

Explanatory notes to MBRR Table A1 - Budget Summary

Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

- a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
- b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Internally generated funds is financed from a combination of the current operating surplus. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.
- c. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed.
- d. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2020/2021 when a small surplus is reflected.

Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

TABLE 11 MBRR TABLE A2 - BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY STANDARD CLASSIFICATION)

EC157 King Sabata Dalindyebo - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Governance and administration		713 992	643 373	623 734	672 170	675 097	675 097	699 649	736 511	779 964
Executive and council		6	654	50	481	100	100	532	556	582
Finance and administration		713 986	642 720	623 683	671 689	674 997	674 997	699 117	735 955	779 382
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		23 533	129 879	21 233	118 778	78 213	78 213	46 618	17 720	18 535
Community and social services		-	-	-	-	3 277	3 277	3 973	728	762
Sport and recreation		2	76	95	84	134	134	89	93	97
Public safety		4 196	5 710	8 737	15 098	15 098	15 098	16 156	16 900	17 677
Housing		19 334	124 094	12 401	103 596	59 704	59 704	26 400	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		100 831	38 276	99 364	146 340	154 343	154 343	140 585	148 255	157 065
Planning and development		5 413	2 130	7 709	12 831	15 834	15 834	12 010	12 491	13 874
Road transport		95 417	36 146	91 655	133 509	138 509	138 509	128 575	135 764	143 191
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		436 548	447 478	444 522	559 891	650 536	650 536	607 334	641 946	703 117
Energy sources		399 916	400 649	395 762	500 441	592 871	592 871	540 117	570 983	628 220
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		36 632	46 829	48 760	59 450	57 665	57 665	67 217	70 963	74 898
Other	4	-	-	221	457	457	457	502	525	549
Total Revenue - Functional	2	1 274 904	1 259 007	1 189 073	1 497 637	1 558 647	1 558 647	1 494 688	1 544 957	1 659 231
Expenditure - Functional										
Governance and administration		488 421	484 024	497 302	493 451	517 981	517 981	464 572	490 598	529 361
Executive and council		65 329	68 924	79 702	82 387	82 584	82 584	85 075	89 846	94 188
Finance and administration		420 272	415 100	417 600	404 288	429 583	429 583	372 410	393 261	427 317
Internal audit		2 820	-	-	6 775	5 814	5 814	7 087	7 491	7 855
Community and public safety		71 021	106 754	158 525	141 435	144 012	144 012	136 948	141 467	148 376
Community and social services		17 425	19 567	17 637	19 504	22 823	22 823	14 927	12 335	12 939
Sport and recreation		9 926	10 511	11 185	14 414	13 565	13 565	14 623	15 476	16 232
Public safety		38 747	71 435	128 281	102 775	104 032	104 032	102 476	108 451	113 748
Housing		4 924	5 240	1 422	4 741	3 592	3 592	4 923	5 205	5 457
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		173 613	216 643	145 251	179 359	175 374	175 374	195 935	203 741	213 346
Planning and development		23 571	35 333	21 673	31 175	28 315	28 315	31 758	33 536	35 155
Road transport		150 041	175 622	119 101	142 098	142 446	142 446	161 007	166 848	174 670
Environmental protection		-	5 688	4 477	6 086	4 614	4 614	3 170	3 357	3 522
Trading services		357 626	403 464	406 307	456 966	456 399	456 399	491 676	517 433	557 956
Energy sources		300 011	312 722	313 120	379 281	376 635	376 635	407 120	428 249	464 490
Water management		-	-	-	-	-	-	-	-	-
Waste water management		2 792	17 961	13 795	9 120	9 218	9 218	9 261	9 733	10 192
Waste management		54 823	72 782	79 391	68 565	70 546	70 546	75 295	79 451	83 274
Other	4	-	-	-	10	10	10	10	10	11
Total Expenditure - Functional	3	1 090 681	1 210 885	1 207 385	1 271 221	1 293 776	1 293 776	1 289 141	1 353 249	1 449 050
Surplus/(Deficit) for the year		184 223	48 122	(18 312)	226 416	264 871	264 871	205 547	191 708	210 181

TABLE 12 MBRR TABLE A3 - BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE)

EC157 King Sabata Dalindyebo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		6	654	50	2 465	2 465	2 465	2 725	2 850	2 981
Vote 2 - FINANCE & ASSET MANAGEMENT		713 986	642 720	623 683	660 097	660 097	660 097	691 462	732 729	771 008
Vote 3 - CORPORATE SERVICES		-	-	-	1 407	1 407	1 407	419	438	458
Vote 4 - RURAL AND ECONOMIC DEVELOPMENT		5 415	2 206	8 024	2 517	2 870	2 870	635	664	694
Vote 5 - HUMAN SETTLEMENT		19 334	124 094	12 401	105 805	105 805	105 805	28 625	2 328	2 435
Vote 6 - COMMUNITY SERVICES		41 367	48 954	51 042	67 403	67 403	67 403	72 154	71 346	80 298
Vote 7 - PUBLIC SAFETY		4 196	5 710	8 737	31 984	35 261	35 261	38 103	36 428	38 104
Vote 8 - INFRASTRUCTURE		495 333	436 795	487 417	628 475	628 475	628 475	660 565	698 174	763 252
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 279 639	1 261 132	1 191 354	1 500 152	1 503 782	1 503 782	1 494 688	1 544 957	1 659 231
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		65 329	68 924	79 702	109 005	106 727	106 727	109 563	115 693	121 282
Vote 2 - FINANCE & ASSET MANAGEMENT		420 272	415 100	417 600	262 024	289 099	289 099	224 311	242 062	264 128
Vote 3 - CORPORATE SERVICES		2 820	-	-	57 285	55 046	55 046	54 181	57 168	59 919
Vote 4 - RURAL AND ECONOMIC DEVELOPMENT		33 498	45 844	32 858	37 805	33 806	33 806	33 165	34 993	36 676
Vote 5 - HUMAN SETTLEMENT		4 924	5 240	1 422	30 693	29 482	29 482	21 781	23 030	24 147
Vote 6 - COMMUNITY SERVICES		75 040	115 998	115 301	94 425	92 716	92 716	117 054	118 738	128 430
Vote 7 - PUBLIC SAFETY		38 747	71 435	128 281	135 147	136 755	136 755	136 681	141 183	148 079
Vote 8 - INFRASTRUCTURE		450 052	488 344	432 221	544 838	550 228	550 228	592 404	620 382	666 390
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 090 681	1 210 885	1 207 385	1 271 221	1 293 859	1 293 859	1 289 141	1 353 249	1 449 050
Surplus/(Deficit) for the year	2	188 958	50 247	(16 031)	228 931	209 923	209 923	205 547	191 708	210 181

TABLE 13 MBRR TABLE A4 - BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome
R thousand											
Revenue By Source											
Property rates	2	191 735	216 427	216 699	246 183	245 634	245 634	245 634	246 183	258 000	270 383
Service charges - electricity revenue	2	306 969	345 699	372 990	484 062	489 176	489 176	489 176	528 391	555 865	605 324
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	27 569	37 478	39 319	57 664	55 664	55 664	55 664	64 843	68 481	72 301
Rental of facilities and equipment		13 191	16 967	17 164	29 543	30 046	30 046	30 046	31 491	32 939	34 455
Interest earned - external investments		1 834	1 691	1 314	2 000	2 000	2 000	2 000	3 062	3 203	3 351
Interest earned - outstanding debtors		37 111	37 741	47 403	48 256	51 877	51 877	51 877	53 654	56 123	58 704
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 392	1 954	2 727	5 638	6 145	6 145	6 145	6 955	7 275	7 610
Licences and permits		15 155	14 558	12 473	3 399	3 399	3 399	3 399	3 758	3 931	4 112
Agency services		-	-	-	16 129	16 129	16 129	16 129	17 833	18 653	19 511
Transfers and subsidies		275 617	293 882	318 659	355 575	359 401	359 401	359 401	374 968	390 736	418 576
Other revenue	2	199 432	83 783	41 655	41 715	41 135	41 135	41 135	44 373	46 414	48 549
Gains		-	-	-	1 507	1 507	1 507	1 507	1 667	1 743	1 823
Total Revenue (excluding capital transfers and contributions)		1 070 004	1 050 179	1 070 402	1 291 872	1 302 114	1 302 114	1 302 114	1 377 178	1 443 363	1 544 698
Expenditure By Type											
Employee related costs	2	374 193	402 364	429 922	492 280	454 554	454 554	454 554	494 071	516 121	541 395
Remuneration of councillors		23 820	26 477	27 574	29 054	29 054	29 054	29 054	30 913	32 737	34 341
Debt impairment	3	14 168	98 812	84 340	29 540	64 682	64 682	64 682	39 273	48 531	62 543
Depreciation & asset impairment	2	157 887	139 028	160 451	108 120	108 120	108 120	108 120	135 447	141 677	148 195
Finance charges		15 546	22 422	25 521	29 970	19 970	19 970	19 970	14 970	15 658	16 379
Bulk purchases	2	250 059	256 243	268 269	337 197	337 197	337 197	337 197	364 510	383 465	417 593
Other materials	8	55 210	-	-	16 769	20 581	20 581	20 581	16 752	17 523	18 329
Contracted services		10 552	8 992	7 551	53 306	64 508	64 508	64 508	41 374	40 044	41 957
Transfers and subsidies		55 871	34 908	59 647	157	252	252	252	-	-	-
Other expenditure	4, 5	130 341	159 540	140 588	174 827	194 859	194 859	194 859	151 831	157 492	168 318
Losses		3 033	62 099	3 523	-	-	-	-	-	-	-
Total Expenditure		1 090 681	1 210 885	1 207 385	1 271 221	1 293 777	1 293 777	1 293 777	1 289 141	1 353 249	1 449 050
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(20 677)	(160 706)	(136 983)	20 651	8 337	8 337	8 337	88 037	90 114	95 649
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	193 745	195 063	105 063	208 280	259 088	259 088	259 088	117 510	101 594	114 532
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		173 068	34 358	(31 921)	228 931	267 425	267 425	267 425	205 547	191 708	210 181
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		173 068	34 358	(31 921)	228 931	267 425	267 425	267 425	205 547	191 708	210 181
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		173 068	34 358	(31 921)	228 931	267 425	267 425	267 425	205 547	191 708	210 181
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		173 068	34 358	(31 921)	228 931	267 425	267 425	267 425	205 547	191 708	210 181

TABLE 14 MBRR TABLE A5 - BUDGETED CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING SOURCE

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional											
Governance and administration		213	53 035	70 550	18 669	22 003	22 003	22 003	-	-	-
Executive and council				93	5	30	30	30			
Finance and administration		213	53 035	70 457	18 664	21 973	21 973	21 973			
Internal audit											
Community and public safety		17 778	60 093	12 378	104 413	60 321	60 321	60 321	26 400	-	-
Community and social services		3 546		22	200	5	5	5			
Sport and recreation					64	64	64	64			
Public safety				38	553	548	548	548			
Housing		14 232	60 093	12 318	103 596	59 704	59 704	59 704	26 400		
Health											
Economic and environmental services		257 790	109 755	73 152	89 699	97 346	97 346	97 346	81 408	88 594	93 851
Planning and development				2 968	15	2 662	2 662	2 662			
Road transport		257 790	109 755	70 185	89 684	94 684	94 684	94 684	81 408	88 594	93 851
Environmental protection											
Trading services		88 441	42 918	8 680	16 050	103 600	103 600	103 600	9 702	13 000	20 681
Energy sources		88 441	42 918	8 680	15 050	102 100	102 100	102 100	9 702	13 000	20 681
Water management											
Waste water management											
Waste management					1 000	1 500	1 500	1 500			
Other											
Total Capital Expenditure - Functional	3	364 222	265 802	164 761	228 831	283 269	283 269	283 269	117 510	101 594	114 532
Funded by:											
National Government		109 034	91 640	76 116	96 965	96 965	96 965	96 965	91 110	101 594	114 532
Provincial Government		99 539	90 345	17 584	111 315	82 123	82 123	82 123	26 400		
District Municipality						80 000	80 000	80 000			
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		151 890	30 781	16 717							
Transfers recognised - capital	4	360 463	212 766	110 417	208 280	259 088	259 088	259 088	117 510	101 594	114 532
Borrowing	6		53 035	51 244							
Internally generated funds		3 759		3 100	20 551	24 181	24 181	24 181			
Total Capital Funding	7	364 222	265 802	164 761	228 831	283 269	283 269	283 269	117 510	101 594	114 532

TABLE 15 MBRR TABLE A6 - BUDGETED FINANCIAL POSITION

EC157 King Sabata Dalindyebo - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
ASSETS											
Current assets											
Cash		5 218	20 665	15 034	75 151	61 666	61 666	61 666	149 680	350 345	475 835
Call investment deposits	1	13 323	6 701	7 229	4 696	8 737	8 737	8 737	8 737	8 737	109 632
Consumer debtors	1	43 975	73 555	90 107	113 904	88 011	88 011	88 011	145 663	144 002	130 694
Other debtors		48 621	15 737	2 318	2 717	2 441	2 441	2 441	2 441	2 441	2 441
Current portion of long-term receivables						-	-	-			
Inventory	2	9 280	3 241	7 324	8 264	7 324	7 324	7 324	7 324	7 324	7 324
Total current assets		120 417	119 899	122 012	204 732	168 179	168 179	168 179	313 844	512 849	725 926
Non current assets											
Long-term receivables											
Investments											
Investment property		245 734	309 116	318 383	245 804	293 062	293 062	293 062	293 062	293 062	293 062
Investment in Associate											
Property, plant and equipment	3	2 529 883	2 561 170	2 562 422	2 528 831	2 769 738	2 769 738	2 769 738	2 887 249	2 853 396	2 826 251
Biological											
Intangible		944	666	533	1 067	533	533	533	533	533	533
Other non-current assets		4 697	3 201	3 201	4 697	4 697	4 697	4 697	4 697	4 697	4 697
Total non current assets		2 781 258	2 874 154	2 884 539	2 780 399	3 068 030	3 068 030	3 068 030	3 185 541	3 151 688	3 124 543
TOTAL ASSETS		2 901 675	2 994 053	3 006 551	2 985 132	3 236 209	3 236 209	3 236 209	3 499 385	3 664 537	3 850 469
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	10 710	24 247	30 793	34 725	68 952	68 952	68 952	29 500	27 380	25 200
Consumer deposits		17 016	17 420	18 181	26 975	18 181	18 181	18 181	18 181	18 181	18 181
Trade and other payables	4	413 435	415 697	401 353	109 876	13 546	13 546	13 546	13 546	13 546	13 546
Provisions											
Total current liabilities		441 161	457 364	450 327	171 575	100 679	100 679	100 679	61 227	59 107	56 928
Non current liabilities											
Borrowing		27 584	60 584	88 419	109 380	19 467	19 467	19 467	58 918	29 418	2 038
Provisions		24 378	45 499	48 480	56 570	48 480	48 480	48 480	48 480	48 480	48 480
Total non current liabilities		51 962	106 083	136 900	165 950	67 947	67 947	67 947	107 398	77 898	50 518
TOTAL LIABILITIES		493 123	563 447	587 226	337 525	168 626	168 626	168 626	168 625	137 005	107 445
NET ASSETS	5	2 408 552	2 430 606	2 419 325	2 647 607	3 067 584	3 067 584	3 067 584	3 330 760	3 527 532	3 743 023
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		2 021 138	2 043 051	2 031 656	2 260 573	2 680 550	2 680 550	2 680 550	2 943 726	3 140 498	3 355 990
Reserves	4	387 414	387 555	387 669	387 034	387 034	387 034	387 034	387 034	387 034	387 034
TOTAL COMMUNITY WEALTH/EQUITY	5	2 408 552	2 430 606	2 419 325	2 647 607	3 067 584	3 067 584	3 067 584	3 330 760	3 527 532	3 743 023

TABLE 16 MBRR TABLE A7 - BUDGETED CASH FLOW STATEMENT

EC157 King Sabata Dalindyebo - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		174 851	167 284	168 925	230 860	214 684	214 684	214 684	216 700	226 587	237 475
Service charges		350 427	405 936	421 716	510 916	563 597	563 597	563 597	533 911	617 498	670 394
Other revenue		7 713			94 685	71 971	71 971	71 971	101 261	105 919	110 791
Transfers and Subsidies - Operational	1	274 684	294 193	318 659	355 575	355 928	355 928	355 928	371 691	390 736	418 576
Transfers and Subsidies - Capital	1	193 745	195 063	95 681	208 280	259 088	259 088	259 088	117 510	101 594	114 532
Interest		38 945	39 431	48 717	50 256	2 000	2 000	2 000	48 289	50 510	52 834
Dividends									-	-	-
Payments											
Suppliers and employees		(799 347)	(882 102)	(919 618)	(1 103 435)	(1 097 055)	(1 097 055)	(1 097 055)	(1 086 175)	(1 147 382)	(1 221 934)
Finance charges		(15 546)	(22 422)	(25 521)	(29 970)	(19 970)	(19 970)	(19 970)	(14 970)	(15 658)	(16 379)
Transfers and Grants	1				(57)	(157)	(157)	(157)	(157)	(164)	(172)
NET CASH FROM/(USED) OPERATING ACTIVITIES		225 473	197 384	108 560	317 092	350 086	350 086	350 086	278 061	329 640	366 118
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		83			1 507	3 015	3 015	3 015	-	-	-
Decrease (increase) in non-current receivables									-	-	-
Decrease (increase) in non-current investments		380	141						-	-	-
Payments											
Capital assets		(215 719)	(178 315)	(148 044)	(228 831)	(283 269)	(283 269)	(283 269)	(117 510)	(101 594)	(114 532)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(215 257)	(178 173)	(148 044)	(227 323)	(280 254)	(280 254)	(280 254)	(117 510)	(101 594)	(114 532)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing				34 329		(8 794)	(8 794)	(8 794)	-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing		(4 177)	(10 385)	53	(37 287)	(12 898)	(12 898)	(12 898)	(29 500)	(27 380)	(25 200)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(4 177)	(10 385)	34 381	(37 287)	(21 692)	(21 692)	(21 692)	(29 500)	(27 380)	(25 200)
NET INCREASE/(DECREASE) IN CASH HELD		6 039	8 825	(5 103)	52 481	48 140	48 140	48 140	131 050	200 666	226 385
Cash/cash equivalents at the year begin:	2	12 502	18 541	27 366	27 366	27 366	27 366	27 366	27 366	158 416	359 082
Cash/cash equivalents at the year end:	2	18 541	27 366	22 263	79 847	75 506	75 506	75 506	158 416	359 082	585 467

TABLE 17 MBRR TABLE A8 - CASH BACKED RESERVES/ACCUMULATED SURPLUS RECONCILIATION

EC157 King Sabata Dalindyebo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available											
Cash/cash equivalents at the year end	1	18 541	27 366	22 263	79 847	75 506	75 506	75 506	158 416	359 082	585 467
Other current investments > 90 days		-	-	0	(0)	(5 103)	(5 103)	(5 103)	(0)	(0)	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		18 541	27 366	22 263	79 847	70 403	70 403	70 403	158 416	359 082	585 467
Application of cash and investments											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	351 165	347 869	328 608	5 301	(68 339)	(68 339)	(68 339)	(112 938)	(119 244)	(107 440)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		351 165	347 869	328 608	5 301	(68 339)	(68 339)	(68 339)	(112 938)	(119 244)	(107 440)
Surplus(shortfall)		(332 624)	(320 503)	(306 345)	74 546	138 742	138 742	138 742	271 354	478 326	692 907

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

Other working capital requirements

Debtors	62 270	67 828	72 745	104 575	81 885	81 885	81 885	126 484	132 790	120 986
Creditors due	413 435	415 697	401 353	109 876	13 546	13 546	13 546	13 546	13 546	13 546
Total	(351 165)	(347 869)	(328 608)	(5 301)	68 339	68 339	68 339	112 938	119 244	107 440

Debtors collection assumptions

Balance outstanding - debtors	92 595	89 292	92 425	116 621	90 452	90 452	90 452	148 104	146 443	133 135
Estimate of debtors collection rate	67,3%	76,0%	78,7%	89,7%	90,5%	90,5%	90,5%	85,4%	90,7%	90,9%

It should be noted the municipality has been experiencing a number of challenges including but not limited to:

- Cash flow since litigations that occurred in 2013/14 financial that depleted municipal reserves.
- Limited revenue base and high expenditure on legal costs.
- The municipality has prepared a turnaround plan and financial recovery plan which is expected to turnaround the situation. To improve cash flows of the municipality it is also recommended that the incentive policy be implemented for a period of three months to boost cash flows of the municipality.
- The initial prepared budget of the municipality was unfunded and it had to be reduced by R82 million as follows:
 - Salaries R33.3 million
 - Contracted Services R10.7 million
 - General Expenses R23 million
 - Interest Expense R15 million

TABLE 18 MBRR TABLE A9 - ASSET MANAGEMENT

EC157 King Sabata Dalindyebo - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE										
Total New Assets	1	364 222	265 802	164 761	141 011	192 900	192 900	36 102	13 000	20 681
<i>Roads Infrastructure</i>		257 790	109 755	70 185	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		88 441	42 918	8 680	3 596	90 646	90 646	9 702	13 000	20 681
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	15 550	15 750	15 750	-	-	-
Infrastructure		346 230	152 673	78 864	19 146	106 396	106 396	9 702	13 000	20 681
<i>Community Facilities</i>		3 546	-	-	13 369	18 369	18 369	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
Community Assets		3 546	-	-	13 369	18 369	18 369	-	-	-
Heritage Assets		-	-	3 201	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		213	53 035	69 843	-	-	-	-	-	-
<i>Housing</i>		14 232	60 093	12 318	103 596	59 704	59 704	26 400	-	-
Other Assets		14 446	113 128	82 162	103 596	59 704	59 704	26 400	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Services</i>		-	-	533	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	533	-	-	-	-	-	-
Computer Equipment		-	-	-	2 015	3 012	3 012	-	-	-
Furniture and Office Equipment		-	-	-	147	67	67	-	-	-
Machinery and Equipment		-	-	-	2 739	5 353	5 353	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	87 519	87 794	87 794	81 408	88 594	93 851
<i>Roads Infrastructure</i>		-	-	-	72 519	72 519	72 519	81 408	88 594	93 851
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	15 000	15 000	15 000	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	87 519	87 519	87 519	81 408	88 594	93 851
<i>Community Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	274	274	-	-	-
Community Assets		-	-	-	-	274	274	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Services</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	-	-	-	300	2 576	2 576	-	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	300	200	200	-	-	-
<i>Community Facilities</i>		-	-	-	100	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	200	200	200	-	-	-
Community Assets		-	-	-	300	200	200	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Services</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	2 376	2 376	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

EC157 King Sabata Dalindyebo - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Capital Expenditure	4	364 222	265 802	164 761	228 831	283 269	283 269	117 510	101 594	114 532
<i>Roads Infrastructure</i>		257 790	109 755	70 185	72 519	72 519	72 519	81 408	88 594	93 851
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		88 441	42 918	8 680	18 596	105 646	105 646	9 702	13 000	20 681
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	15 550	15 750	15 750	-	-	-
Infrastructure		346 230	152 673	78 864	106 665	193 915	193 915	91 110	101 594	114 532
Community Facilities		3 546	-	-	13 469	18 369	18 369	-	-	-
Sport and Recreation Facilities		-	-	-	200	474	474	-	-	-
Community Assets		3 546	-	-	13 669	18 843	18 843	-	-	-
Heritage Assets		-	-	3 201	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		213	53 035	69 843	-	-	-	-	-	-
Housing		14 232	60 093	12 318	103 596	59 704	59 704	26 400	-	-
Other Assets		14 446	113 128	82 162	103 596	59 704	59 704	26 400	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	533	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	533	-	-	-	-	-	-
Computer Equipment		-	-	-	2 015	5 388	5 388	-	-	-
Furniture and Office Equipment		-	-	-	147	67	67	-	-	-
Machinery and Equipment		-	-	-	2 739	5 353	5 353	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		364 222	265 802	164 761	228 831	283 269	283 269	117 510	101 594	114 532

EC157 King Sabata Dalindyebo - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSET REGISTER SUMMARY - PPE (WDV)	5	2 781 257	2 874 154	2 884 539	2 595 090	2 882 721	2 882 721	3 185 541	3 151 688	3 124 543
<i>Roads Infrastructure</i>		484 975	1 336 527	1 435 956	197 203	383 672	383 672	350 319	316 544	266 168
<i>Storm water Infrastructure</i>		1 102 559	42 918	17 359	359 541	359 541	359 541	380 151	387 424	394 826
<i>Electrical Infrastructure</i>					84 192	171 241	171 241	353 470	363 643	366 787
<i>Water Supply Infrastructure</i>										
<i>Sanitation Infrastructure</i>										
<i>Solid Waste Infrastructure</i>										
<i>Rail Infrastructure</i>										
<i>Coastal Infrastructure</i>										
<i>Information and Communication Infrastructure</i>		14 232	234 453	123 884	15 550	15 750	15 750			
Infrastructure		1 601 767	1 613 898	1 577 200	656 485	930 204	930 204	1 083 940	1 067 611	1 027 782
Community Assets		416 267	280 481	287 346	421 172	426 347	426 347	431 591	420 686	425 100
Heritage Assets		4 697	3 201	6 402	4 697	4 697	4 697	4 697	4 697	4 697
Investment properties		245 734	309 116	318 383	245 804	293 062	293 062	293 062	293 062	293 062
Other Assets		511 848	666 791	694 141	242 151	198 259	198 259	289 029	260 756	258 490
Biological or Cultivated Assets										
Intangible Assets		944	666	1 067	1 067	2 909	2 909	533	533	533
Computer Equipment					5 030	6 027	6 027	13 434	13 702	13 976
Furniture and Office Equipment					164	83	83	10 436	10 645	10 857
Machinery and Equipment					432 891	435 504	435 504	440 571	449 382	458 370
Transport Assets					143 292	143 292	143 292	154 492	157 582	160 733
Land					442 337	442 337	442 337	463 756	473 031	470 942
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2 781 257	2 874 154	2 884 539	2 595 090	2 882 721	2 882 721	3 185 541	3 151 688	3 124 543
EXPENDITURE OTHER ITEMS		213 097	139 028	160 451	154 831	154 831	154 831	182 117	190 495	199 258
Depreciation	7	157 887	139 028	160 451	108 120	108 120	108 120	135 447	141 677	148 195
Repairs and Maintenance by Asset Class	3	55 210	-	-	46 711	46 711	46 711	46 671	48 817	51 063
<i>Roads Infrastructure</i>		14 999	-	-	24 450	24 450	24 450	24 450	25 575	26 751
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		29 429	-	-	6 826	6 826	6 826	6 826	7 140	7 469
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		7 425	-	-	-	-	-	-	-	-
Infrastructure		51 854	-	-	31 276	31 276	31 276	31 276	32 715	34 220
Community Facilities		-	-	-	26	26	26	26	27	28
Sport and Recreation Facilities		-	-	-	1 010	1 010	1 010	1 010	1 056	1 105
Community Assets		-	-	-	1 035	1 035	1 035	1 035	1 083	1 133
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		3 356	-	-	3 615	3 615	3 615	3 575	3 740	3 912
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		3 356	-	-	3 615	3 615	3 615	3 575	3 740	3 912
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	8	8	8	8	9	9
Machinery and Equipment		-	-	-	3 175	3 175	3 175	3 175	3 321	3 474
Transport Assets		-	-	-	7 600	7 600	7 600	7 600	7 950	8 316
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		213 097	139 028	160 451	154 831	154 831	154 831	182 117	190 495	199 258
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	38.4%	31.9%	31.9%	69.3%	87.2%	81.9%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		0.0%	0.0%	0.0%	81.2%	83.6%	83.6%	60.1%	62.5%	63.3%
<i>R&M as a % of PPE</i>		2.2%	0.0%	0.0%	1.8%	1.7%	1.7%	1.6%	1.7%	1.8%
<i>Renewal and upgrading and R&M as a % of PPE</i>		2.0%	0.0%	0.0%	5.0%	5.0%	5.0%	4.0%	4.0%	5.0%

TABLE 19 MBRR TABLE A10 - BASIC SERVICE DELIVERY MEASUREMENT

EC157 King Sabata Dalindyebo - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		7 932 250	7 932 250	7 932 250	7 932 250	7 932 250	7 932 250	7 932 250	7 932 250	7 932 250
Piped water inside yard (but not in dwelling)		24 405	24 405	24 405	24 405	24 405	24 405	24 405	24 405	24 405
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>		7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655
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	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655	7 956 655
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		37 356	37 356	37 356	37 356	37 356	37 356	37 356	37 356	37 356
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		53 138	53 138	53 138	53 138	53 138	53 138	53 138	53 138	53 138
Other toilet provisions (> min. service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		90 494	90 494	90 494	90 494	90 494	90 494	90 494	90 494	90 494
Bucket toilet		496	496	496	496	496	496	496	496	496
Other toilet provisions (< min. service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		14 416	14 416	14 416	14 416	14 416	14 416	14 416	14 416	14 416
<i>Below Minimum Service Level sub-total</i>		14 912	14 912	14 912	14 912	14 912	14 912	14 912	14 912	14 912
Total number of households	5	105 406	105 406	105 406	105 406	105 406	105 406	105 406	105 406	105 406
Energy:										
Electricity (at least min. service level)		450	450	450	450	450	450	450	450	450
Electricity - prepaid (min. service level)		76 732	76 732	76 732	76 732	76 732	76 732	76 732	76 732	76 732
<i>Minimum Service Level and Above sub-total</i>		77 182	77 182	77 182	77 182	77 182	77 182	77 182	77 182	77 182
Electricity (< min. service level)		60 464	60 464	60 464	60 464	60 464	60 464	60 464	60 464	60 464
Electricity - prepaid (< min. service level)		20 888	20 888	20 888	20 888	20 888	20 888	20 888	20 888	20 888
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		81 352	81 352	81 352	81 352	81 352	81 352	81 352	81 352	81 352
Total number of households	5	158 534	158 534	158 534	158 534	158 534	158 534	158 534	158 534	158 534
Refuse:										
Removed at least once a week		8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562
<i>Minimum Service Level and Above sub-total</i>		8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562	8 027 562
Removed less frequently than once a week		64 603	64 603	64 603	64 603	64 603	64 603	64 603	64 603	64 603
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		11 494	11 494	11 494	11 494	11 494	11 494	11 494	11 494	11 494
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		76 097	76 097	76 097	76 097	76 097	76 097	76 097	76 097	76 097
Total number of households	5	8 103 659	8 103 659	8 103 659	8 103 659	8 103 659	8 103 659	8 103 659	8 103 659	8 103 659

PART 2 – SUPPORTING DOCUMENTATION

2.1. OVERVIEW OF THE ANNUAL BUDGET PROCESS

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

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

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

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

2.1.1. BUDGET PROCESS OVERVIEW

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

The Mayor tabled in Council the required the IDP and budget process plan on the time schedule in August 2019. Key dates applicable to the process were:

1. INTRODUCTION

IDP PMS Budget Process Plan is meant to guide the Planning, Drafting Adoption and Review of its Integrated Development Plan. Once the IDP Process plan has been adopted by municipal council it becomes the legal binding document that we all have to adhere to it in all material times, it must be submitted to all spheres of government for their easy reference.

2. LEGAL CONTEXT

Section 28(i) of the MSA 32 of 2000 detects that each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan.

Section 29(i) of the said Act further stipulates the process to be followed when drafting its integrated development plan including its consideration and adoption of the draft process plan that it must be in accordance with a programme specifying time frames for the different steps.

3. OBJECTIVES

- To draw up a review process plan that would trigger inclusivity and transparency.
- It is to encourage participation by all stakeholders and community
- To Solicit and determine priorities of the municipality
- To enhance service delivery and development.

4. INSTITUTIONAL ARRANGEMENTS, ROLES AND RESPONSIBILITY

ACTORS	ROLES AND RESPONSIBILITIES
Council	<ul style="list-style-type: none">▪ Consider and adopt reviewed IDP▪ To promote and enhance public participation▪ Keep public informed about the contents of the IDP▪ Adopt the Integrated Development Plan, Budget and SDBIP
IDP Manager	<ul style="list-style-type: none">▪ Ensure that the Process Plan and reviewed IDP are adopted by the Council▪ Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and

ACTORS	ROLES AND RESPONSIBILITIES
	<p>effective consideration of available time; financial and human resources;</p> <ul style="list-style-type: none"> ▪ Encourage an inclusive participatory planning process and compliance with action programme ▪ Facilitate the horizontal and vertical alignment of the district IDP ▪ Ensure that the planning process outcomes are properly documented ▪ Manage service providers to the district or local municipal IDP ▪ Coordinate with various government departments and to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa
Heads of Departments and Senior Management	<ul style="list-style-type: none"> ▪ Provide technical and advisory support to the IDP Manager ▪ Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council ▪ Interact with the relevant cluster regarding the prioritization of their individual departments projects and programmes for the following years ▪ Provide clear terms of reference to service providers
District Municipality	<ul style="list-style-type: none"> ▪ Provide support and guidance on IDP Review process ▪ Assist municipalities to achieve the target dates ▪ Interact with service providers to ensure that a quality product is provided ▪ Assist with workshops ▪ Project Management and Implementation Support Services ▪ Ensure that clusters achieve integrated planning ▪ Ensure that an uniform reporting mechanism is devised
Sector Departments in the District	<ul style="list-style-type: none"> ▪ Ensure the participation of Senior personnel in the IDP review process ▪ Horizontal alignment of programmers and strategic plans within the clusters ▪ Provide technical support and information to the planning process ▪ Contribute relevant information to support the review process within the clusters

ACTORS	ROLES AND RESPONSIBILITIES
	<ul style="list-style-type: none"> ▪ Incorporate district and local municipal projects into departments planning within the clusters
National & Provincial Governments	<ul style="list-style-type: none"> ▪ Monitor and evaluate the preparation and implementation process ▪ Provide training and capacity building support to the local municipality – CoGTA guide for credible IDPs ▪ Coordinate support programmes so that overlapping does not occur ▪ Provide technical guidance and monitor compliance with provincial policy and legal framework ▪ Provide financial support to the IDP planning and implementation process

5. ORGANISATIONAL ARRANGEMENTS: ESTABLISHMENT PROCESS

The King Sabata Dalindyebo Municipal Council is chaired by the Honourable Speaker, Councillor TG Maqoko. Its role in the IDP formulation process is to ensure drafting of the process to be followed to guide the development and drafting of the IDP Plan Review for 2020-21, Chapter 5 Section 25 (1) of the MSA provides that, each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all-inclusive and strategic plan for the development of the municipality which include the following:

- To oversee the development and adoption of the IDP review
- Adopt final Integrated Development Plan and Budget
- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Complies with the provisions of this Chapter; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.
-

5.1 Municipal Manager

The responsibility of the IDP formulation resides with the Municipal Manager who has in turn delegated it to the Director responsible for Rural and Economic Development

The Director, RED, in terms of the process assists the IDP manager who is tasked to:-

- Ensure that the Process Plan is drafted and adopted by the Municipal Council;
- Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources;
- Encourage an inclusive participatory planning process and compliance with action programme
- Facilitate the horizontal and vertical alignment of the various internal and external departmental programmes
- Ensure that the planning process outcomes are properly documented
- Manage service providers engaged in the municipal IDP process
- Chair the IDP Steering Committee
- Nominate persons in charge of different roles.
- Responds to comments on the draft reviewed IDP from the public.
- Adjusts the IDP in accordance with the comments of the MEC for local Government.
- The Municipal IDP Manager will coordinate with various government departments and other HODs to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa

5.2 IDP Technical Steering Committee

The IDP technical steering committee comprising largely of internal senior management will be tasked to:

- Provide technical and advisory support to the IDP Manager
- Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council
- Prepare, facilitate and document meetings
- Act as the secretariat for the IDP Representative Forum.
-

Secretariat:-

IDP Unit

5.2.1 Composition

- Director: Rural & Economic Development
- Chief Financial Officer
- Director: Infrastructure
- Director Human Settlement
- Director: Corporate Services
- Director: Community Services
- Director: Public (Community) Safety
- General Managers and Middle Management
- Appointed Professional team

Meetings shall be held as per the Process Plan adopted by Council or when considered necessary by the chairperson.

5.3 IDP Representative Forum

The IDP representative forum shall be chaired by the Executive Mayor, Councillor GN Nelani or Councillor Z. Nokayi who is delegated to chair Planning (IDP), IGR and Research standing committee.

The composition of representatives is made up by the following institutions or interest groups:-

- National and Provincial Sector Departments and the District Municipality
- All Councillors
- Ward Committees secretaries
- Youth groups
- Rate payers
- Traditional Leaders
- Civic bodies & Entities
- NGO's and CBOs
- Community Development Workers
- Organised Business and Labour,
- Stakeholders' representatives of organised groups (NGOs, CBOs, etc.)
- Resource persons; and
- Relevant Community representatives.

The task of the representative forum shall be to:

- Represent the interest of various constituencies in the IDP planning process

- Provide an organizational platform and mechanism for discussion, negotiation and decision making between stakeholders
- Provide a communication mechanism for the exchange of ideas and opinions among the various stakeholder interest groups
- Participate in the setting up of key performance indicators including the monitoring thereof in line with the performance Management Manual of the Local Municipality
- Monitor the performance of the planning and implementation process

5.4 Budget Steering Committee

The Budget task team has a responsibility of recommending the budget document before the approval by council. This is chaired by the Portfolio Councilor for Finance, Councillor E. Mapekula.

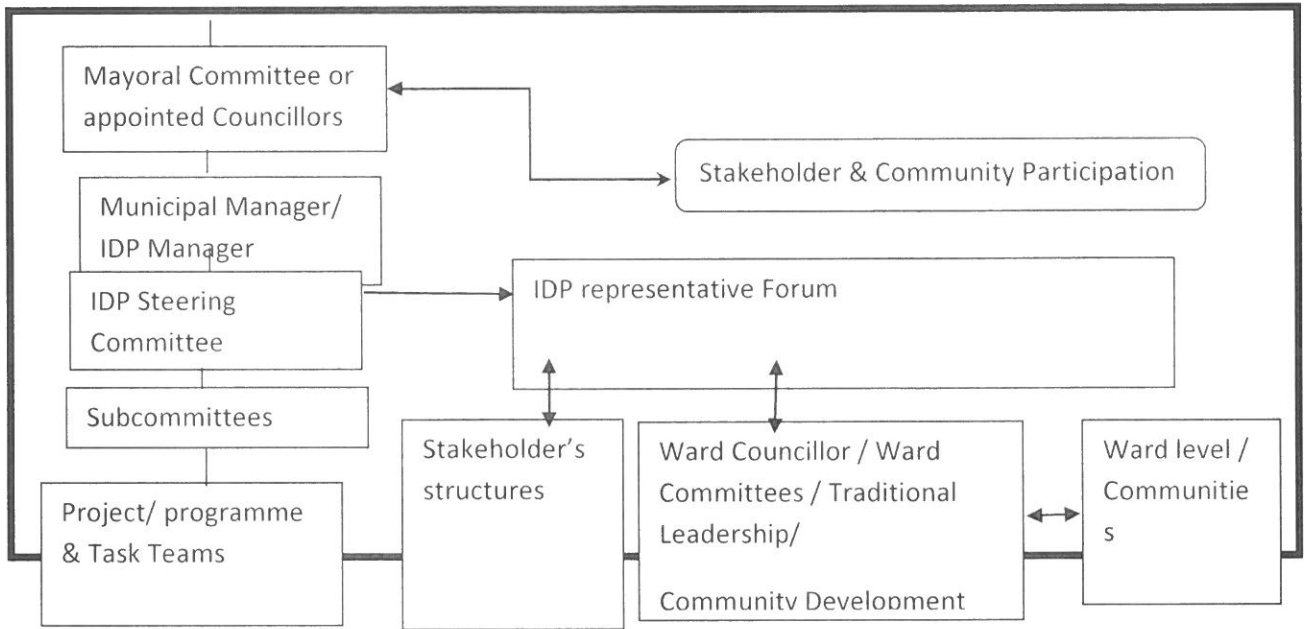
5.5 IDP Planning Process

In the IDP review cycle changes to the IDP may be required from these main sources:

- Comments from the MEC, if any;
- Incorporation of the most recent data
- Review and refinement of the objectives and strategies
- Review and refinement of the projects
- Amendments in response to changing circumstances; and
- Improving IDP process and content.
- National Development Plan
- Provincial Development Plan
- OR Tambo District Municipality District Plan and Spatial Development Plan (SDF)
- KSD Municipality SDF
- SONA & SOPA directives
- National & Provincial budget speech
- Back to Basics
- Manifesto of ruling party & Lekgotla
- Council official documents etc.

5.6 IDP Process Stakeholders

Municipal Council



6. IDP PROCESS PLAN KEY DEADLINE DATES AND BUDGET TIMELINES

6.1 Project Plan Activities and Timelines

Activity	Risk	Periods													
		19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	20-Apr	20-May			
1.	Very High	Draft IDP Process Plan													
2.	Very High		Adoption of IDP Process Plan												
3.	Very High			IDP/Budget Framework											
4.	Moderate High			IDP Awareness Campaign											
5.	Moderate High			IDP Outreach Programme											
6.	Very High				Development of Situational Analysis Report										
7.	Very High				Development of Objectives & Strategies										
8.	Very High				Project Formulation & Budget Integration										
9.	Very High											Strategic Planning			
													Tabling of IDP		

10.	High								IDP Road shows	
11.	Very high									Adoption of IDP

6.2 IDP Process Plan Activities

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
JULY 2019				
Alignment of draft process plan and draft IDP process framework with O R Tambo district municipality	Section 21 of the MFMA 56 of 2003: Budget Preparation Process read with Section 28 (1) of the Municipal Systems Act, 32 of 2000	22-23 July 2019	Manager IDP	22 July 2019
Develop draft process and timetable for the 2019/20Budget		22-23 July 2019	Manager IDP	22 July 2019
Standing Committee, IGR & Research to discuss Draft Process Plan		23 July 2019	Municipal Manager	23 July 2019
Mayoral Committee to Discuss Draft Process Plan		27 July 2019	Executive Mayor	27 July 2019
AUGUST 2019				
Provincial IDP Assessment (MEC Comments on the IDP	Section No. 32 of the Municipal Systems Act NO. 32 of 2000	29 July -02 August 2019	Manager: IDP	02 August 2019
IDP /Budget Technical/ Steering Committee – to submit Process Plan for discussion	S	12 August 2019	Municipal Manager/ Director: RED, All Directors	12 August 2019
IDP Representative forum meeting- presentation of draft IDP ,budget and PMS process plan		15 August 2019	Executive Mayor	
Council consider IDP, Budget and PMS Process Plan 2020-21 for adoption		30 August 2019	Executive Mayor	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
2019/20 Financial Statements submitted to Auditor-General		31 August 2019	CFO/ GM: Accounting & Budgeting	
Submit Rollovers to be included in the 2019/20 Budget		31 August 2019	CFO	
SEPTEMBER 2019 (IDP MONTH)				
Submission of IDP and PMS Process Plan to OR Tambo DM and other spheres of government	Section 21 of the MFMA 56 of 2003: Budget Preparation Process read with Section 28 (1) of the Municipal Systems Act, 32 of 2000	02 September 2019	Manager IDP	
Advertise IDP/ PMS and Budget Process Plan on the local print media	Section 21 of the MFMA 56 of 2003: Budget Preparation Process read with Section 28 (1) of the Municipal Systems Act, 32 of 2000	06 September 2019	Manager IDP/ Budget & Accounting/ Communications	
Replication of ward based planning to all wards (desktop session-in-house)	Section 16 of Local Government: Municipal Systems Act, No. 32 of 2000 states that Municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose (a) encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in-	02-06 September 2019	Manager IDP	
IDP Awareness Campaign and Budgeting Process	(i) the preparation, implement and review of its integrated development plan in terms of chapter 5	03-20 September 2019	Manager IDP	
IDP/Budget Framework Workshop- to engage IDP Representative Forum stakeholders	Section 21 of the MFMA 56 OF 2003: budget preparation process	12 September 2019	Portfolio Head: Budget Treasury Office / CFO	
Review Of Ward Based Profiles		09-10 September 2019	Manager IDP	
IDP, Budget and PMS Process Plan steering committee- to present Ward Based Profiles and proposal on IDP Awareness		09 September 2019	Manager IDP	
Ward to Ward IDP, Budget and PMS Outreach Programme – Needs Analysis and prioritisation		16 September to -30 September 2019	Executive Mayor & Members of the Mayoral Committee	
Submission of Personnel Request Forms		17 - 30 September 2019	Director Corporate Services, CFO, GM Budget and Accounting and GM: Human Resources	
OCTOBER 2019				

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
HR and Budget collate Personnel Request Forms and analyze results through staff keys book	Section 21 of the MFMA 56 of 2003: Budget Preparation Process	03 – 21 Oct 2019	Director Corporate Services, CFO, GM Budget and Accounting and GM: Human Resources	
IDP/ PMS Technical/ Steering Committee – Presentation and discussions on the performance reports of the 1st quarter Reviewal & unpack the situational analysis	Section 55 (1) of Local Municipality: Municipal Systems Act, No. 32 of 2000 states that As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for- (ii) equipped to carry out the task of implementing the municipality's integrated development plan in accordance with chapter 5. (c) the implement of the municipality's integrated development plan, and monitoring of progress with implementation of the plan	09 October 2019	Municipal manager, All Directors	
Analyze results of personnel expenditure and communicate to Directorates	Section 21 of the MFMA 56 of 2003 : Budget Preparation Process	22 -31 Oct 2019	Director Corporate Services, CFO GM Budget and Accounting and GM Human Resources	
IDP Representative Forum to present first Draft situational analysis report	Section 16 of Local Government: Municipal Systems Act, No. 32 of 2000 states that Municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose (a) encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in- (i) the preparation, implement and review of its integrated development plan in terms of chapter 5	25 October 2019	Executive Mayor/ Professional team	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
Submission of Performance reports and performance information of the first quarter to Council	Section 21 of the MFMA 56 OF 2003: budget preparation process Section 55 (1) of Local Municipality: Municipal Systems Act, No. 32 of 2000 states that As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for - (ii) equipped to carry out the task of implementing the municipality's integrated development plan in accordance with chapter 5. (c) the implement of the municipality's integrated development plan, and monitoring of progress with implementation of the plan	31 October 2019	Executive Mayor and Municipal Manager	
Submission of D-Form to NERSA	Section 43 of the MFMA: Applicability of Tax and Tariff capping on Municipalities	30 October 2019	GM: Budget and Accounting, CFO and Electrical Engineer	
NOVEMBER 2019				
Submission of Budget Request Forms General Expenses-Capital outlay, Capital Budget, Operating Projects and Review of Tariffs	Section 21 of the MFMA 56 of 2003 Budget Preparation Process	04-21 November 2019	Municipal Manager, All Directorates	
Check with National, Provincial Governments and District Municipalities for any information in relation to budget and adjustment budget to projected allocations for the next three years.		07-29 November 2019	GM: Accounting and Budget /CFO	
Discuss Draft audit report from the Auditor-General for the 2018/19 financial statements		11 -29 November 2019	GM: Accounting and Budget /CFO	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
<p>IDP, PMS and Budget Technical/Steering Committee –discussion on:</p> <ul style="list-style-type: none"> • Development of Strategies and Objectives • Project identification 	<p>Section 55 (1)of Local Municipality: Municipal Systems Act,No.32 of 2000 states that As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council ,responsible and accountable for-(ii) equipped to carry out the task of implementing the municipality 's integrated development plan in accordance with chapter 5.</p> <p>(c) the implement of the municipality's integrated development plan, and monitoring of progress with implementation of the plan</p>	<p>11 November 2019</p>	<p>Municipal Manager, Director: RED, All Directors</p>	
<p>IDP Rep Forum –discussion on:</p> <ul style="list-style-type: none"> • Development of Strategies and Objectives • Project identification 		<p>15 November 2019</p>	<p>Executive Mayor</p>	
<p>CFO to collate budgets and analyze results</p>		<p>25 -29 November 2019</p>	<p>GM: Accounting and Budget /CFO</p>	
<p>IDP/PMS and Budget Reviewal Workshop – First Draft IDP Review</p>		<p>27-28 November 2019</p>	<p>Executive Mayor</p>	
DECEMBER 2019				
<p>IDP/PMS and Budget Technical Steering Committee</p> <p>– Sum-up Strategies and Objections and Projects Formulation</p>	<p>Section 16 of Local Government: Municipal Systems Act,No.32 of 2000 states that Municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance ,and must for this purpose (a) encourage ,and create conditions for, the local community to participate in the affairs of the municipality ,including in-</p> <p>(i)the preparation ,implement and review of its integrated development plan in terms of chapter 5</p> <p>Section 21 of the MFMA 56 OF 2003: budget preparation process</p>	<p>09-10 December 2019</p>	<p>Executive Mayor</p>	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
JANUARY 2020				
IDP/ PMS and Budget Technical/ Steering Committee Finalise developmental strategies and objectives		09 January 2020	Municipal Manager/ Director: RED, All Heads of Departments	
IDP Rep Forum – Fine-tune & Finalise developmental strategies and objectives	Section 16 of Local Government: Municipal Systems Act, No. 32 of 2000	10 January 2020	Executive Mayor	
Obtain any adjustments to projected allocations for the next three years from National, Provincial Governments & District Municipalities.	Section 21 of the MFMA 56 of 2003: Budget Preparation Process	16-23 January 2020	GM: Accounting and Budget /CFO	
IDP/PMS and Technical /Steering Committee- Consolidation First Draft IDP document		20 January 2019	Municipal Manager/ Director: RED, All Heads of Departments	
Special Council Meeting – Table in to the Council an annual report, the audit report for 2019\20, and Mid –year report 2019/20	Section 72 (1) of the MFMA: The Accounting Officer of a Municipality must by 25 January of each year assess the performance of the Municipality during the first half of the financial year. Section 121 of the MFMA: Preparation and adoption of the annual report	24 January 2020	Executive Mayor	
FEBRUARY 2020				
Budget adjustment Consultation Process begins	Section 28 of the MFMA the Municipality may revise an approved annual budget through an adjustment budget	01-06 February 2020	GM: Budgeting and Accounting	
IDP, Budget and PMS Technical/ Steering Committee - To discuss 1 st Adjustment Budget	Section 21 of the MFMA 56 of 2003: Budget Preparation Process	03 February 2020	CFO/ Municipal Manager/ Director: RED, All Directorates	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
IDP Representative Forum – Present First Draft IDP , Budget Integration and Sectoral Alignment Council to approve 1st Adjustment Budget	Section 28 of the MFMA the Municipality May revise an approved annual budget though an adjustment budget and read together with Section 72(3) The Accounting Officer must as part of the review make recommendations as to whether an adjustment budget is necessary and recommend revised projection of revenue and expenditure to the extent that this may be necessary	06 February 2019 26 February 2020	Executive Mayor Executive Mayor and Municipal Manager	
MARCH 2020				
IDP/ PMS and Budget Technical / Steering Committee/MANCOM -first draft IDP 2020/21 and Draft MTERF Budget 2020/2021-2023 - to prepare for MEGA Strategic Session Approval of Electricity Tariffs by NERSA		02 March 2020 03-31 March 2020	Municipal Manager/ CFO/ Director: RED GM: Budget and Accounting ,CFO and Electrical Engineer	
MEGA Strategic Planning Session - Presentation of first draft IDP, PMS 2020/21 and MTREF Budget 2020/21-21/22-22/23 to finalise integration, alignment of budgets	Section 16 of Local Government: Municipal Systems Act, No.32 of 2000 states that Municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance ,and must for this purpose (a) encourage ,and create conditions for, the local community to participate in the affairs of the municipality ,including in-	11-13 March 2020	Executive Mayor	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
	(i) the preparation, implement and review of its integrated development plan in terms of chapter 5 Section 21 of the MFMA 56 OF 2003: budget preparation process			
Council adopts First Draft 2020/21 IDP, PMS and MTERF Budget and Budget policies for 2020/21-21/22-22/23	Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA	26 March 2020	Executive Mayor	
APRIL 2020				
IDP Representative Forum – to outline IDP Roadshows timelines	Section 23(1)a when the annual budget has been tabled the Municipal council must consider views of local community	02 April 2019	Executive Mayor and All Councilors	
IDP Review and MTERF Budget 2020/21- 23 advertised for public comments, Public Meetings & Consultation		03 April 2020	CFO	
IDP/Budget road shows- present draft IDP, PMS Review 2020-21- and MTREF Budget to solicit comments from members of the community		03 April – 30 April 2020	Executive Mayor and All Councilors	
Submit to National Treasury, Provincial Treasury and the MEC responsible for Local Government the annual report, Annual financial statements, the audit report and any corrective action taken in response to the findings of the audit report relating to 2019/20	Regulation 15(4)a: The Municipal Manager must send copies of the annual budget and supporting documentation as tabled in the Municipal Council in both printed and electronic form	06 April 2020	GM: Budget Accounting/CFO and	
Review of Budget Related Policies	Section 21 of the MFMA 56 of 2003: Budget Preparation Process	09 – 13 April 2019	GM: Accounting and Budget /CFO	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
Draft IDP 2020/21 & 2020/21-21/22-22/23 MTREF Budget Engagement and Benchmarking	Section 21 of the MFMA 56 of 2003: Budget Preparation Process	17 April 2019	Municipal Manager/ CFO/ Director: RED, All Directors	
MAY 2020				
IDP Rep. Forum - discuss and consider Public comments and the final draft IDP , PMS 2020-21 and MTERF Budget review	Section 24(1) the Municipal Council must at least 30 days before the start of the budget year consider approval of the annual budget	08 May 2020	Portfolio Head Executive Mayor	Finance/
Council consider adoption of Final Draft IDP 2020/21, 2020/21-23 and MTERF Budget	Section 24(1) the Municipal Council must at least 30 days before the start of the budget year consider approval of the annual budget	28 May 2020	Executive Mayor	
JUNE 2020				
Preparation of draft Service Delivery and Budget Implementation Plan for the financial year ending June 2021	Section 41 of Local Government: Municipal systems Act No 32 of 2000 state that (1) a municipality must in terms of its performance management system and in accordance with any regulation and guidelines that may be prescribed- (a) set appropriate key performance indicators as a yardstick for meaning performance, including outcomes and impact with regard to the municipality's development priorities and objectives set out in its integrated development plan. In Terms of section 120 to provide for regulate (d) the regular review by a municipality of its key performance indicators; (e) the setting of a framework for performance targets by municipalities consistent with their development priorities, objectives and strategies set out in their IDP	08—09 June 2020	GM Compliance and All Directors, Manager PMS	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
MTREF Budget, Budget related policies, annual report published on Council website.	Section 75(1)(a,b)The Accounting Officer of a Municipality must place on the website referred to in section 21Aof the systems Act the following documents: Annual and Adjustment budget and all related policies	12 June 2020	GM: Accounting and Budget	
Annual Budget Reports to National & Provincial Treasury.	Regulation 20(1) The Municipal Manager must comply with section 24(3) of the Act within 10 working days after the council has approved the annual budget ,The Municipal Manager must submit to National Treasury and relevant provincial Treasury in both electronic and printed form	12 June 2020	GM: Accounting and Budget	
Preparations for strategic planning session to assess annual performance of the institution.	In terms of section 46 Local Government: Municipal Systems Act, No .32 of 2000 states that (1) a municipality must prepare for each financial year a performance report reflecting- (a) The performance of the municipality and of each external service provider during the financial year.(b) a comparison of the performance referred to in paragraph (a) with targets set for and performance in the previous year.	15-17 June 2020	GM: Compliance/ Manager PMS	
Ordinary Council Meeting to note SDBIP Submission of the final draft SDBIP's to the other spheres of government	Section 53 (3)(b) Local Government :Municipal Finance Act 56 of 2003 state that the Mayor must ensure—that the performance agreements of the municipal manager ,senior managers and any other categories of officials as may be prescribed, are made public no later than 14 days after the approval of the municipality's service delivery and budget implementation plan. Copies of such performance agreements must be submitted to	26 June 2020 29 June 2020	Executive Mayor GM: Compliance/ Manager PMS	

ACTIVITY	LEGISLATIVE REQUIREMENT	ACTUAL DATE	RESPONSIBILITY	PROGRESS TO DATE
	the council and the MEC for local government in the province			

7. OR TAMBO DISTRICT MUNICIPALITY IDP, PMS & BUDGET SCHEDULE OF ACTIVITIES FOR ALIGNMENT

Overview of this IDP process time frame is illustrated in the cycle below. This cycle should be used as a guide through which the process can be better managed by municipalities. The form and content of the IDP document is however subject to the discretion of each municipality. A uniform IDP Table of Contents has been requested and will be developed to be used throughout the District. This will be used as an example and does not discourage other ideas from the municipalities. Each municipality should follow the prescribed IDP process:-

IDP Phases	Key Issues & Outcome	LM Timeframe	Expected DM Timeframe
PHASE 0 Preparation	What do we need to do to plan for the Municipality? Outcome: IDP Framework and process plan	End August 2019	End August 2019
PHASE 1 Analysis	What is the current status? Ward to Ward IDP & Budget Outreach Programme Outcome: Reviewed Status Quo Report and priority issues (IDP Rep. Forum)	16 September to -30 September 2019 25 October 2019	Sept. 2019 Nov 2019
PHASE 2 Strategies	Where do we want to go and how do we get there? Outcome: reviewed objectives and strategies (IDP Rep. Forum)	15 November 2019	Nov 2019
PHASE 3 Projects	What actions do we have to undertake to realise these strategies? Outcome: Indicators and basic project implementation information (IDP Rep. Forum)	06 February 2019	Jan 2020
PHASE 4 Integration	What actions do we have to undertake to realise these strategies? Outcome: Indicators and basic project implementation information, & budget allocations (MEGA Strategic Planning)	11-13 March 2020	March 2020
PHASE 5 Approval	What do we need to manage to make it happen? Outcome: Integrated management programmes and plans Are we satisfied?	Feb -Mar 2020 26 March 2020	End March 2020 End March 2020

IDP Phases	Key Issues & Outcome	LM Timeframe	Expected DM Timeframe
	Outcome: Tabling of First Draft IDP and Budget to Council		
	Are we satisfied? Public Comments	03 April – 30 April 2020	April 2020
	Outcome: Adoption of Final IDP and Budget by Council	28 May 2010	End May 2020
Implementation, monitoring, reporting and review			

8. PROVINCIAL TREASURY BUDGET ASSESSMENT:DRAFT - SCHEDULE OF DATES – AS AT 26 JULY 2019: MID-YEAR AND BUDGET BENCHMARK ENGAGEMENT FOR THE YEAR - 2020

No	PT - District Name	Municipality Name	2020 Mid-Year Engagement	Mid-Year Venue	2020 Benchmark Engagement	Benchmark Engagement Venue
1	OR Tambo District	King Sabata Dalindyebo Local Municipality	20 Feb 2020	Municipality Boardroom	30 April 2020	Municipality Boardroom
2		Nyandeni Local Municipality	17 Feb 2020	Municipality Boardroom	5 May 2020	Municipality Boardroom
3		Mhlontlo Local Municipality	14 Feb 2020	Municipality Boardroom	23 April 2020	Municipality Boardroom
4		Ngquza Hill Local Municipality	25 Feb 2020	Municipality Boardroom	16 April 2020	Municipality Boardroom
5		Port St Johns Local Municipality	27 Feb 2020	Municipality Boardroom	20 April 2020	Municipality Boardroom

2.3. Comments on the implementation of the process plan

There were some deviations from the key dates set out in the Budget Time Schedule tabled in Council. MFMA deadlines in terms of submission of reports such as midyear assessment and tabling and submission of reports were however not met.

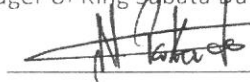
2.4. Municipal manager's quality certificate

I NGAMELA PAKADE, Municipal Manager of King Sabata Dalindyebo, 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 Ngamela Pakade

Municipal Manager of King Sabata Dalindyebo (EC 157)

Signature

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Date

29 May 2020