the technical considerations.

The above tariff excludes Vat.

8. Disconnection/Reconnection and Tamper Fees

Electricity: Disconnection/Reconnection fee R 294,89

Electricity:

1st Offence R1315,67

2nd Offence R2194,68

3rd Offence Prosecution.

The above tariff excludes Vat.

9. Library Membership Fees

Adults R80,00 per annum

Children (under 18) R51,00 per annum

The above tariff excludes Vat.

10. Clearance Certificates and Property Valuation Certificates & Objections

(a) Issuing of Clearance Certificates R120,00 per certificate.

(b) Issuing of Property Valuation Certificates R 70.00 per certificate

(c) Lodging of Rates Objections: R270.00 per objection for Residential and Non-Residential Properties

: R570.00 per objection for Agricultural Properties

The above tariff excludes Vat.

11. Building Plan Fees

Minor Works and Internal Alterations not affecting floor area.	R123,00
New Buildings, erection or additions:	
(a) For first 20m ²	R 79,00
(b) For 21m ² - 50 ²	R131,00
(c) For 51m ² - 90m ²	R198,00
(d) For 91m ² and above.	R 85.40 per 10m ²
fide	or part thereof save for a 50% reduction on bone farming structures utilized for farming purposes in excess 91m ² .
(e) Approval in principle	30% of Building Plan Fee.
(f) Swimming Pools	R186,00
(g) Drainage charge	R186,00
(h) Petrol, Diesel & Gas	R197,00
(i) Temporary Buildings	R131,00 for each 50m ² or part thereof.
(j) Precast Concrete Boundary walls not adjacent to a road boundary but exceeding 1,8 meters in height shall require the submission of an application with sketch plan.	R 119,00
(k) Precast Concrete Boundary walls adjacent to a road exceeding fence – Minimum 1,5 meters in height are subject to the submission of application forms and building plans.	1/2% of the Value of the adjacent to a road exceeding fence – Minimum 1,5 meters in height are subject R80,00
(l) Hoarding Fees: Deposit per frontage of 10m ² or part thereof	R1856,00
Rental per frontage of 10m ² or part thereof	R 80,00
(m) Encroachments Balconies not used for living purposes or business purposes.	R 55,00 per 10m ² or part thereof.

Balconies 75% enclosed and attached to business premises and not used or part thereof For business purposes.	R145,00 per 10m ²
Balconies used for licensed business purposes.	R595,00 per 10m ² or part thereof.
Verandah's	R 55,00 per annum
Servitudes and Reserves	R92,00 per annum per 10m or part thereof.

12. Town Planning Fees

(a) Subdivision	
- Urban	R 3 500,00
- Rural	R 5 000,00
- Consolidation of land	R 3 500,00
(b) Special Concern	
- Self contained residential unit	R 2 500,00
- Other Applications	R 3 000,00
(c) Rezoning	
- less than 1 ha	R 3 500,00
- 1 ha but less than 5 ha	R 3 750,00
- 5 ha but less than 10 ha	R 4 000,00
- 10 ha	R 5 000,00
Every ha or part thereof in excess of 10 ha	R 250,00
(d) Alteration, Suspension and Removal of restrictive Conditions of title or conditions of establishment	R 3 500,00
(e) Closure of Roads/Open Spaces	R 3 500,00
(f) Amend, Phasing, or Cancellation of layouts	R 3 000,00
(g) Extension of scheme	R 3 500,00
(h) Other Fees:	
- Fines as per section 75 and 89 of the PDA (Chapter 8: Enforcement and Part 5: General Provisions)	As per court order
- Additional penalties in accordance with section 76: Additional penalties	As per court order
- Section 89 Civil Penalties	10 – 100% of value of illegal building construction on ect.

The above tariff excludes Vat.

13. Photocopies/Plotting Charges:

Copies made by scholars	R 0,57
A4 Photocopy per page	R 0,85
A3 Photocopy per page	R 1,48
A1 G.I.S. print per page	R 3,60
A4 Plotting costs	R 6,04
A3 Plotting costs	R 21,93
A2 Plotting costs	R 35,09
A1 Plotting costs	R 70,18
A0 Plotting costs	R140,33
AO+Plotting costs	R175,44
CD Plotting costs	R 52,63

The above tariff excludes Vat.

14. Hall Hire Charges:

HOWICK WEST HALL

1. Profit-making / commercial functions such as Banquest, Theatre and the likes:

	TARIFFS
(a) MAIN HALL Charge per 5 hour session:	R 1250,00
Deposit:	R 1130,00
TOTAL	R 2380,00

	TARIFFS
(b) Side Hall Charge per 5 hour session:	R 680,00
Deposit:	R 1130,00
TOTAL	R 1810,00

	TARIFFS
© Main and Side Hall Charge per 5 hour session:	R 1700,00
Deposit:	R 1130,00
TOTAL:	R 2830,00

2. For activities relating to Elections:

	TARIFFS
(a) Main Hall	

Charge per 5 hour session:	R 1360,00
Deposit:	R 910,00
TOTAL:	R 2270,00

	TARIFFS
(b) Side Hall Charge per 5 hour session:	R 650,00
Deposit:	R 1130,00
TOTAL	R 1780,00
	TARIFFS
(c) Main and Side Hall Charge per 5 hour session:	R 1710,00
Deposit:	R 1130,00
TOTAL:	R 2840,00

3. Fundraising, sporting, religious, political and cultural, and education functions:

Preparation Time R320.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 690,00
Deposit:	R 340,00
TOTAL:	R 1030,00

	TARIFFS
(b) Side Hall Charge per hour session:	R 340,00
Deposit:	R 340,00
TOTAL:	R 680,00

	TARIFFS
(c) Main and Side Hall Charge per 5 hour session:	R 1020,00
Deposit:	R 690,00
TOTAL:	R 1 710,00

4. Social functions such as Weddings, Receptions, Parties, Choir performance and the likes:

Preparation Time R320.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 1130,00
Deposit:	R 1130,00
TOTAL:	R 2260,00

	TARIFFS
(b) Side Hall	

Charge per 5 hour session:	R 680,00
Deposit:	R 1130,00
TOTAL	R 1810,00

	TARIFFS
(c) Main and Side Hall Charge per 5 hour session:	R 1130,00
Deposit:	R 1130,00
TOTAL:	R 2260,00

HILTON HALL

1. Profit-making / commercial functions such as Banquets, Theatre and the likes:
Preparation time R190.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 1130,00
Deposit:	R 1130,00
TOTAL:	R 2260,00

	TARIFFS
(b) Verandah only Charge per 5 hour session:	R 680,00
Deposit:	R 1130,00
TOTAL	R 1810,00

	TARIFFS
(c) Main Hall and Verandah Charge per 5 hour session	R 680,00
Deposit:	R 1130,00
TOTAL:	R 1810,00

2. For activities relating to Elections:

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 1220,00
Deposit:	R 1130,00
TOTAL:	R 2350,00

	TARIFFS
(a) Verandah only Charge per 5 hour session:	R 680,00
Deposit:	R 1130,00
TOTAL:	R 1810,00

	TARIFFS
© Main Hall and Verandah	

Charge per 5 hour session:	R 1800,00
Deposit:	R 1130,00
TOTAL:	R 2930,00

3. Fundraising, sporting, religious, political and cultural, and education functions:
Preparations time R200.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 340,00
Deposit:	R 340,00
TOTAL:	R 680,00

	TARIFFS
(b) Verandah only Charge per 5 hour session:	R 230,00
Deposit:	R 340,00
TOTAL:	R 570,00

	TARIFFS
(c) Main Hall and Verandah Charge per 5 hour session:	R 570,00
Deposit:	R 340,00
TOTAL:	R 910,00

4. Social functions such as Weddings, Receptions, Parties, Choir Performances and the likes:
Preparation time R 200.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 910,00
Deposit:	R 1130,00
TOTAL:	R 2040,00

	TARIFFS
(b) Verandah only Charge per 5 hour session:	R 340,00
Deposit:	R 1130,00
TOTAL:	R 1470,00

	TARIFFS
(c) Main Hall and Verandah Charge per 5 hour session:	R 1250,00
Deposit:	R 1130,00
TOTAL:	R 2380,00

MPOPHOMENI HALL AND YOUTH THEATRE

1. Profit-making / commercial functions such as Banquets, Theatre and the likes:

	TARIFFS
(a) Main Hall Charge per hour session:	R 680,00
Deposit:	R 680,00
TOTAL:	R 1360,00

2. For activities relating to elections:

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R730,00
Deposit:	R570.00
TOTAL:	R1300,00

3. Fundraising, sporting, religious, political and cultural, and educational functions:

	TARIFFS
	R 340,00
Deposit:	R 680,00
TOTAL:	R 1020,00

4. Social functions such as Weddings, Receptions, Parties, Choir Performances and the likes:

Preparation time R200.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 680,00
Deposit:	R 680,00
TOTAL:	R 1360,00

HOWICK SOUTH HALL

1. Profit-making / commercial functions such as Banquets, Theatre and the likes:

	TARIFFS
(b) Main Hall Charge per 5 hour session:	R 340,00
Deposit:	R 230,00
TOTAL:	R 570,00

2. For activities relating to Elections:
Preparation time R57.00 per session

	PROPOSED TARIFFS
(a) Main Hall Charge per 5 hour session:	R 200,00
Deposit:	R 230,00
TOTAL:	R 430,00

3. Fundraising, sporting, religious, political and cultural, and educational functions:
Preparation time R 57.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 230,00
Deposit:	R 230,00
TOTAL:	R 460,00

4. Social functions such as Weddings, Receptions, Parties, Choir Performances and the likes:

Preparation time R160.00 per session

	TARIFFS
(a) Main Hall Charge per 5 hour session:	R 230,00
Deposit:	R 230,00
TOTAL:	R 460,00

KWA-MEVANA HALL

5. Profit-making / commercial functions such as Banquets, Theatre and the likes:

	TARIFFS
(b) Main Hall Charge per hour session:	R 680,00
Deposit:	R 680,00
TOTAL:	R 1360,00

6. For activities relating to elections:

	TARIFFS
(b) Main Hall Charge per 5 hour session:	R730,00
Deposit:	R610,00
TOTAL:	R1340,00

7. Fundraising, sporting, religious, political and cultural, and educational functions:

	TARIFFS
	R 346,00
Deposit:	R 680,00
TOTAL:	R 1020,00

8. Social functions such as Weddings, Receptions, Parties, Choir Performances and the likes:

Preparation time R190.00 per session

	TARIFFS
(c) Main Hall Charge per 5 hour session:	R 680,00
Deposit:	R 680,00
TOTAL:	R 1360,00

LIDGETON HALL

9. Profit-making / commercial functions such as Banquets, Theatre and the likes:

	TARIFFS
(c) Main Hall Charge per hour session:	R 680,00
Deposit:	R 680,00
TOTAL:	R 1360,00

10. For activities relating to elections:

	TARIFFS
(c) Main Hall Charge per 5 hour session:	R 730,00
Deposit:	R 610,00
TOTAL:	R 1340,00

11. Fundraising, sporting, religious, political and cultural, and educational functions:

	TARIFFS
	R 340,00
Deposit:	R 680,00
TOTAL:	R 1020,00

12. Social functions such as Weddings, Receptions, Parties, Choir Performances and the likes:

Preparation time R190.00 per session

	TARIFFS
(d) Main Hall Charge per 5 hour session:	R 680,00
Deposit:	R 680,00
TOTAL:	R 1360,00

13. Fees for the use of the Dorris Robbins Room at the Howick Library:

- (a) Promotion of culture i.e. Book discussions, art evaluation or educational instruction Free
- (b) Religious services and charitable institutions R 85,10 per session
- (c) Commercial undertakings R170,10 per session

These fees are per session. Morning session 8am to 12 noon and afternoon session 1pm to 5 pm

- NOTE: (i) Functions of Provincial and National acclaimed artists are NOT covered on these tariffs as written requests will have to be made to the Municipality.
- (ii) A cancellation fee of 15% of the hire charge will be applicable should the booking be Cancelled one month before the event. Should a request for cancellation be received at any time 2 weeks prior to the date of the event , the hire charge or deposit will be forfeited.

15. Animal Pound Charges

- (a) Transport of animal by LDV or Truck - R 3.40 per Kilometer per animal
- (b) Veterinary Services rendered - Cost plus 10%
- (c) Pound Fees/Holding Fees - Large Animals e.g. Cattle R 56,70 per day
- Small Animals e.g. Sheep R 34,00 per day
- (d) Administration Fee - R 113,40 per animal

16. uMngeni Municipality Sports Complex

Field 1

<u>Ad-hoc day Activities</u>	Deposit	=	R1130,00
	Charge	=	R 110,00
<u>Ad-hoc Night Activities</u>	Deposit	=	R1130,00
	Charge	=	R 280,00/hr
<u>Season Bookings Day</u>	Deposit	=	R2270,00
	Charge p/day	=	R 56,00
<u>Season Booking Night</u>	Deposit	=	R2270,00/Season
	Charge p/night	=	R 170,00/hr

2.	<u>Field 2</u>			
	<u>Ad – hoc Day</u>	Deposit	=	R1130,00
		Charge	=	R 56,00
	<u>Ad-hoc Night</u>	Deposit	=	R1130,00
		Charge	=	R 56,00/hr
	<u>Season Booking Day</u>	Deposit	=	R2270,00/Season
		Charge	=	R 28,00/Day
	<u>Season Booking Night</u>	Deposit	=	R2270,00/Season
		Charge	=	R 45,00/hr
3.	<u>Indoor Centre</u>			
	<u>Ad-hoc (Lights Day & Night)</u>	Deposit	=	R1130,00
		Charge	=	R 125,00/hr
	<u>Season Booking</u>	Deposit	=	R2270,00
		Charge	=	R 125,00/hr
4.	<u>Bar and Restaurant</u>			
	Electricity	=		As metered
	Water	=		As metered
	Lease	=		As per Bid
	Deposit	=		R5670,00/year
	Maintenance	=		Clean entire grand stand facility
	Admin responsibility	=		Report to Municipality on users monthly
5.	<u>Gym</u>			
	Electricity	=		As metered
	Water	=		As metered
	Lease	=		As per Bid
	Deposit	=		R5670,00/year
	Maintenance	=		Clean entire Indoor Centre
	Admin Responsibilities	=		Report to Municipality on users monthly

Interest on all arrear accounts will be charged at the rate of 1% per month and any part of a month shall be considered as a full month.

The date on which this notice was first displayed on the municipal notice board is

These tariffs will come into operation on 1 July 2011.

H B Buthelezi
Acting Municipal Manager
uMngeni Municipality
P O Box 5
HOWICK
3290

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3290
South Africa

Howick,



uMngeni Municipality

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Our Ref.:

Your Ref.:

Office of the Municipal Manager

Quality certificate

I, Hactor Sandanathi Buthelezi, Acting Municipal Manager of uMngeni Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

PRINT NAME

HACTOR SANDANATHI BUTHELEZI

MUNICIPAL MANAGER OF UMNGENI MUNICIPALITY (KZ222)

SIGNATURE

DATE

9 MARCH 2011