

EXTRACT FROM THE MINUTES OF THE SPECIAL MEETING OF THE NEWCASTLE MUNICIPAL COUNCIL, HELD IN THE SHOW HALL, NEWCASTLE ON FRIDAY, 25 FEBRUARY 2022 AT 10:00

PRESENT

| | | | | | |
|------------|---|---|--------------|---|--------------|
| Councillor | T | M | Zulu | : | Speaker |
| Councillor | Y | A | Ally | | |
| Councillor | V | V | Bam | | |
| Councillor | M | E | Buthelezi | | |
| Councillor | S | B | Buthelezi | | |
| Councillor | F | | Cassim | | |
| Councillor | M | J | Dladla | | |
| Councillor | T | N | Dlamini | | |
| Councillor | D | X | Dube | : | Mayor |
| Councillor | N | C | Dube | | |
| Councillor | F | L | Duma | | |
| Councillor | V | F | Hadebe | | |
| Councillor | P | | Hariram | | |
| Councillor | M | E | Hlatshwayo | | |
| Councillor | M | M | E Hlatshwayo | | |
| Councillor | H | N | Khumalo | | |
| Councillor | L | M | Khumalo | | |
| Councillor | N | R | Khumalo | | |
| Councillor | C | B | Kubeka | | |
| Councillor | N | Z | B Kunene | | |
| Councillor | M | T | Lethea | | |
| Councillor | B | G | Madi | | |
| Councillor | Z | E | Madi | | |
| Councillor | M | T | D Makhoba | | |
| Councillor | X | S | Makhubo | | |
| Councillor | F | A | Malinga | | |
| Councillor | B | D | Mathunjwa | | |
| Councillor | N | P | Maseko | | |
| Councillor | N | S | F Masondo | | |
| Councillor | S | P | Masuku | | |
| Councillor | L | I | Mathe | | |
| Councillor | L | P | Mazibuko | | |
| Councillor | M | V | Mbatha | | |
| Councillor | A | P | Meiring | | |
| Councillor | A | E | Mkhwanazi | | |
| Councillor | M | P | Mkhwanazi | | |
| Councillor | P | F | Mnisi | | |
| Councillor | S | W | Mngomezulu | | |
| Councillor | R | M | Molelekoa | | |
| Councillor | N | P | Mthabela | | |
| Councillor | T | E | Mthembu | | |
| Councillor | L | P | Ndebele | | |
| Councillor | M | O | Ndlovu | | |
| Councillor | C | S | Ngcobo | | |
| Councillor | R | N | Ngcobo | | |
| Councillor | A | T | Nkosi | | |
| Councillor | S | E | Nkosi | | |
| Councillor | W | P | Nkosi | | |
| Councillor | S | | Ntsele | | |
| Councillor | M | J | Ntshangase | | |
| Councillor | R | B | S Russell | | |
| Councillor | N | P | Shabalala | | |
| Councillor | S | E | Shabangu | | |
| Councillor | V | N | Sibeko | | |
| Councillor | S | | Singh | | |
| Councillor | L | C | Sithebe | | |
| Councillor | F | N | Sithole | | |
| Councillor | B | R | Thusi | | |
| Councillor | S | M | Thwala | : | Deputy Mayor |
| Councillor | L | P | Ximba | | |
| Councillor | S | A | Yende | | |



(ii)

| | | | |
|------------|---|---|-------|
| Councillor | V | G | Zondo |
| Councillor | N | S | Zulu |
| Councillor | Z | E | Zwane |

ABSENT WITH APOLOGY

| | | | | | | |
|------------|---|---|---|--------|---|-------------------|
| Councillor | E | J | C | Cronje | : | other commitments |
| Councillor | C | Y | | Liu | : | other commitments |

TRADITIONAL LEADERS

| | | | | | |
|-------|---|---|---------|---|-------------|
| Nkosi | B | S | Radebe | : | Not present |
| Nkosi | B | D | Khumalo | : | Not present |

VACANCIES

EX - PR Councillor R B Ndimma

ALSO PRESENT

Interpreter : Mr L S Mhlongo

OFFICIALS PRESENT

| | | | | | |
|--|---|-----|---|---|----------|
| Acting Municipal Manager | : | Mr | Z | W | Mcineka |
| Strategic Executive Director : BTO | : | Mr | S | M | Nkosi |
| Acting Strategic Executive Director : Corporate Services | : | Dr | P | D | Thabethe |
| Acting Strategic Executive Director : DP&HS | : | Mrs | N | | Khathide |
| Acting Strategic Executive Director : Technical Services | : | Mr | S | | Shange |
| Director : Administration | : | Mrs | D | R | Molefe |
| Director : Internal Audit | : | Mr | B | B | Nkosi |
| Senior Legal Officer | : | Mrs | N | | Mbuli |
| Senior Administrative Officer | : | Mrs | Z | | Sibeko |
| Committee Clerk | : | Mr | S | M | Thwala |
| Committee Clerk | : | Mr | K | | Mbonane |
| Committee Clerk | : | Ms | D | X | Madi |
| Intern : Administration | : | Ms | N | J | Zwane |

CM 12 : MID – YEAR ADJUSTMENT BUDGET : IDP/BUDGET/PMS

(i) 2021/22 Mid – year adjustment budget (T 6/1/1)

RESOLVED

- (a) That the operating and capital mid – year adjustment budget for the 2021/22 financial year be approved;
- (b) that the revised Budget Funding Plan that aligns to the adjustment budget be approved;
- (c) that adjustment budget of the Uthukela Water be noted as attached;

(iii)

- (d) that the amended Integrated Development Plan (IDP) in terms of section 34 of the Municipal Systems Act No. 32 of 2000 in line with the mid – year adjustment budget for the 2021/22 financial year be approved;
- (e) that the Accounting Officer be mandated to submit the adjustment budget to National and Provincial Treasuries as required by section 28(7) of the Municipal Finance Management Act No. 56 of 2003;
- (f) that the Provincial Treasury’s assessment on the Mid – year review be noted.

The ANC requested that their dissenting vote be recorded.

(ii) Revised 2021/22 Performance Management System

RESOLVED

- (a) That the Executive Committee and Council approve the 2021/2022 revised Top – Layer Service Delivery Budget Implementation Plan (TLSDBIP);
- (b) the Top – Layer Service Delivery Budget Implementation Plan (TLSDBIP) be aligned to any adjustments on the 2021/2022 Budget and Integrated Development Plan (IDP);
- (c) the performance agreements for section 56/57 employees be amended as per the revised Performance Management System where applicable.

The ANC requested that their dissenting vote be recorded.

I, the undersigned, **ZAMOKWAKHE WESLEY MCINEKA**, in my capacity as **ACTING MUNICIPAL MANAGER** to the Newcastle Municipal Council, hereby certify the above as a true extract from the minutes of the Council meeting held on 25 February 2022.


Z.W. MCINEKA
ACTING MUNICIPAL MANAGER

Newcastle

2021/22 MID-YEAR ADJUSTMENTS BUDGET: 18 FEBRUARY 2022: (T6/1/1-2021/22): BUDGET AND TREASURY OFFICE: FEBRUARY 2022

1. EXECUTIVE SUMMARY

Section 28(1)(2) of the Municipal Finance Management Act 56 of 2003 states that a municipality may revise an approved budget through an adjustment budget. An adjustment budget:

- a. must adjust revenue and expenditure estimates downward if there is material under-collection of revenue during the current year;
- b. may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- c. may, within the prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- d. may authorize utilization of savings in one vote towards spending under another vote;
- e. may authorize spending of funds that were spent at the end of the past financial year where under-spending could not reasonably have been foreseen at the time to include roll-overs when the annual budget for the current year was approved by council;
- f. may correct any errors in the annual budget; and
- g. may provide for additional expenditure within a prescribed framework.

In line with the above mid-year review performance, the municipality has considered that it is necessary to perform an adjustments budget in order to deal with the variances identified at mid-year. Through this process, the municipality will also deal with any unforeseen and unavoidable expenditure that might have been incurred during the year. The aim of this adjustments budget is also to ensure that the municipality is operating within realistic revenue while it continues to provide minimum service delivery through payment of creditors. When tabled, an adjustment budget must provide explanations of how the original budget will be affected.

RECOMMENDED:

- (a) that the operating and capital mid-year adjustments budgets for the 2021/22 financial year be approved;
- (b) that the revised Budget Funding Plan that aligns to the adjustments budget be approved;
- (c) that adjustments budget of the Uthukela Water be noted as attached;
- (d) that it be noted that the Integrated Development Plan (IDP) and PMS have been amended in line with the adjustments budget;
- (e) that the Accounting Officer be mandated to submit the adjustments budget to National and Provincial Treasuries as required by section 28(7) of Municipal Finance Management Act No.56 of 2003;
- (f) that the Provincial Treasury's assessment on the Mid-year review be noted.

2. INTRODUCTION

This adjustments budget is submitted in terms of section 28 of the MFMA. It seeks to ensure that revenue and expenditure of the municipality is adjusted in line with the mid-year performance and the full-year forecast, while ensuring that the municipality keeps to its commitments of its approved Budget Funding Plan.

3. OPERATING BUDGET

The operating budget of the municipality is reflected in table B4 of the B Schedule attached hereto as required by the Municipal Budget and Reporting Regulations.

3.1 Operating revenue

As reflected in table B4, the total operating revenue has been adjustment upwards by R163.4 million from the budget of R2.214 billion to the adjusted budget of R2.377 billion. Adjustments per each revenue source are explained below.

- 3.1.1 Fines, penalties and forfeits have been adjusted upwards by R1.8 million from the budget of R2.1 million to the adjusted budget of R2.9 million. This is due to fines levied during the year, which were not anticipated during the annual budget preparation. The municipality has also employed and increased visibility of traffic personnel to ensure stricter law enforcement on the roads.
- 3.1.2 Interest on external investments has been adjusted downwards by R1 721 to the adjusted budget of R2.2 million. This is due to the municipality unable to maintain its investments longer, due to cash flow challenges faced by the municipality.
- 3.1.3 Interest on outstanding debtors has been adjusted downwards by R 395 thousand to the adjusted budget of R4.2 million. This is due to the incentive scheme being implemented by the municipality, where some the outstanding and uncollectable debt was written-off.
- 3.1.4 Other revenue has been adjusted downwards by R2.6 million to the adjusted budget of R18.3 million. The reduction is attributable to the mid-year performance, particularly due to the reduction in cemetery fees as well as the delays in disposing some of the municipal properties.
- 3.1.5 Property rates has been have not been adjusted, the budget of R362.4 million will remain the same. This is based on the mid-year performance as well as the projected annual performance.
- 3.1.6 Rental of facilities has been adjusted upwards by R1.3 million to the adjusted budget of R8.9 million. This is attributable to the municipal properties being rented to almost fully capacity with the easing of Covid-19 restrictions.
- 3.1.7 Service charges: water has been adjusted downwards by R6.8 million to the adjusted budget of R187.06 million. This is attributable to the Covid-19 restrictions, which has resulted in less demand for water consumption.
- 3.1.8 Service charges: electricity has been adjusted upwards by R16.2 million to the adjusted budget of R726.4 million. The easing of lockdown and less load-shedding has resulted in improved electricity consumption, especially for the business consumers.
- 3.1.9 Service charges: refuse has been adjusted upwards by R3.4 million to the adjusted budget of R99.0 million. This is attributable to more consumers requesting collection and renting more skips due to the easing of lockdown restrictions.
- 3.1.10 Service charges: sanitation has been adjusted upwards by R585 thousand million to the adjusted budget of R120.0 million. This is attributable to the additional few developments as the lockdown continue to ease.
- 3.1.11 Transfers recognised: operational has been adjusted upwards by R147.9 million to the adjusted budget of R842.9 million. This is particularly attributable to the new grants that were received by the municipality during the year, which were not yet appropriated into the budget.
- 3.1.12 Licences and permits has been adjusted downwards R63 thousand to the adjusted budget of R41.4 thousand. This is due to businesses and citizens adhering to the municipal by-laws.

3.1.13 The municipality recorded gains R1.9 million which was not budgeted for in the annual budget. This is due to the iPads, tables and cellphones that the municipality sold to the exiting staff and councillors as per the approved policy of council.

Overall, operating revenue has been adjusted upwards mainly on grants as well as the services charges. Other revenue sources have also been slightly adjusted in line with the mid-year performance and correction of any omission that might have occurred during the preparation of the annual budget.

3.2 Operating expenditure

The operating expenditure of the municipality is reflected in table B4 of the B Schedule as required by the Municipal Budget and Reporting Regulations.

The total operating expenditure has been adjustment upwards by R164.6 million from the budget of R2.488 billion to the adjusted budget of R2.653. Adjustments per each expenditure item are explained below.

- 3.2.1 No adjustment has been made with regards to the electricity bulk purchases, the budget of R557.1 million remains unchanged. While the mid-year performance indicated the under-performance of R4.5 million, is however expected that electricity demand may begin to increase in the upcoming winter season.
- 3.2.2 No adjustment has been made with regards to the councillor remuneration, the budget of R28.8 million remains unchanged. The municipality is still waiting for the feedback on the application of the Exco councillors to be paid as full-time councillors. Furthermore, the MEC for Cogta is still to determine if upper limits for all councillors will be approved and paid retrospectively with effect from July 2021. If these are both approved, the current savings will be used for such purposes.
- 3.2.3 No adjustment has been made with regards to the finance charges, the budget of R98.7 million remains unchanged. The budget for finance charges is based on the loan agreements and the amortisation schedules with the funding institutions.
- 3.2.4 No adjustment has been made with regards to the water bulk purchases budget, the Uthukela Water's budget of R131 million remains unchanged. The entity has made a submission requesting an additional budget of R3.7 million. After due consideration the municipality is advising that such request cannot be accommodated at this stage due to the budget status (unfunded) of the municipality.
- 3.2.5 Contracted services has been adjusted upwards by R176.6 million to the adjusted budget of R564.9 million. The municipality has received additional funding from the department of KZN Human Settlements which was not appropriated into the budget. Additional budget relating to the security, collection fees, legal fees and public consultation also attributed to the increase.
- 3.2.6 Employee related costs has been adjusted upwards by R2.4 million from the budget of R570.2 million to the adjusted budget of R572.6 million. This is mainly due to the implementation of the salary and wage agreement, which was under-budgeted for in the annual budget.
- 3.2.7 Other materials has been adjusted upwards by R3.4 million from the budget of R136.1 million to the adjusted budget of R139.59 million. This is due to the additional grant gazetted to be received, as well as the movement of funds from other line items.
- 3.2.8 Debt impairment has been adjusted downwards by R8.5 million from the budget of R283.5 million to the adjusted budget of R274.9 million. This is due to the variance between the projected billing and the collection when using the same collection rates used for the preparation of the annual budget.
- 3.2.9 Depreciation has been adjusted downwards by R13.5 million from the budget of R178.6 million to the adjusted budget of R165.0 million. This downward adjustments is due to the slow capital expenditure as well as the assets under construction which have not yet need capitalised. The calculations has been based on the asset register, while taking into account assets anticipated to be capitalised in the remaining part of the financial year.

3.2.10 Other expenditure has been adjusted upwards by R4.2 million from the budget of R106.2 million to the adjusted budget of R110.5 million. The increase is particularly due to the increase in the transport costs as well as the departmental charges.

4. CAPITAL BUDGET

The capital expenditure of the municipality is reflected in table B5 of the B Schedule as required by the Municipal Budget and Reporting Regulations.

Overall, capital budget has been adjusted downwards by R28.8 million from the budget of R156.5 million to the adjusted budget of R185.3 million. This is particularly due to some of the grant funded projects which were moved from operational budget to the capital budget in order to accelerate expenditure on projects best performing. This purpose of this is so that the municipality does not refer unspent grants to National Treasury at the end of the financial year. No significant increase has been made on the internally funded projects.

5. CASH FLOW BUDGET

The municipality has performed the budget funding test of the budget through table B7 and B8 of the Schedule B. In terms of Schedule B, the municipality is anticipating to make to generate adequate receipts to cover all short terms obligations anticipated during the year. Table B8 however indicates that the municipality's cash reserves will ultimately be insufficient to cover unspent grants, provisions and reserves required to be cash-backed at year. The table indicated that the budget is unfunded by at least R143 million. This therefore makes the overall budget of the municipality to be unfunded.

As advised by National and Provincial Treasuries, municipalities which have unfunded budgets in table B8 are required to table and adopt a Budget Funding Plan that will ensure that the budget of the municipality moves to a funded budget during the MTREF period. The municipality did develop and adopt BFP with the approval of its budget. The adjustment budget has necessitated that a revised BFP which is aligned to the adjustments budget be approved. This adjustments budget should therefore be considered and approved together with the revised BFP.

6. SUPPORTING BUDGET SCHEDULES

The budget documents for the budget are attached hereto as follows:

| | |
|------------|-------------------------------------|
| Annexure A | : Adjustment Budget Document |
| Annexure B | : Operational budget |
| Annexure C | : Capital budget |
| Annexure D | : B Schedule budget tables |
| Annexure E | : Uthukela Water Adjustments Budget |
| Annexure F | : Revised Budget Funding Plan |

REPORT SEEN BY:



S M NKOSI
STRATEGIC EXECUTIVE DIRECTOR
BUDGET AND TREASURY OFFICE

D X DUBE
PORTFOLIO COUNCILLOR
BUDEGT AND TREASURY OFFICE

ANNEXURE A

ADJUSTMENT BUDGET DOCUMENT



NEWCASTLE MUNICIPALITY

ADJUSTMENTS BUDGET

2021/22

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| 8 | Adjustments to allocations and grants made by the municipality | |
| 9 | Adjustments to councillor allowances and employee benefits | |
| 10 | Adjustments to service delivery and budget implementation plans | |
| 11 | Adjustments to capital expenditure | |
| 12 | Other supporting documents | |
| 13 | Municipal manager’s quality certification | |

PART 1 – ADJUSTMENT BUDGET

1. MAYOR'S REPORT

(To be tabled by Mayor at the Council meeting)

2. ADJUSTMENTS BUDGET RESOLUTIONS

It is recommended:

- (a) that the operating and capital mid-year adjustments budgets for the 2021/22 financial year be approved;
- (b) that the revised Budget Funding Plan that aligns to the adjustments budget be approved;
- (c) that adjustments budget of the Uthukela Water be noted as attached.
- (d) that it be noted that the Integrated Development Plan (IDP) and PMS have been amended in line with the adjustments budget.
- (e) that the Accounting Officer be mandated to submit the adjustments budget to National and Provincial Treasuries as required by section 28(7) of Municipal Finance Management Act No.56 of 2003;
- (f) that the Provincial Treasury's assessment on the Mid-year review be noted.

3. EXECUTIVE SUMMARY

3.1 OVERVIEW OF THE MUNICIPALITY

Newcastle Municipality is located in the inland region on the Northwest corner of KwaZulu-Natal, a few kilometres south of the Free State and Gauteng provincial borders, in the foothills of the Drakensberg. The municipality covers an area of 1,855 km², has a population of 332,980 by Census 2001 figures and is made up of 31 wards. The Newcastle municipal area is the most densely populated municipality in the District and constitutes 71% of the total population of the Amajuba District Municipality, and 3.5% of the total population within KwaZulu-Natal. From the 2011 Census figures, Newcastle has a very young population with most being in the 15 to 34 age group. This implies that most are in the active age group and hence planning is required for more employment opportunities. This is a challenge that needs a strategic approach in light of the general economic dynamics of the district as a whole.

The income breakdown of Newcastle further qualifies the fact that there are limited formal employment opportunities in the area. More than 60% of the population has an income of less than R1 500 a month. More than 48% have an income of less than R1000 per month. The number of people with no income has also trebled since the 1996 census. This has seen an increase in the indigent population from 220 to approximately 19,000 since March 2005. 60% of the population of Newcastle is mainly urban with 59,423 living in formal housing, 6,851 living in informal settlements and 4,649 in traditional housing.

Newcastle is a secondary city offering employment opportunities to the surrounding rural hinterland and acts as the district's urban core. It therefore provides employment opportunities to the whole district. The greatest challenge is to provide housing accommodation and the essential services to meet the increasing demand especially around the urban core where a lot of informal settlements are sprouting up.

The following are the statistics for Newcastle drawn from the Census 2011 information presented by the Statistics South Africa.

| Criteria | Newcastle % |
|---|--------------------|
| Unemployment rate | 54% |
| Population employed | 27% |
| Population unemployed | 32% |
| Population not economically active | 40% |
| Access to electricity for lighting | 84% |
| Access to refuse removal | 71% |
| Piped Water inside dwelling | 58% |
| Age group below 19 | 50% |
| Population with toilet connected to sewer | 56% |

The district as a whole is facing decline in GGP in all sectors. The economy of the district has experienced a change from a dominant manufacturing base to a services base.

There has been some growth in the trade, construction and community services sectors. The economy of Newcastle is however dominated by clothing and textiles, chemicals and metals. Although the district as a whole has a number of challenges due to the declining economy a lot of initiatives are underway to revive the economy.

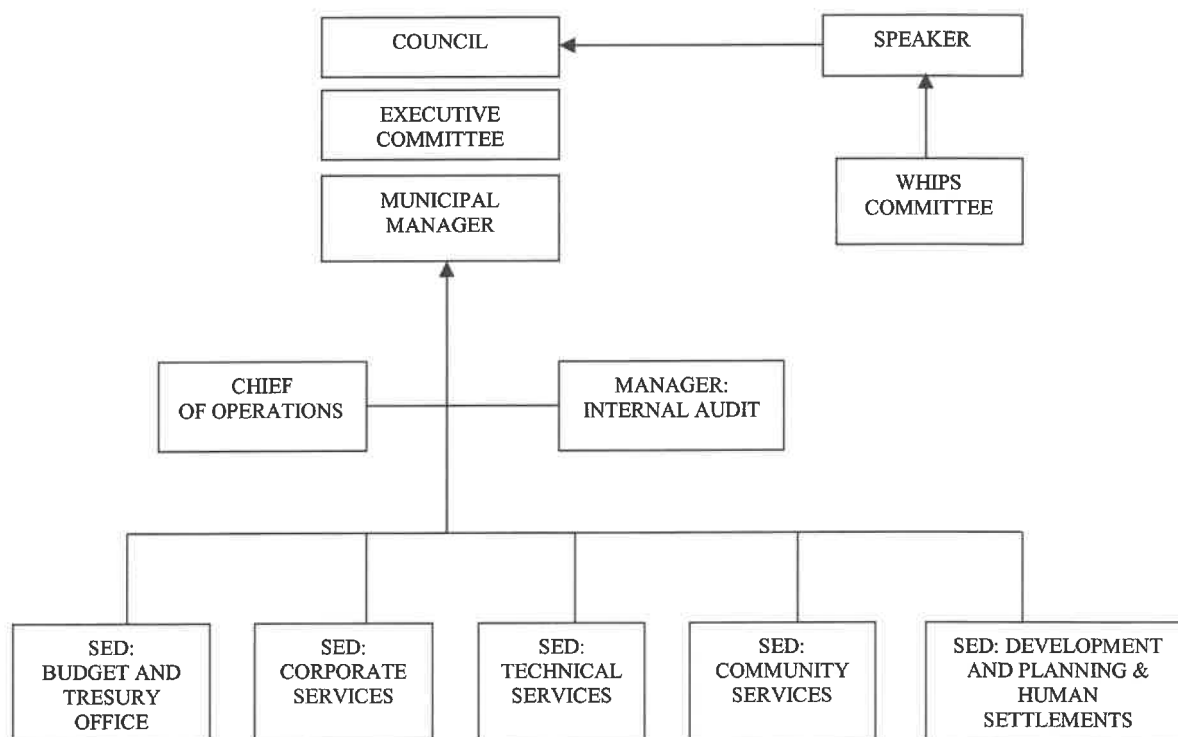
Institutional Arrangements

The Municipality has a staff compliment of approximately 1600 people, servicing areas of Newcastle, Madadeni, Osizweni, Blaauwbosch, Ngagane, Kilbarchan, and Charlestown. The Newcastle Organogram (illustrated below), and as approved by Council, makes provision for a Municipal Manager, a Chief of Operations, Internal Audit and five Departments each headed by a Strategic Executive Director. The five Departments of the municipality are:

- Budget and Treasury Office
- Corporate Services
- Technical Services
- Electrical Services
- Community Services
- Development, Planning and Human Settlement

It should be noted that Council is still in the process of revising the structure in line with Task Grading system. This structure should be implemented at the beginning of 2016/2017 financial year and existing and certain new vacant posts have been budgeted for in line with the new structure and the TASK grading system.

3.2 NEWCASTLE MUNICIPALITY: ORGANOGRAM



3.4 COUNCILLORS, EXECUTIVE COMMITTEE AND OFFICIALS

EXECUTIVE COMMITTEE

| DESIGNATION | SURNAME & INITIALS | PORTFOLIO COUNCILLOR | POLITICAL PARTY | WARD |
|--------------|--------------------|---|-----------------|------|
| Mayor | DUBE D X | Budget & Treasury | IFP | 18 |
| Deputy Mayor | THWALA SM | Technical Services | TSSA | 28 |
| Exco Member | HLATSHWAYO ME | Community Services | IFP | 6 |
| Exco Member | KUBHEKA CB | Governance | IFP | PR |
| Exco Member | MEIRING AP | Planning, Development and Human Settlements | DA | 4 |
| Exco Member | MOLELEKOA R M | Technical Services | ANC | 12 |
| Exco Member | SITHEBE LC | Corporate Services | EFF | PR |
| Exco Member | YENDE SA | Budget & Treasury O | ANC | PR |

| | | | | |
|-------------|----------|--------------------|-----|----|
| Exco Member | ZONDO VG | Community Services | ANC | 27 |
| Exco Member | ZULU NS | Community Services | IFP | PR |

COUNCIL

| DESIGNATION | SURNAME & INITIALS | POLITICAL PARTY | WARD |
|--------------|--------------------|-----------------|------|
| Speaker | ZULU TM | IFP | PR |
| Mayor | DUBE DX | IFP | 18 |
| Deputy Mayor | THWALA SM | TSSA | 28 |
| Councillor | ALLY YA | PA | PR |
| Councillor | BAM VV | IFP | PR |
| Councillor | BUTHELEZI ME | IFP | 33 |
| Councillor | BUTHELEZI SB | EFF | PR |
| Councillor | CASSIM F | ASA | PR |
| Councillor | CRONJE EJC | DA | 2 |
| Councillor | DLADLA MJ | ANC | 11 |
| Councillor | DLAMINI TN | EFF | PR |
| Councillor | DUBE NC | DA | PR |
| Councillor | DUMA FL | NFP | PR |
| Councillor | HADEBE VF | TSSA | PR |
| Councillor | HARIRAM P | DA | 3 |
| Councillor | HLATSHWAYO MME | ANC | 17 |
| Councillor | HLATSHWAYO ME | IFP | 6 |
| Councillor | KHUMALO HN | ANC | 5 |
| Councillor | KHUMALO LM | IFP | PR |
| Councillor | KHUMALO NR | TSSA | 31 |
| Councillor | KUBHEKA CB | IFP | PR |
| Councillor | KUNENE NZB | ANC | 19 |
| Councillor | LETHEA MT | ANC | 10 |
| Councillor | LUI C | IFP | PR |
| Councillor | MADI BG | ANC | 8 |
| Councillor | MADI ZE | IFP | PR |
| Councillor | MAKHOBHA MTD | ANC | 21 |
| Councillor | MAKHUBO XM | ANC | 29 |
| Councillor | MALINGA FA | IFP | PR |
| Councillor | MASEKO NP | TSSA | PR |
| Councillor | MASONDO NSF | TSSA | PR |
| Councillor | MASUKU SP | IFP | PR |
| Councillor | MATHE LI | EFF | PR |
| Councillor | MATHUNJWA BD | ANC | 20 |
| Councillor | MAZIBUKO LP | IFP | 9 |
| Councillor | MBATHA MV | ASA | PR |
| Councillor | MEIRING AP | DA | 4 |
| Councillor | MKHWANAZI AE | EFF | PR |
| Councillor | MKHWANAZI MP | ANC | 23 |
| Councillor | MNGOMEZULU SW | ANC | 22 |

| | | | |
|--------------------|---------------|------|----|
| Councillor | MNISI PF | ANC | 15 |
| Councillor | MOLELEKOA RM | ANC | 12 |
| Councillor | MTHABELA NP | EFF | PR |
| Councillor | MTHEMBU TE | IFP | PR |
| Councillor | NDEBELE LP | ANC | 7 |
| Councillor | NDLOVU MO | ANC | 13 |
| Councillor | NGCOBO CS | TSSA | PR |
| Councillor | NGCOBO RN | DA | 34 |
| Councillor | NKOSI AT | TSSA | PR |
| Councillor | NKOSI SE | EFF | PR |
| Councillor | NKOSI WP | ANC | 26 |
| Councillor | NTSELE S | IFP | 16 |
| Councillor | NTSHANGASE MJ | EFF | PR |
| Councillor | RUSSEL RBS | VFP | PR |
| Councillor | SHABALALA NP | ANC | 1 |
| Councillor | SHABANGU | ANC | 24 |
| Councillor | SIBEKO VN | IFP | 32 |
| Councillor | SINGH S | ASA | 25 |
| Councillor | SITHEBE LC | EFF | PR |
| Councillor | SITHOLE | IFP | PR |
| Councillor | THUSI BR | ATM | PR |
| Councillor | XIMBA LP | ANC | 14 |
| Councillor | YENDE SA | ANC | PR |
| Councillor | ZONDO VG | ANC | 27 |
| Councillor | ZULU NS | IFP | PR |
| Councillor | ZWANE ZE | ANC | 30 |
| Traditional Leader | KHUMALO DO | | |
| Traditional Leader | RADEBE B S | | |

SENIOR MANAGERS

| DESIGNATION | SURNAME & INITIALS |
|--|--------------------|
| Acting Municipal Manager | Mcineka ZW |
| Strategic Executive Director: Budget and Treasury Office | Nkosi SM |
| Acting Strategic Executive Director: Corporate Services | Thabede PD |
| Acting Strategic Executive Director: Technical Services | Shange S |
| Strategic Executive Director: Community Services | V Govender |
| Acting Strategic Executive Director: Development, Planning and Human Settlements | Khathide NP |

3.5 INTRODUCTION

Section 28 of the Municipal Financial Management Act provides that the municipality may perform an adjustments budget within the prescripts. Section 28(1)(2) of the Municipal Finance Management Act 56 of 2003 states that a municipality may revise an approved budget through an adjustment budget.

An adjustment budget:

- a. must adjust revenue and expenditure estimates downward if there is material under-collection of revenue during the current year;
- b. may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- c. may, within the prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- d. may authorize utilization of savings in one vote towards spending under another vote;
- e. may authorize spending of funds that were spent at the end of the past financial year where under-spending could not reasonably have been foreseen at the time to include roll-overs when the annual budget for the current year was approved by council;
- f. may correct any errors in the annual budget; and
- g. may provide for additional expenditure within a prescribed framework.

In line with the above provisions of the Act, the municipality has considered that it is necessary to perform an adjustments budget. The aim of this adjustment budget is to ensure that the municipality is operating within realistic revenue and expenditure and that very minimal variances between the actual outcomes and the budget are achieved at the end of the financial year. When tabled, an adjustment budget must provide explanations of how the original budget will be affected. The adjustments budget should be guided by the mid-year budget review performance as prepared in terms of section 72 of the MFMA. It is important to note that municipal tariffs may not be increased as a result of an adjustment budget process.

3.6 FINANCIAL PERFORMANCE

This adjustments budget is submitted in terms of section 28 of the MFMA. It seeks to ensure that revenue and expenditure of the municipality is adjusted in line with the mid-year performance and the full-year forecast, while ensuring that the municipality keeps to its commitments of its approved Budget Funding Plan.

3.6.1 OPERATING BUDGET

The operating budget of the municipality is reflected in table B4 of the B Schedule attached hereto as required by the Municipal Budget and Reporting Regulations.

3.6.1.1 Operating revenue

As reflected in table B4, the total operating revenue has been adjustment upwards by R163.4 million from the budget of R2.214 billion to the adjusted budget of R2.377 billion. Adjustments per each revenue source are explained below.

3.6.1.1 Fines, penalties and forfeits have been adjusted upwards by R1.8 million from the budget of R2.1 million to the adjusted budget of R2.9 million. This is due to fines levied during the year, which were not anticipated during the annual budget preparation. The municipality has also employed and increased visibility of traffic personnel to ensure stricter law enforcement on the roads.

3.6.1.2 Interest on external investments has been adjusted downwards by R1 721 to the adjusted budget of R2.2 million. This is due to the municipality unable to maintain its investments longer, due to cash flow challenges faced by the municipality.

3.6.1.3 Interest on outstanding debtors has been adjusted downwards by R 395 thousand to the adjusted budget of R4.2 million. This is due to the incentive scheme being implemented by the municipality, where some the outstanding and uncollectable debt was written-off.

- 3.6.1.4 Other revenue has been adjusted downwards by R2.6 million to the adjusted budget of R18.3 million. The reduction is attributable to the mid-year performance, particularly due to the reduction in cemetery fees as well as the delays in disposing some of the municipal properties.
- 3.6.1.5 Property rates have not been adjusted, the budget of R362.4 million will remain the same. This is based on the mid-year performance as well as the projected annual performance.
- 3.6.1.6 Rental of facilities has been adjusted upwards by R1.3 million to the adjusted budget of R8.9 million. This is attributable to the municipal properties being rented to almost fully capacity with the easing of Covid-19 restrictions.
- 3.6.1.7 Service charges: water has been adjusted downwards by R6.8 million to the adjusted budget of R187.06 million. This is attributable to the Covid-19 restrictions, which has resulted in less demand for water consumption.
- 3.6.1.8 Service charges: electricity has been adjusted upwards by R16.2 million to the adjusted budget of R726.4 million. The easing of lockdown and less load-shedding has resulted in improved electricity consumption, especially for the business consumers.
- 3.6.1.9 Service charges: refuse has been adjusted upwards by R3.4 million to the adjusted budget of R99.0 million. This is attributable to more consumers requesting collection and renting more skips due to the easing of lockdown restrictions.
- 3.6.1.10 Service charges: sanitation has been adjusted upwards by R585 thousand million to the adjusted budget of R120.0 million. This is attributable to the additional few developments as the lockdown continue to ease.
- 3.6.1.11 Transfers recognised: operational has been adjusted upwards by R147.9 million to the adjusted budget of R842.9 million. This is particularly attributable to the new grants that were received by the municipality during the year, which were not yet appropriated into the budget.

3.6.1.12 Licences and permits has been adjusted downwards R63 thousand to the adjusted budget of R41.4 thousand. This is due to businesses and citizens adhering to the municipal by-laws.

3.6.1.13 The municipality recorded gains R1.9 million which was not budgeted for in the annual budget. This is due to the iPads, tables and cellphones that the municipality sold to the exiting staff and councillors as per the approved policy of council.

Overall, operating revenue has been adjusted upwards mainly on grants as well as the services charges. Other revenue sources have also been slightly adjusted in line with the mid-year performance and correction of any omission that might have occurred during the preparation of the annual budget.

3.6.2 Operating expenditure

The operating expenditure of the municipality is reflected in table B4 of the B Schedule as required by the Municipal Budget and Reporting Regulations.

The total operating expenditure has been adjustment upwards by R164.6 million from the budget of R2.488 billion to the adjusted budget of R2.653. Adjustments per each expenditure item are explained below.

3.6.2.1 No adjustment has been made with regards to the electricity bulk purchases, the budget of R557.1 million remains unchanged. While the mid-year performance indicated the under-performance of R4.5 million, is however expected that electricity demand may begin to increase in the upcoming winter season.

3.6.2.2 No adjustment has been made with regards to the councillor remuneration, the budget of R28.8 million remains unchanged. The municipality is still waiting for the feedback on the application of the Exco councillors to be paid as full-time councillors. Furthermore, the MEC for Cogta is still to determine if upper limits for all councillors will be approved and paid retrospectively with effect from July 2021. If these are both approved, the current savings will be used for such purposes.

- 3.6.2.3 No adjustment has been made with regards to the finance charges, the budget of R98.7 million remains unchanged. The budget for finance charges is based on the loan agreements and the amortisation schedules with the funding institutions.
- 3.6.2.4 No adjustment has been made with regards to the water bulk purchases budget, the Uthukela Water's budget of R131 million remains unchanged. The entity has made a submission requesting an additional budget of R3.7 million. After due consideration the municipality is advising that such request cannot be accommodated at this stage due to the budget status (unfunded) of the municipality.
- 3.6.2.5 Contracted services has been adjusted upwards by R176.6 million to the adjusted budget of R564.9 million. The municipality has received additional funding from the department of KZN Human Settlements which was not appropriated into the budget. Additional budget relating to the security, collection fees, legal fees and public consultation also attributed to the increase.
- 3.6.2.6 Employee related costs has been adjusted upwards by R2.4 million from the budget of R570.2 million to the adjusted budget of R572.6 million. This is mainly due to the implementation of the salary and wage agreement, which was under-budgeted for in the annual budget.
- 3.6.2.7 Other materials has been adjusted upwards by R3.4 million from the budget of R136.1 million to the adjusted budget of R139.59 million. This is due to the additional grant gazetted to be received, as well as the movement of funds from other line items.
- 3.6.2.8 Debt impairment has been adjusted downwards by R8.5 million from the budget of R283.5 million to the adjusted budget of R274.9 million. This is due to the variance between the projected billing and the collection when using the same collection rates used for the preparation of the annual budget.
- 3.6.2.9 Depreciation has been adjusted downwards by R13.5 million from the budget of R178.6 million to the adjusted budget of R165.0 million. This downward

adjustments is due to the slow capital expenditure as well as the assets under construction which have not yet need capitalised. The calculations has been based on the asset register, while taking into account assets anticipated to be capitalised in the remaining part of the financial year.

3.6.2.10 Other expenditure has been adjusted upwards by R4.2 million from the budget of R106.2 million to the adjusted budget of R110.5 million. The increase is particularly due to the increase in the transport costs as well as the departmental charges.

3.7 CAPITAL BUDGET

The capital expenditure of the municipality is reflected in table B5 of the B Schedule as required by the Municipal Budget and Reporting Regulations.

Overall, capital budget has been adjusted downwards by R28.8 million from the budget of R156.5 million to the adjusted budget of R185.3 million. This is particularly due to some of the grant funded projects which were moved from operational budget to the capital budget in order to accelerate expenditure on projects best performing. This purpose of this is so that the municipality does not refer unspent grants to National Treasury at the end of the financial year. No significant increase has been made on the internally funded projects.

3.8 CASH FLOW BUDGET

The municipality has performed the budget funding test of the budget through table B7 and B8 of the Schedule B. In terms of Schedule B, the municipality is anticipating to make to generate adequate receipts to cover all short terms obligations anticipated during the year. Table B8 however indicates that the municipality's cash reserves will ultimately be insufficient to cover unspent grants, provisions and reserves required to be cash-backed at year. The table indicated that the budget is unfunded by at least R142 million. This therefore makes the overall budget of the municipality to be unfunded.

As advised by National and Provincial Treasuries, municipalities which have unfunded budgets in table B8 are required to table and adopt a Budget Funding Plan that will ensure that the budget of

the municipality moves to a funded budget during the MTREF period. The municipality did develop and adopt BFP with the approval of its budget. The adjustment budget has necessitated that a revised BFP which is aligned to the adjustments budget be approved. This adjustments budget should therefore be considered and approved together with the revised BFP.

3.9 COMPLIANCE WITH MUNICIPAL BUDGET REPORTING REGULATIONS

The municipal adjustment budget has been prepared in compliance with the Municipal Budget Reporting Regulations format and all other requirements. Schedule B consisting of all required tables is attached as Annexure D for this purpose.

3.10 MUNICIPAL STANDARD CHART OF ACCOUNTS REGULATIONS (mSCOA)

As all municipalities were required by National Treasury to be fully mSCOA compliant as of 01 July 2017, Newcastle municipality has made stride in ensuring compliance. The implementation of mSCOA is an ongoing process and the adjustment budget has been prepared in compliance with the regulations. Line items and projects have been unbundled in order to reflect the correct item and function as required by the mSCOA. While these are important towards achieving full compliance, it must however be noted that the municipality is still struggling with systems integration. It is with this reason the municipality prepared the B schedule in two formats, version 6.5 which is manually prepared and version 6.6 which is extracted directly from the system. The integration systems should assist the municipality to prepare its budget systematically and to generate budget schedules directly from the system. This integration will go a long way in ensuring alignment between the adjustments budget approved by Council and the adjustment budget and data strings submitted to National Treasury for verification.

3.11 COST CONTAINMENT MEASURES

In line with S62(1)(a) of the Municipal Finance Management Act No.5 of 2003 which requires the accounting officer to be responsible for managing financial administration of a municipality, the Minister of Finance in his budget speech on 24 February 2016 announced cost containment measures for the entire public sector. The Minister emphasised the need to reduce excessive and wasteful expenditure, and that action be taken to manage unnecessary expenditure. The municipality is already implementing a number of measures in this regard. These measures have

mainly been driven by the Municipal Manager's and the Budget and Treasury Offices. The municipality already adopted the Cost Containment Policy, which focuses on certain cost drivers that must be contained and curtailed.

3.12 SERVICE LEVEL STANDARDS

All municipalities are required to formulate their own service level standards in line with MFMA Circulars No. 66 and 78. In line with Circular 66, the municipality has appropriately reflected infrastructure expenditure as the main driver of capital expenditure to comply with the local government priorities. The municipality is however in the process of formulating its own service level standards and this process will only be finalised during the current financial year. The municipality will be updating National and Provincial Treasuries with regards to the implementation progress of this requirement.

4. ADJUSTMENTS BUDGET TABLES

The Schedule B are attached and consists of the following major budget tables:

- (a) Table B1 : Adjustment Budget Summary
- (b) Table B2 : Adjustment Budget Financial Performance (standard classification)
- (c) Table B3 : Adjustment Budget Financial Performance (municipal vote)
- (d) Table B4 : Adjustment Budget Financial Performance (revenue and expenditure)
- (e) Table B5 : Adjustment Capital Expenditure by vote and funding
- (f) Table B6 : Adjustments Budget Financial Position
- (g) Table B7 : Adjustments Budget Cash Flows
- (h) Table B8 : Cash backed reserves/accumulated surplus reconciliation
- (i) Table B9 : Asset Management
- (j) Table B10 : Basic service delivery measurement

5. ADJUSTMENTS TO BUDGET ASSUMPTIONS

General Inflation Outlooks and its Impact

National Treasury projects the real economic growth of 5.1% in 2021 following an expected contraction of 6.4% in 2020. Real GDP growth is expected to moderate to 1.8% in 2022, 1.6% in 2023 and 1.7% in 2024.

South Africa experienced its largest recorded decline in economic output in 2020 due to the strict Covid-19 lockdown. Real GDP contracted to 7.2% in 2020 compared to 0.1% increase in 2019. It is expected to increase by 6.2% in 2021/22 and moderate by an average increase of 1.7% over the 2022/23 MTREF,

Manufacturing production grew by 17% in first six months of 2021 compared with the same period in 2020. Production has not recovered to pre-pandemic levels, although the Absa purchasing Manager's Index remain above the neutral 50-point mark. Electricity disruptions, raw materials shortages and rising input costs will continue to limit output in the short to medium term.

The main risk to the economic outlook are slowdown in economic growth. The evolution of Covid-19 and the slow progress in vaccine rollout reinforces uncertainty and poses risks to economic recovery. Slow implementation of structural reforms continue to weigh on business confidence and private investment. Electricity supply constraints, which could worsen over the short term are a drag on economic growth. In contrast, progress on energy reforms poses upside risks to fixed investment and overall economic outlook.

A further deterioration in public finances due to various spending pressures and the materialisation of contingent liabilities could trigger further credit ratings downgrades. Pressures on government wage bill ceiling, including the implementation of the non-pensionable salary increases undermine fiscal consolidation measures. A fiscal framework does not include any additional support to state-owned companies, but the poor financial condition and operational performance of several of these companies remains a large contingent risk. A number of entities may request further bailouts. Government is strictly enforcing minimum criteria before guaranteeing the debt of state-owned companies, as outlined in the 2021 Budget, which has led to a decline in guarantee requests.

6. ADJUSTMENTS TO BUDGET FUNDING

Operational Budget

The operational adjustments budget of Newcastle Municipality for the 2021/22 financial year will be funded from rates, service tariffs, fines, interest of investments, interest on outstanding debtors, sundry tariffs and grants and subsidies. Property rates and electricity are expected to generate R362.4 million and R726.4 million respectively, while water, sewer and refuse are expected to generate R187.0, R120.0 and R99.0 million respectively. All these tariffs are expected to generate the operating revenue of R1.227 billion (82%) to the municipality's total revenue. Electricity tariffs alone represent about 31% of the total operating revenue.

As required by MFMA, no amendments were done to the tariffs during the year, except for electricity which had to be aligned to NERSA's approval. In order to generate required revenue, the following tariffs apply to fund the operational adjustments budget:

| | Annual | Adjusted |
|---------------------------|----------|----------|
| ➤ Rates | : 3.9% | 3.9% |
| ➤ Electricity | : 14.59% | 14.59% |
| ➤ Refuse removal services | : 3.92% | 3.9% |
| ➤ Water | : 3.9% | 3.9% |
| ➤ Sanitation | : 3.9% | 3.9% |

Individual tariffs applicable to the above services are detailed in the tariff of charges, together with other proposed sundry tariffs. Sundry tariffs are expected to generate only about R31.2 million, which is about 2% of the total operational revenue. Grants and Subsidies included in the operational revenue budget amount to R842.9 million. This includes both conditional and unconditional operational grants. Interest received on external investments to an amount of R2.2 million will also contribute the operating revenue.

Capital Budget

In line with section 18 of the MFMA, the capital budget has been funded from the following funding sources:

| | |
|-------------------------|-----------------|
| Government grants | R 152.6 million |
| Asset financing reserve | R 32.7 million |

National and Provincial Government Transfers

The National and Provincial grants allocation will be used to fund larger portions of the operating expenditure as well as the capital expenditure. These have been based on gazetted 2021 Adjusted Division of Revenue Act and the Provincial Gazette.

7. ADJUSTMENTS TO EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Grants and subsidies from National and Provincial governments, as reported in the 2021 Adjustments Division of Revenue Act have been included the 2021/22 adjustments budget and each allocation will utilised for the purpose as described below.

National Grant Allocations

Equitable Share

The equitable share is an unconditional grant and as such can be regarded as general revenue, however, it is a matter of co-operative governance that municipalities should prioritise its expenditure budget towards poor households and national priorities like free basic services.

Municipal Infrastructural Grant (MIG)

The Municipal Infrastructural Grant (MIG) is entering its thirteenth year of implementation in the 2018/19 financial year. It resulted from the consolidation of various capital grants for municipal infrastructure (CMIP, Water Services Projects, CBPWP, LEDF, BSRP and the Urban Transport Fund) into a new funding arrangement. The Municipal Infrastructural Grant is a conditional grant which gives effect to national objectives to:

- Expand the delivery of basic services to all households, including the delivery of free basic services to poor households and other poverty alleviating objectives.
- Stimulate local economic development and job creation over the medium term.

The MIG funding will be utilised for the construction and upgrading roads and sewer projects in areas falling within Newcastle Municipality. It should be noted that Council is required to counter fund some of the projects.

Finance Management Grant

The Finance Management Grant is a capacity building grant provided by National Treasury to assist municipalities in building management planning, technical and financial management skills and capacity for effective service delivery. It will be utilised for the upgrading of skills and capacity of Newcastle Finance officials for workshops and training programmes, funding financial programmes with a view to capacitate financial systems, as well as for the remuneration of the

interns currently employed by the municipality and cover costs of their training and its facilities. There are currently four interns employed, and the activities are in place to appoint the fifth one, as per National Treasury guidelines.

Water Service Infrastructure Grant

The Water Operating Subsidy is the capital grant provided by the Department of Water Affairs and Forestry to subsidise water schemes owned and/or operated by the department or other agencies on behalf of the department. Projects funded through this grant are implemented by the municipality.

Neighbouring Development Partnership

This grant was established by National Treasury to support neighbouring 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, generally townships. The Technical Assistance Grant aims at supporting the development of township development plans. This is an indirect grant and not be transferred directly to Newcastle Municipality. The Capital Grant aims at supporting nodal investment into the construction or upgrading of community facilities, which may attract private sector investment. This is an indirect allocation which will be transferred by National Treasury directly to the service provider or the implementing agent.

National Electrification Programme (Municipal)

The National Electrification Programme grant is transferred by the Department of Minerals and Energy directly to the municipality to implement integrated electrification programmes by addressing electrification backlogs of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation of electrification infrastructure.

Provincial Grant Allocations

Museum subsidy

The funding is made available by KZN Premier's office to provide strategic financial support to municipalities with a focus on the development and maintenance of museums and care and preservation of cultural heritage.

Library provincialisation

The subsidy is provided to improve library services.

8. ADJUSTMENTS TO ALLOCATIONS AND GRANTS MADE BY NEWCASTLE MUNICIPALITY

Provision for indigent benefits has not been adjusted and will remain at R63.9 million. No provisions and adjustments have be made by the municipality for allocations of other organs.

9. ADJUSTMNTS TO COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Adjustments to councillors' allowances and employee benefits are as reflected in Table B1 and Table B4 of the Attached Schedule B.

10. ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Revisions to the Service Delivery and Budget Implementation Plan which aligns to the adjustment budget will be submitted in a separate report.

11. ADJUSTMENTS TO CAPITAL EXPENDITURE

Adjustment to the capital expenditure are as reflected in Annexure B and Table B5 of the attached Schedule B.

12. OTHER SUPPORTING DOCUMENTS

Budget table are attached as Schedule B of the Annexure D attached hereto.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE



I, Z W Mcineka, the Acting Municipal Manager of **Newcastle Municipality**, hereby certify that the Adjustment budget and supporting documentation of 2021 /2022 Operating and Capital Budget have been prepared in accordance with Section 28 2(a) of the Municipal Finance Management Act No56 of 2003;and Regulation 26(1) of the Municipal Budget and Reporting Regulations.

Print Name : ZAMOKWAKHE WESLEY MCINEKA

Acting Municipal Manager : NEWCASTLE MUNICIPALITY

Signature : .....

Date : ..18 FEBRUARY 2022.....

ANNEXURE D

B SCHEDULE TABLES

KZN252 Newcastle - Table B1 Adjustments Budget Summary -

| Description | Budget Year 2020/21 | | | | | | | | | Budget Year +1 2021/22 | Budget Year +2 2022/23 | |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|------------------|-----------------|------------------|------------------------|------------------------|--|
| | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| | A | 1 A1 | 2 B | 3 C | 4 D | 5 E | 6 F | 7 G | 8 H | | | |
| R thousands | | | | | | | | | | | | |
| Financial Performance | | | | | | | | | | | | |
| Property rates | 362,426 | - | - | - | - | - | - | - | 362,426 | 380,548 | 401,478 | |
| Service charges | 1,119,128 | - | - | - | - | - | 13,394 | 13,394 | 1,132,522 | 1,225,259 | 1,327,765 | |
| Investment revenue | 2,296 | - | - | - | - | - | (2) | (2) | 2,294 | 2,410 | 2,543 | |
| Transfers recognised - operational | 695,021 | - | - | - | - | 147,911 | - | 147,911 | 842,932 | 633,136 | 648,973 | |
| Other own revenue | 35,370 | - | - | - | - | - | 2,801 | 2,801 | 38,170 | 37,140 | 39,182 | |
| Total Revenue (excluding capital transfers and contributions) | 2,214,240 | - | - | - | - | 147,911 | 16,193 | 164,104 | 2,378,344 | 2,278,492 | 2,419,940 | |
| Employee costs | 570,234 | - | - | - | - | (280) | 2,720 | 2,440 | 572,674 | 590,500 | 622,221 | |
| Remuneration of councillors | 28,882 | - | - | - | - | - | - | - | 28,882 | 30,038 | 31,239 | |
| Depreciation & asset impairment | 378,675 | - | - | - | - | - | (13,592) | (13,592) | 365,084 | 390,035 | 401,736 | |
| Finance charges | 39,754 | - | - | - | - | - | - | - | 39,754 | 41,424 | 43,247 | |
| Materials and bulk purchases | 693,252 | - | - | - | - | 2,162 | 1,302 | 3,464 | 696,716 | 789,068 | 903,466 | |
| Transfers and grants | - | - | - | - | - | - | - | - | - | - | - | |
| Other expenditure | 778,133 | - | - | - | - | 140,378 | 32,631 | 173,009 | 951,142 | 733,938 | 749,150 | |
| Total Expenditure | 2,488,931 | - | - | - | - | 142,260 | 23,061 | 165,322 | 2,654,252 | 2,575,004 | 2,751,059 | |
| Surplus/(Deficit) | (274,690) | - | - | - | - | 5,650 | (6,868) | (1,218) | (275,908) | (296,512) | (331,119) | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 121,377 | - | - | - | - | 32,586 | 2,142 | 34,728 | 156,105 | 132,014 | 132,285 | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) | - | - | - | - | - | - | - | - | - | - | - | |
| Surplus/(Deficit) after capital transfers & contributions | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) | |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - | |
| Surplus/ (Deficit) for the year | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) | |
| Capital expenditure & funds sources | | | | | | | | | | | | |
| Capital expenditure | 145,393 | - | - | - | - | 32,586 | 7,415 | 40,000 | 185,393 | 142,514 | 142,285 | |
| Transfers recognised - capital | 121,377 | - | - | - | - | 32,586 | 2,142 | 34,728 | 156,105 | 132,014 | 132,285 | |
| Borrowing | - | - | - | - | - | - | - | - | - | - | - | |
| Internally generated funds | 24,016 | - | - | - | - | - | 5,272 | 5,272 | 29,288 | 10,500 | 10,000 | |
| Total sources of capital funds | 145,393 | - | - | - | - | 32,586 | 7,414 | 39,999 | 185,392 | 142,514 | 142,285 | |
| Financial position | | | | | | | | | | | | |
| Total current assets | 649,643 | - | - | - | - | - | (2,969) | (2,969) | 646,675 | 729,358 | 866,839 | |
| Total non current assets | 6,982,268 | - | - | - | - | - | - | - | 6,982,268 | 7,275,523 | 7,595,646 | |
| Total current liabilities | 653,059 | - | - | - | - | - | 88,576 | 88,576 | 741,635 | 745,746 | 736,768 | |
| Total non current liabilities | 548,117 | - | - | - | - | - | - | - | 548,117 | 730,046 | 717,452 | |
| Community wealth/Equity | 6,430,735 | - | - | - | - | 38,236 | (129,781) | (91,545) | 6,339,190 | 6,529,088 | 7,008,265 | |
| Cash flows | | | | | | | | | | | | |
| Net cash from (used) operating | 159,442 | - | - | - | - | 164,711 | (121,195) | 43,516 | 202,958 | 206,591 | 267,612 | |
| Net cash from (used) investing | (134,393) | - | - | - | - | - | (40,000) | (40,000) | (174,393) | (131,514) | (131,285) | |
| Net cash from (used) financing | (31,884) | - | - | - | - | - | - | - | (31,884) | (30,106) | (32,082) | |
| Cash/cash equivalents at the year end | 9,150 | - | - | - | - | 164,711 | (167,679) | (2,969) | 6,181 | 51,152 | 155,398 | |
| Cash backing/surplus reconciliation | | | | | | | | | | | | |
| Cash and investments available | 9,150 | - | - | - | - | - | (2,969) | (2,969) | 6,181 | 51,152 | 155,398 | |
| Application of cash and investments | 160,786 | - | - | - | - | - | (12,140) | (12,140) | 148,645 | 117,667 | 75,588 | |
| Balance - surplus (shortfall) | (151,636) | - | - | - | - | - | 9,172 | 9,172 | (142,464) | (66,515) | 79,811 | |
| Asset Management | | | | | | | | | | | | |
| Asset register summary (WDV) | 6,982,268 | - | - | - | - | - | - | - | 6,982,268 | 7,275,523 | 7,595,646 | |
| Depreciation & asset impairment | 378,675 | - | - | - | - | - | (13,592) | (13,592) | 365,084 | 390,035 | 401,736 | |
| Renewal and Upgrading of Existing Assets | 74,623 | - | - | - | - | 18,828 | 21,863 | 40,690 | 115,314 | 90,615 | 84,240 | |
| Repairs and Maintenance | 86,495 | - | - | - | - | (2,818) | (4,848) | (7,666) | 78,829 | 115,493 | 120,229 | |
| Free services | | | | | | | | | | | | |
| Cost of Free Basic Services provided | 49,614 | - | - | - | - | - | (4,457) | (4,457) | 45,157 | 53,079 | 57,146 | |
| Revenue cost of free services provided | 79,176 | - | - | - | - | - | - | - | 79,176 | 83,135 | 87,708 | |
| Households below minimum service level | | | | | | | | | | | | |
| Water: | - | - | - | - | - | - | - | - | - | - | - | |
| Sanitation/sewerage: | - | - | - | - | - | - | - | - | - | - | - | |
| Energy: | - | - | - | - | - | - | - | - | - | - | - | |
| Refuse: | 31 | - | - | - | - | - | - | - | 31 | 31 | 31 | |

KZN252 Newcastle - Table B2 Adjustments Budget Financial Performance (functional classification) -

| Standard Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|--|------|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | +1 2021/22 | +2 2022/23 |
| R thousands | 1, 4 | | | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 482,062 | - | - | - | - | - | 2,323 | 2,323 | 484,385 | 509,763 | 528,338 |
| Executive and council | | 7,046 | - | - | - | - | - | 6,601 | 6,601 | 13,647 | 7,404 | 7,571 |
| Finance and administration | | 475,016 | - | - | - | - | - | (4,278) | (4,278) | 470,738 | 502,359 | 520,767 |
| Internal audit | | - | - | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 229,413 | - | - | - | - | 160,073 | 1,044 | 161,117 | 390,530 | 146,712 | 147,644 |
| Community and social services | | 13,250 | - | - | - | - | (952) | 2,176 | 1,225 | 14,475 | 13,805 | 14,039 |
| Sport and recreation | | 11,724 | - | - | - | - | - | (592) | (592) | 11,132 | 11,760 | 11,709 |
| Public safety | | 3,214 | - | - | - | - | - | 689 | 689 | 3,903 | 3,375 | 3,581 |
| Housing | | 201,163 | - | - | - | - | 161,025 | (1,172) | 159,853 | 361,016 | 117,706 | 118,285 |
| Health | | 62 | - | - | - | - | - | (58) | (58) | 4 | 66 | 70 |
| <i>Economic and environmental services</i> | | 130,284 | - | - | - | - | 10,500 | 1,572 | 12,072 | 142,356 | 145,266 | 163,980 |
| Planning and development | | 117,444 | - | - | - | - | 15,300 | 1,572 | 16,872 | 134,316 | 18,582 | 19,032 |
| Road transport | | 12,840 | - | - | - | - | (4,800) | 0 | (4,800) | 8,040 | 126,705 | 144,928 |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 1,493,686 | - | - | - | - | 9,924 | 13,395 | 23,319 | 1,517,005 | 1,640,081 | 1,805,352 |
| Energy sources | | 806,767 | - | - | - | - | - | 18,213 | 18,213 | 822,980 | 926,505 | 1,062,158 |
| Water management | | 318,574 | - | - | - | - | - | (6,799) | (6,799) | 311,775 | 327,613 | 343,814 |
| Waste water management | | 231,907 | - | - | - | - | 6,700 | 603 | 9,303 | 241,210 | 243,650 | 250,539 |
| Waste management | | 136,438 | - | - | - | - | 1,224 | 3,379 | 4,603 | 141,040 | 143,313 | 148,841 |
| Other | | 173 | - | - | - | - | - | 1 | 1 | 174 | 182 | 192 |
| Total Revenue - Functional | 2 | 2,335,617 | - | - | - | - | 180,497 | 18,335 | 198,832 | 2,534,450 | 2,442,003 | 2,645,485 |
| Expenditure - Functional | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 412,892 | - | - | - | - | 1,046 | 49,232 | 50,278 | 463,170 | 417,777 | 426,392 |
| Executive and council | | 81,428 | - | - | - | - | - | 13,726 | 13,726 | 95,154 | 83,213 | 86,021 |
| Finance and administration | | 324,629 | - | - | - | - | 1,046 | 41,604 | 42,650 | 367,278 | 327,492 | 332,949 |
| Internal audit | | 6,835 | - | - | - | - | - | (6,098) | (6,098) | 737 | 7,073 | 7,422 |
| <i>Community and public safety</i> | | 363,201 | - | - | - | - | 153,014 | 895 | 153,909 | 517,110 | 329,352 | 338,289 |
| Community and social services | | 39,395 | - | - | - | - | 376 | 2,261 | 2,637 | 42,032 | 40,726 | 42,008 |
| Sport and recreation | | 81,049 | - | - | - | - | - | (9,304) | (9,304) | 71,745 | 83,553 | 86,765 |
| Public safety | | 60,864 | - | - | - | - | - | 6,746 | 6,746 | 67,611 | 62,836 | 65,830 |
| Housing | | 172,577 | - | - | - | - | 152,638 | 904 | 153,542 | 326,119 | 132,630 | 133,717 |
| Health | | 9,315 | - | - | - | - | - | 288 | 288 | 9,603 | 9,607 | 9,969 |
| <i>Economic and environmental services</i> | | 290,015 | - | - | - | - | - | (18,410) | (18,410) | 271,605 | 291,953 | 296,825 |
| Planning and development | | 85,704 | - | - | - | - | - | (4,708) | (4,708) | 80,996 | 84,760 | 88,343 |
| Road transport | | 204,303 | - | - | - | - | - | (13,702) | (13,702) | 190,601 | 207,184 | 208,474 |
| Environmental protection | | 8 | - | - | - | - | - | (0) | (0) | 8 | 8 | 8 |
| <i>Trading services</i> | | 1,419,052 | - | - | - | - | (11,800) | (8,240) | (20,040) | 1,399,012 | 1,532,035 | 1,685,580 |
| Energy sources | | 701,065 | - | - | - | - | - | 3,963 | 3,963 | 705,018 | 789,448 | 898,760 |
| Water management | | 615,329 | - | - | - | - | (7,000) | (12,337) | (19,337) | 595,992 | 631,710 | 652,477 |
| Waste water management | | 63,720 | - | - | - | - | (4,800) | (3,259) | (8,059) | 55,661 | 70,986 | 93,122 |
| Waste management | | 38,948 | - | - | - | - | - | 3,393 | 3,393 | 42,342 | 39,911 | 41,221 |
| Other | | 3,771 | - | - | - | - | - | (415) | (415) | 3,356 | 3,886 | 3,973 |
| Total Expenditure - Functional | 3 | 2,488,931 | - | - | - | - | 142,260 | 23,061 | 165,322 | 2,654,252 | 2,575,004 | 2,751,059 |
| Surplus/ (Deficit) for the year | | (153,313) | - | - | - | - | 38,237 | (4,726) | 33,511 | (119,803) | (133,001) | (105,573) |

KZN252 Newcastle - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

| Vote Description <i>[insert departmental structure etc]</i> | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavold. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | | |
| R thousands | | | | | | | | | | | | |
| Revenue by Vote | 1 | | | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 79,492 | - | - | - | - | - | 5,587 | 5,587 | 85,078 | 86,915 | 83,751 |
| Vote 2 - COMMUNITY SERVICES | | 164,688 | - | - | - | - | 272 | 5,636 | 5,908 | 170,596 | 172,319 | 178,219 |
| Vote 3 - BUDGET AND TREASURY | | 402,570 | - | - | - | - | - | (3,264) | (3,264) | 399,306 | 422,848 | 444,587 |
| Vote 4 - MUNICIPAL MANAGER | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN | | 209,490 | - | - | - | - | 171,525 | 360 | 171,885 | 381,375 | 136,449 | 137,489 |
| Vote 6 - TECHNICAL SERVICES | | 672,611 | - | - | - | - | 8,700 | (6,196) | 2,504 | 675,115 | 697,968 | 739,281 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 808,767 | - | - | - | - | - | 16,213 | 16,213 | 822,980 | 925,505 | 1,062,158 |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 2,335,617 | - | - | - | - | 180,497 | 18,335 | 198,832 | 2,534,450 | 2,442,003 | 2,645,485 |
| Expenditure by Vote | 1 | | | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 101,249 | - | - | - | - | 1,046 | 561 | 1,607 | 102,856 | 150,139 | 155,028 |
| Vote 2 - COMMUNITY SERVICES | | 271,271 | - | - | - | - | 376 | 26,891 | 27,267 | 298,538 | 259,996 | 267,093 |
| Vote 3 - BUDGET AND TREASURY | | 180,151 | - | - | - | - | - | 11,856 | 11,856 | 192,008 | 166,922 | 169,900 |
| Vote 4 - MUNICIPAL MANAGER | | 76,859 | - | - | - | - | - | 11,640 | 11,640 | 88,499 | 75,420 | 76,639 |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN | | 206,195 | - | - | - | - | 152,638 | (1,358) | 151,280 | 357,475 | 163,235 | 164,935 |
| Vote 6 - TECHNICAL SERVICES | | 936,913 | - | - | - | - | (11,800) | (32,162) | (43,962) | 894,952 | 985,001 | 1,013,826 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 714,293 | - | - | - | - | - | 5,632 | 5,632 | 719,925 | 795,292 | 903,639 |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 2,488,931 | - | - | - | - | 142,260 | 23,061 | 165,322 | 2,654,252 | 2,575,004 | 2,751,059 |
| Surplus/ (Deficit) for the year | 2 | (153,313) | - | - | - | - | 38,237 | (4,726) | 33,511 | (119,803) | (133,001) | (105,573) |

KZN252 Newcastle - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------|----------|------------|----------|----------------|----------------|----------------|------------------|------------------|------------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or Prov. | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| R thousands | 1 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | +1 2021/22 | +2 2022/23 | |
| | | A | A1 | B | C | D | E | F | G | H | | |
| Revenue By Source | | | | | | | | | | | | |
| Property rates | 2 | 362,426 | - | - | - | - | - | - | - | 362,426 | 380,548 | 401,478 |
| Service charges - electricity revenue | 2 | 710,188 | - | - | - | - | - | 16,219 | 16,219 | 726,407 | 795,873 | 874,762 |
| Service charges - water revenue | 2 | 193,910 | - | - | - | - | - | (6,826) | (6,826) | 187,084 | 203,605 | 214,803 |
| Service charges - sanitation revenue | 2 | 119,429 | - | - | - | - | - | 585 | 585 | 120,014 | 125,400 | 132,297 |
| Service charges - refuse revenue | 2 | 95,801 | - | - | - | - | - | 3,416 | 3,416 | 99,017 | 100,381 | 105,902 |
| Rental of facilities and equipment | | 7,532 | - | - | - | - | - | 1,385 | 1,385 | 8,917 | 7,909 | 8,344 |
| Interest earned - external investments | | 2,296 | - | - | - | - | - | (2) | (2) | 2,294 | 2,410 | 2,543 |
| Interest earned - outstanding debtors | | 4,842 | - | - | - | - | - | (386) | (386) | 4,247 | 4,875 | 5,143 |
| Dividends received | | - | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 2,105 | - | - | - | - | - | 1,839 | 1,839 | 3,944 | 2,210 | 2,332 |
| Licences and permits | | 104 | - | - | - | - | - | (62) | (62) | 41 | 110 | 116 |
| Agency services | | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | | 695,021 | - | - | - | - | 147,911 | - | 147,911 | 842,932 | 633,136 | 648,973 |
| Other revenue | 2 | 20,987 | - | - | - | - | - | (2,602) | (2,602) | 18,384 | 22,036 | 23,248 |
| Gains | | - | - | - | - | - | - | 2,638 | 2,638 | 2,638 | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 2,214,240 | - | - | - | - | 147,911 | 16,193 | 164,104 | 2,378,344 | 2,278,492 | 2,419,940 |
| Expenditure By Type | | | | | | | | | | | | |
| Employee related costs | | 570,234 | - | - | - | - | (280) | 2,720 | 2,440 | 572,674 | 590,500 | 622,221 |
| Remuneration of councillors | | 28,882 | - | - | - | - | - | - | - | 28,882 | 30,038 | 31,239 |
| Debt impairment | | 283,536 | - | - | - | - | - | (8,554) | (8,554) | 274,982 | 294,878 | 306,873 |
| Depreciation & asset impairment | | 378,675 | - | - | - | - | - | (13,592) | (13,592) | 365,084 | 390,035 | 401,736 |
| Finance charges | | 39,754 | - | - | - | - | - | - | - | 39,754 | 41,424 | 43,247 |
| Bulk purchases | | 557,138 | - | - | - | - | - | - | - | 557,138 | 649,066 | 759,407 |
| Other materials | | 136,114 | - | - | - | - | 2,162 | 1,302 | 3,464 | 139,578 | 140,003 | 144,059 |
| Contracted services | | 387,906 | - | - | - | - | 141,553 | 35,540 | 177,093 | 564,999 | 345,377 | 353,369 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - | - | - |
| Other expenditure | | 106,690 | - | - | - | - | (1,174) | 4,986 | 3,812 | 110,501 | 93,682 | 89,107 |
| Losses | | 1 | - | - | - | - | - | 658 | 658 | 659 | 1 | 1 |
| Total Expenditure | | 2,488,931 | - | - | - | - | 142,260 | 23,061 | 165,322 | 2,654,252 | 2,575,004 | 2,751,059 |
| Surplus/(Deficit) | | (274,690) | - | - | - | - | 5,650 | (6,868) | (1,218) | (275,908) | (296,512) | (331,119) |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 121,377 | - | - | - | - | 32,586 | 2,142 | 34,728 | 156,105 | 132,014 | 132,285 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (in-kind - all) | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) before taxation | | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) |
| Taxation | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) |
| Attributable to minorities | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) |
| Share of surplus/ (deficit) of associate | | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) |

KZN252 Newcastle - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year | |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|---------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| | | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | +1 2021/22 | +2 2022/23 | |
| R thousands | | | | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | | | |
| Multi-year expenditure to be adjusted | 2 | | | | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 2 - COMMUNITY SERVICES | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 3 - BUDGET AND TREASURY | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 4 - MUNICIPAL MANAGER | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 6 - TECHNICAL SERVICES | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - | |
| Capital multi-year expenditure sub-total | 3 | - | - | - | - | - | - | - | - | - | - | - | |
| Single-year expenditure to be adjusted | 2 | | | | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 2 - COMMUNITY SERVICES | | 11,000 | - | - | - | - | 1,586 | 1,226 | 2,812 | 13,812 | 10,845 | 12,447 | |
| Vote 3 - BUDGET AND TREASURY | | 1,200 | - | - | - | - | - | 866 | 866 | 2,066 | - | - | |
| Vote 4 - MUNICIPAL MANAGER | | 300 | - | - | - | - | - | (81) | (81) | 239 | - | - | |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT | | 10,651 | - | - | - | - | 10,500 | 5,254 | 15,754 | 26,405 | - | - | |
| Vote 6 - TECHNICAL SERVICES | | 119,342 | - | - | - | - | 20,500 | 129 | 20,629 | 139,971 | 131,670 | 129,838 | |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 2,900 | - | - | - | - | - | - | - | 2,900 | - | - | |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - | |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - | |
| Capital single-year expenditure sub-total | | 145,393 | - | - | - | - | 32,586 | 7,415 | 40,000 | 185,393 | 142,514 | 142,285 | |
| Total Capital Expenditure - Vote | | 145,393 | - | - | - | - | 32,586 | 7,415 | 40,000 | 185,393 | 142,514 | 142,285 | |
| Capital Expenditure - Functional | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 4,400 | - | - | - | - | - | 804 | 804 | 5,204 | - | - | |
| Executive and council | | 300 | - | - | - | - | - | (62) | (62) | 238 | - | - | |
| Finance and administration | | 4,100 | - | - | - | - | - | 866 | 866 | 4,966 | - | - | |
| Internal audit | | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Community and public safety</i> | | 11,035 | - | - | - | - | 362 | 2,241 | 2,602 | 13,637 | 10,845 | 12,447 | |
| Community and social services | | - | - | - | - | - | 362 | 1,129 | 1,490 | 1,490 | 495 | - | |
| Sport and recreation | | 11,000 | - | - | - | - | - | 98 | 98 | 11,098 | 10,350 | 12,447 | |
| Public safety | | - | - | - | - | - | - | - | - | - | - | - | |
| Housing | | 35 | - | - | - | - | - | 1,014 | 1,014 | 1,049 | - | - | |
| Health | | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Economic and environmental services</i> | | 47,143 | - | - | - | - | 8,372 | 2,869 | 11,241 | 58,384 | 24,100 | 24,200 | |
| Planning and development | | 10,731 | - | - | - | - | 10,500 | 4,240 | 14,740 | 25,471 | 100 | 200 | |
| Road transport | | 36,412 | - | - | - | - | (2,128) | (1,371) | (3,499) | 32,913 | 24,000 | 24,000 | |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Trading services</i> | | 82,815 | - | - | - | - | 23,852 | 1,500 | 25,352 | 108,167 | 107,570 | 105,638 | |
| Energy sources | | - | - | - | - | - | - | - | - | - | - | - | |
| Water management | | 46,707 | - | - | - | - | 17,871 | - | 17,871 | 64,577 | 71,570 | 69,152 | |
| Waste water management | | 36,109 | - | - | - | - | 4,757 | 1,500 | 6,257 | 42,366 | 36,000 | 36,486 | |
| Waste management | | - | - | - | - | - | 1,224 | - | 1,224 | 1,224 | - | - | |
| <i>Other</i> | | - | - | - | - | - | - | - | - | - | - | - | |
| Total Capital Expenditure - Functional | 3 | 145,393 | - | - | - | - | 32,586 | 7,414 | 39,999 | 185,392 | 142,514 | 142,285 | |
| Funded by: | | | | | | | | | | | | | |
| National Government | | 110,342 | - | - | - | - | - | 22,600 | - | 22,600 | 132,942 | 121,670 | 119,838 |
| Provincial Government | | 11,035 | - | - | - | - | - | 9,986 | 2,142 | 12,128 | 23,163 | 10,345 | 12,447 |
| District Municipality | | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 4 | 121,377 | - | - | - | - | 32,586 | 2,142 | 34,728 | 156,105 | 132,014 | 132,285 | |
| Borrowing | | - | - | - | - | - | - | - | - | - | - | - | |
| Internally generated funds | | 24,016 | - | - | - | - | - | 5,272 | 5,272 | 29,288 | 10,500 | 10,000 | |
| Total Capital Funding | | 145,393 | - | - | - | - | 32,586 | 7,414 | 39,999 | 185,392 | 142,514 | 142,285 | |

KZN252 Newcastle - Table B6 Adjustments Budget Financial Position -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|------------------|-----------------|------------------|------------------------|------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | | |
| R thousands | | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | |
| Cash | | 390 | | | | | | | | 390 | 51,152 | 155,398 |
| Call investment deposits | 1 | 8,760 | - | - | - | - | - | (2,968) | (2,968) | 5,791 | - | - |
| Consumer debtors | 1 | 544,148 | - | - | - | - | - | - | - | 544,148 | 565,914 | 594,209 |
| Other debtors | | 81,351 | | | | | | | | 81,351 | 96,667 | 100,921 |
| Current portion of long-term receivables | | - | | | | | | | | - | - | - |
| Inventory | | 14,995 | | | | | | | | 14,995 | 15,624 | 16,312 |
| Total current assets | | 649,643 | - | - | - | - | - | (2,968) | (2,968) | 646,675 | 729,358 | 866,839 |
| Non current assets | | | | | | | | | | | | |
| Long-term receivables | | - | | | | | | | | - | - | - |
| Investments | | - | | | | | | | | - | - | - |
| Investment property | | 341,874 | | | | | | | | 341,874 | 356,232 | 371,907 |
| Investment in Associate | | 217,333 | | | | | | | | 217,333 | 226,461 | 236,426 |
| Property, plant and equipment | 1 | 6,410,126 | - | - | - | - | - | - | - | 6,410,126 | 6,679,351 | 6,973,243 |
| Biological | | - | | | | | | | | - | - | - |
| Intangible | | 1,224 | | | | | | | | 1,224 | 1,275 | 1,331 |
| Other non-current assets | | 11,711 | | | | | | | | 11,711 | 12,203 | 12,740 |
| Total non current assets | | 6,982,268 | - | - | - | - | - | - | - | 6,982,268 | 7,275,523 | 7,585,646 |
| TOTAL ASSETS | | 7,631,911 | - | - | - | - | - | (2,968) | (2,968) | 7,628,942 | 8,004,881 | 8,462,485 |
| LIABILITIES | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | |
| Bank overdraft | | - | | | | | | | | - | - | - |
| Borrowing | | 15,118 | - | - | - | - | - | - | - | 15,118 | 15,753 | 16,446 |
| Consumer deposits | | 27,095 | | | | | | | | 27,095 | 28,233 | 29,475 |
| Trade and other payables | | 601,094 | - | - | - | - | - | 88,576 | 88,576 | 689,671 | 691,600 | 680,239 |
| Provisions | | 9,752 | | | | | | | | 9,752 | 10,162 | 10,609 |
| Total current liabilities | | 653,059 | - | - | - | - | - | 88,576 | 88,576 | 741,635 | 745,746 | 736,768 |
| Non current liabilities | | | | | | | | | | | | |
| Borrowing | 1 | 345,654 | - | - | - | - | - | - | - | 345,654 | 519,079 | 497,202 |
| Provisions | 1 | 202,464 | - | - | - | - | - | - | - | 202,464 | 210,967 | 220,250 |
| Total non current liabilities | | 548,117 | - | - | - | - | - | - | - | 548,117 | 730,046 | 717,452 |
| TOTAL LIABILITIES | | 1,201,176 | - | - | - | - | - | 88,576 | 88,576 | 1,289,752 | 1,475,793 | 1,454,220 |
| NET ASSETS | 2 | 6,430,735 | - | - | - | - | - | (91,545) | (91,545) | 6,339,190 | 6,529,088 | 7,008,265 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 6,400,661 | - | - | - | - | 38,236 | (125,549) | (87,313) | 6,313,348 | 6,467,751 | 6,975,549 |
| Reserves | | 30,074 | - | - | - | - | - | (4,232) | (4,232) | 25,842 | 31,337 | 32,716 |
| TOTAL COMMUNITY WEALTH/EQUITY | | 6,430,735 | - | - | - | - | 38,236 | (129,781) | (91,545) | 6,339,190 | 6,529,088 | 7,008,265 |

References

KZN252 Newcastle - Table B7 Adjustments Budget Cash Flows -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------|----------|------------|----------|----------------|------------------|-----------------|------------------|------------------|------------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or Prov. | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| | | | | | | | | | | | | |
| R thousands | | A | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| | | A | A1 | B | C | D | E | F | G | H | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Property rates | | 271,820 | | | | | | | - | 271,820 | 285,411 | 301,108 |
| Service charges | | 942,901 | | | | | | 12,647 | 12,647 | 955,548 | 1,041,881 | 1,133,598 |
| Other revenue | | 29,045 | | | | | | 228,664 | 228,664 | 257,709 | 288,017 | 278,738 |
| Transfers and Subsidies - Operational | 1 | 695,021 | | | | | 133,411 | | 133,411 | 828,432 | 658,218 | 716,771 |
| Transfers and Subsidies - Capital | 1 | 121,377 | | | | | 31,300 | | 31,300 | 152,677 | 134,450 | 122,442 |
| Interest | | 2,298 | | | | | | (2) | (2) | 2,294 | 2,386 | 2,505 |
| Dividends | | - | - | | | | | | - | - | - | - |
| Payments | | | | | | | | | | | | |
| Suppliers and employees | | (1,863,263) | | | | | | (362,503) | (362,503) | (2,225,766) | (2,146,424) | (2,255,845) |
| Finance charges | | (39,754) | | | | | | | | (39,754) | (35,346) | (31,705) |
| Transfers and Grants | 1 | - | - | | | | | | | - | - | - |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 159,442 | - | - | - | - | 164,711 | (121,195) | 43,516 | 202,958 | 206,591 | 267,612 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Proceeds on disposal of PPE | | 11,000 | | | | | | | - | 11,000 | 11,000 | 11,000 |
| Decrease (increase) in non-current receivables | | - | - | | | | | | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | | | | | | - | - | - | - |
| Payments | | | | | | | | | | | | |
| Capital assets | | (145,393) | | | | | | (40,000) | (40,000) | (185,393) | (142,514) | (142,285) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (134,393) | - | - | - | - | - | (40,000) | (40,000) | (174,393) | (131,514) | (131,285) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Short term loans | | - | - | | | | | | - | - | - | - |
| Borrowing long term/refinancing | | - | - | | | | | | - | - | - | - |
| Increase (decrease) in consumer deposits | | | | | | | | | | | 2,000 | 2,000 |
| Payments | | | | | | | | | | | | |
| Repayment of borrowing | | (31,884) | | | | | | | - | (31,884) | (32,106) | (34,082) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (31,884) | - | - | - | - | - | - | - | (31,884) | (30,106) | (32,082) |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (6,835) | - | - | - | - | 164,711 | (161,195) | 3,516 | (3,319) | 44,971 | 104,245 |
| Cash/cash equivalents at the year begin: | 2 | 15,985 | | | | | | (6,485) | (6,485) | 9,500 | 6,181 | 51,152 |
| Cash/cash equivalents at the year end: | 2 | 9,150 | | | | | 164,711 | (167,679) | (2,969) | 6,181 | 51,152 | 155,398 |

KZN252 Newcastle - Table B8 Cash backed reserves/accumulated surplus reconciliation -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------|----------|------------|----------|---------------|-----------------|-----------------|------------------|-----------------|----------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or Prov. | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| | | | | | | | | | | | | |
| R thousands | | A | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| | | A | A1 | B | C | D | E | F | G | H | | |
| Cash and investments available | | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 9,150 | - | - | - | - | 164,711 | (167,679) | (2,969) | 6,181 | 51,152 | 155,398 |
| Other current investments > 90 days | | 0 | - | - | - | - | (164,711) | 164,711 | (0) | 0 | - | - |
| Non current assets - Investments | 1 | - | - | - | - | - | - | - | - | - | - | - |
| Cash and Investments available: | | 9,150 | - | - | - | - | - | (2,969) | (2,969) | 6,181 | 51,152 | 155,398 |
| Applications of cash and Investments | | | | | | | | | | | | |
| Unspent conditional transfers | | 22,279 | - | - | - | - | - | 4,497 | 4,497 | 26,776 | 21,218 | 19,289 |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | | 47,605 | - | - | - | - | - | (2,376) | (2,376) | 45,229 | 43,489 | 41,816 |
| Other working capital requirements | 2 | 51,075 | - | - | - | - | - | (10,000) | (10,000) | 41,075 | 11,510 | (28,753) |
| Other provisions | | 9,752 | - | - | - | - | - | (29) | (29) | 9,723 | 10,112 | 10,517 |
| Long term investments committed | | - | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | | 30,074 | - | - | - | - | - | (4,232) | (4,232) | 25,842 | 31,337 | 32,716 |
| Total Application of cash and Investments: | | 160,786 | - | - | - | - | - | (12,140) | (12,140) | 148,645 | 117,667 | 75,586 |
| Surplus(shortfall) | | (151,636) | - | - | - | - | - | 9,172 | 9,172 | (142,464) | (66,515) | 79,811 |

KZN252 Newcastle - Table B9 Asset Management -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 7 A1 | 8 B | 9 C | 10 D | 11 E | 12 F | 13 G | 14 H | +1 2021/22 | +2 2022/23 |
| R thousands | | | | | | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | | | |
| Total New Assets to be adjusted | 1 | 70,770 | - | - | - | - | 11,958 | (12,648) | (690) | 70,080 | 51,899 | 58,045 |
| Roads Infrastructure | | 23,170 | - | - | - | - | 5,372 | 5,415 | 10,787 | 33,956 | 36,719 | 44,345 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | 2,184 | - | - | - | - | - | (2,184) | (2,184) | - | - | - |
| Water Supply Infrastructure | | 4,758 | - | - | - | - | 5,000 | 17,242 | 22,242 | 27,000 | - | - |
| Sanitation Infrastructure | | 36,109 | - | - | - | - | - | (35,000) | (35,000) | 1,109 | 12,000 | 10,000 |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 66,220 | - | - | - | - | 10,372 | (14,527) | (4,155) | 62,065 | 48,719 | 54,345 |
| Community Facilities | | - | - | - | - | - | 312 | 2,726 | 3,038 | 3,038 | - | - |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | - | - | - | - | 312 | 2,726 | 3,038 | 3,038 | - | - |
| Heritage Assets | | - | - | - | - | - | 50 | - | 50 | 50 | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | - | - | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - | - | - |
| Other Assets | 6 | - | - | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | | 1,350 | - | - | - | - | - | 110 | 110 | 1,460 | 1,180 | 1,700 |
| Machinery and Equipment | | - | - | - | - | - | 1,224 | 1,614 | 2,838 | 2,838 | 2,000 | 2,000 |
| Transport Assets | | 3,200 | - | - | - | - | - | (2,572) | (2,572) | 628 | - | - |
| Land | | - | - | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - | - | - |
| Total Renewal of Existing Assets to be adjusted | 2 | 9,000 | - | - | - | - | - | 1,593 | 1,593 | 10,593 | 18,000 | 16,400 |
| Roads Infrastructure | | 9,000 | - | - | - | - | - | 1,593 | 1,593 | 10,593 | 12,000 | 12,000 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | - | - | - | - | - | - | - | - | - | 6,000 | 4,400 |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 9,000 | - | - | - | - | - | 1,593 | 1,593 | 10,593 | 18,000 | 16,400 |
| Community Facilities | | - | - | - | - | - | - | - | - | - | - | - |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Heritage Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | - | - | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - | - | - |
| Other Assets | 6 | - | - | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - | - | - |
| 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 to be adjusted | 2a | 65,623 | - | - | - | - | 18,828 | 20,269 | 39,097 | 104,720 | 72,615 | 67,840 |
| Roads Infrastructure | | 8,762 | - | - | - | - | - | (5,763) | (5,763) | 2,999 | - | - |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | 1,348 | - | - | - | - | - | - | - | 1,348 | - | - |
| Water Supply Infrastructure | | 29,109 | - | - | - | - | 11,071 | (4,009) | 7,062 | 36,170 | 55,201 | 58,113 |

| | | | | | | | | | | | | | | |
|---|----------|------------------|------|---|---|---|---|---------|----------------|-----------------|------------------|------------------|------------------|----------------|
| Machinery and Equipment | | - | - | | | | | | | - | - | | | |
| Transport Assets | | - | - | | | | | | | - | - | | | |
| Land | | 51,104 | | | | | | | | - | 51,104 | 51,104 | 51,104 | |
| Zoo's, Marine and Non-biological Animals | | | | | | | | | | - | - | | | |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 6,982,268 | | | | | | | | | 6,982,268 | 7,275,523 | 7,595,646 | |
| EXPENDITURE OTHER ITEMS | | | | | | | | | | | | | | |
| Depreciation & asset impairment | | 378,675 | - | - | - | - | - | - | (13,592) | (13,592) | 365,084 | 390,035 | 401,736 | |
| Repairs and Maintenance by asset class | 3 | 86,495 | | | | | | | (2,818) | (4,848) | (7,666) | 78,829 | 115,493 | 120,229 |
| Roads Infrastructure | | 4,466 | - | - | - | - | - | - | - | 576 | 576 | 5,042 | 35,476 | 32,869 |
| Storm water Infrastructure | | 18,422 | - | - | - | - | - | - | - | (155) | (155) | 18,266 | - | - |
| Electrical Infrastructure | | 7,231 | - | - | - | - | - | - | - | - | - | 7,231 | 9,357 | 9,919 |
| Water Supply Infrastructure | | 11,466 | - | - | - | - | - | 2,307 | (1,750) | 557 | 12,022 | 25,262 | 25,458 | |
| Sanitation Infrastructure | | 27,383 | - | - | - | - | - | (4,800) | (2,825) | (7,625) | 19,758 | 25,876 | 34,312 | |
| Solid Waste Infrastructure | | 2,065 | - | - | - | - | - | - | (2,065) | (2,065) | 0 | - | - | |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Infrastructure | | 71,033 | - | - | - | - | - | (2,493) | (6,220) | (8,713) | 62,320 | 95,971 | 102,558 | |
| Community Facilities | | 1,767 | - | - | - | - | - | (224) | (156) | (380) | 1,387 | 1,075 | 1,140 | |
| Sport and Recreation Facilities | | 298 | - | - | - | - | - | - | (3) | (3) | 295 | 316 | 335 | |
| Community Assets | | 2,065 | - | - | - | - | - | (224) | (159) | (383) | 1,682 | 1,391 | 1,474 | |
| Heritage Assets | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Revenue Generating | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Operational Buildings | | 3,367 | - | - | - | - | - | - | (101) | (101) | 3,266 | 2,850 | - | |
| Housing | | 1,052 | - | - | - | - | - | - | (246) | (246) | 806 | 247 | 262 | |
| Other Assets | | 4,419 | - | - | - | - | - | - | (347) | (347) | 4,072 | 3,097 | 262 | |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Servitudes | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Licences and Rights | | 3,109 | - | - | - | - | - | - | (100) | (100) | 3,009 | 3,964 | 4,201 | |
| Intangible Assets | | 3,109 | - | - | - | - | - | - | (100) | (100) | 3,009 | 3,964 | 4,201 | |
| Computer Equipment | | - | - | - | - | - | - | (100) | 1,739 | 1,639 | 1,639 | - | - | |
| Furniture and Office Equipment | | 38 | - | - | - | - | - | - | (1) | (1) | 37 | - | - | |
| Machinery and Equipment | | 5,830 | - | - | - | - | - | - | 239 | 239 | 6,070 | 11,070 | 11,734 | |
| Transport Assets | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Land | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Zoo's, Marine and Non-biological Animals | 6 | | | | | | | | | | | | | |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | | 465,170 | | | | | | | (2,818) | (18,440) | (21,257) | 443,913 | 505,528 | 521,966 |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | | 51.3% | 0.0% | | | | | | | | | 62.2% | 63.6% | 58.2% |
| <i>Renewal and upgrading of Existing Assets as % of deprecn"</i> | | 19.7% | 0.0% | | | | | | | | | 31.6% | 23.2% | 21.0% |
| <i>R&M as a % of PPE</i> | | 1.2% | 0.0% | | | | | | | | | 1.1% | 1.6% | 1.6% |
| <i>Renewal and upgrading and R&M as a % of PPE</i> | | 2.3% | 0.0% | | | | | | | | | 2.8% | 2.8% | 2.7% |

KZN252 Newcastle - Table B10 Basic service delivery measurement -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 7 A1 | 8 B | 9 C | 10 D | 11 E | 12 F | 13 G | 14 H | +1 2021/22 | +2 2022/23 |
| Household service targets | 1 | | | | | | | | | | | |
| Water: | | | | | | | | | | | | |
| Piped water inside dwelling | | 151637 | | | | | | | | 152 | 151637 | 151637 |
| Piped water inside yard (but not in dwelling) | | | | | | | | | | | 0 | 0 |
| Using public tap (at least min.service level) | 2 | | | | | | | | | | 0 | 0 |
| Other water supply (at least min.service level) | | | | | | | | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | 3 | 152 | | | | | | | | 152 | 152 | 152 |
| Using public tap (< min.service level) | 3,4 | | | | | | | | | | | |
| Other water supply (< min.service level) | | | | | | | | | | | | |
| No water supply | | | | | | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | | | | | | |
| Total number of households | 5 | 152 | | | | | | | | 152 | 152 | 152 |
| Sanitation/sewerage: | | | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | 217003 | | | | | | | | 217,003 | 217003 | 217003 |
| Flush toilet (with septic tank) | | 1300 | | | | | | | | 1,300 | 1300 | 1300 |
| Chemical toilet | | | | | | | | | | | 0 | 0 |
| Pit toilet (ventilated) | | | | | | | | | | | 0 | 0 |
| Other toilet provisions (> min.service level) | | | | | | | | | | | 0 | 0 |
| <i>Minimum Service Level and Above sub-total</i> | | 218,303 | | | | | | | | 218,303 | 218,303 | 218,303 |
| Bucket toilet | | | | | | | | | | | | |
| Other toilet provisions (< min.service level) | | | | | | | | | | | | |
| No toilet provisions | | | | | | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | | | | | | |
| Total number of households | 5 | 218,303 | | | | | | | | 218,303 | 218,303 | 218,303 |
| Energy: | | | | | | | | | | | | |
| Electricity (at least min. service level) | | 50451 | | | | | | | | 50,451 | 50451 | 50451 |
| Electricity - prepaid (> min.service level) | | | | | | | | | | | 0 | 0 |
| <i>Minimum Service Level and Above sub-total</i> | | 50,451 | | | | | | | | 50,451 | 50,451 | 50,451 |
| 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 | 50,451 | | | | | | | | 50,451 | 50,451 | 50,451 |
| Refuse: | | | | | | | | | | | | |
| Removed at least once a week (min.service) | | 59199 | | | | | | | | 59,199 | 59199 | 59199 |
| <i>Minimum Service Level and Above sub-total</i> | | 59,199 | | | | | | | | 59,199 | 59,199 | 59,199 |
| Removed less frequently than once a week | | 2066 | | | | | | | | 2,066 | 2066 | 2066 |
| Using communal refuse dump | | 1451 | | | | | | | | 1,451 | 1451 | 1451 |
| Using own refuse dump | | 23805 | | | | | | | | 23,805 | 23805 | 23805 |
| Other rubbish disposal | | 2334 | | | | | | | | 2,334 | 2334 | 2334 |
| No rubbish disposal | | 1024 | | | | | | | | 1,024 | 1024 | 1024 |
| <i>Below Minimum Service Level sub-total</i> | | 30,680 | | | | | | | | 30,680 | 30,680 | 30,680 |
| Total number of households | 5 | 89,879 | | | | | | | | 89,879 | 89,879 | 89,879 |
| Households receiving Free Basic Service | 15 | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | | 9 | | | | | | | | 9 | 9 | 9 |
| Sanitation (free minimum level service) | | 9 | | | | | | | | 9 | 9 | 9 |
| Electricity/other energy (50kwh per household per month) | | 9 | | | | | | | | 9 | 9 | 9 |
| Refuse (removed at least once a week) | | 9 | | | | | | | | 9 | 9 | 9 |
| Cost of Free Basic Services provided (R'000) | 16 | | | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | | 10,326 | | | | | | (2,337) | (2,337) | 7,988 | 10,842 | 11,438 |
| Sanitation (free sanitation service to indigent households) | | 15,176 | | | | | | (81) | (81) | 15,095 | 15,935 | 16,811 |
| Refuse (removed once a week for indigent households) | | 8,562 | | | | | | 293 | 293 | 8,855 | 9,975 | 11,670 |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | | | | | | | | | | | |
| Total cost of FBS provided | | 49,614 | | | | | | (4,457) | (4,457) | 45,157 | 53,079 | 57,146 |
| Highest level of free service provided | | | | | | | | | | | | |
| Property rates (R'000 value threshold) | | | | | | | | | | | | |
| Water (kilolitres per household per month) | | | | | | | | | | | | |
| Sanitation (kilolitres per household per month) | | | | | | | | | | | | |
| Sanitation (Rand per household per month) | | | | | | | | | | | | |
| Electricity (kw per household per month) | | | | | | | | | | | | |
| Refuse (average litres per week) | | | | | | | | | | | | |
| Revenue cost of free services provided (R'000) | 17 | | | | | | | | | | | |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | | | | | | | | | | | |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) | | 79,176 | | | | | | | | 79,176 | 83,135 | 87,708 |
| Water (in excess of 6 kilolitres per indigent household per month) | | | | | | | | | | | | |
| Sanitation (in excess of free sanitation service to indigent households) | | | | | | | | | | | | |
| Electricity/other energy (in excess of 50 kwh per indigent household per month) | | | | | | | | | | | | |
| Municipal Housing - rental rebates | 6 | | | | | | | | | | | |
| Housing - top structure subsidies | | | | | | | | | | | | |
| Other | | | | | | | | | | | | |
| Total revenue cost of subsidised services provided | | 79,176 | | | | | | | | 79,176 | 83,135 | 87,708 |

KZN252 Newcastle - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

| Description | Ret | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-------------|-------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | +1 2021/22 | +2 2022/23 |
| | | A | 6 A1 | 7 B | 8 C | 9 D | 10 E | 11 F | 12 G | 13 H | | |
| R thousands | | | | | | | | | | | | |
| REVENUE ITEMS | | | | | | | | | | | | |
| Property rates | | | | | | | | | | | | |
| Total Property Rates | | 441,602 | | | | | | | - | 441,602 | 463,662 | 486,185 |
| less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of BPPRA) | | 79,176 | | | | | | | - | 79,176 | 63,135 | 67,708 |
| Net Property Rates | | 362,426 | - | - | - | - | - | - | - | 362,426 | 380,548 | 401,478 |
| Service charges - electricity revenue | | | | | | | | | | | | |
| Total Service charges - electricity revenue | | 718,751 | | | | | | 16,512 | 16,512 | 735,263 | 605,848 | 666,432 |
| less Revenue Foregone (in excess of 30 kwh per indigent household per month) | | | | | | | | | - | - | - | - |
| less Cost of Free Basis Services (60 kwh per indigent household per month) | | 8,562 | - | - | - | - | - | 293 | 293 | 8,855 | 9,975 | 11,670 |
| Net Service charges - electricity revenue | | 710,188 | - | - | - | - | - | 16,219 | 16,219 | 726,407 | 795,873 | 874,762 |
| Service charges - water revenue | | | | | | | | | | | | |
| Total Service charges - water revenue | | 204,235 | | | | | | (6,163) | (6,163) | 198,072 | 214,447 | 228,242 |
| less Revenue Foregone (in excess of 6 kilolitres per indigent household per month) | | | | | | | | | - | - | - | - |
| less Cost of Free Basis Services (6 kilolitres per indigent household per month) | | 10,326 | - | - | - | - | - | (2,337) | (2,337) | 7,988 | 10,842 | 11,438 |
| Net Service charges - water revenue | | 193,910 | - | - | - | - | - | (6,826) | (6,826) | 187,084 | 203,605 | 214,803 |
| Service charges - sanitation revenue | | | | | | | | | | | | |
| Total Service charges - sanitation revenue | | 134,605 | | | | | | 505 | 505 | 135,109 | 141,335 | 149,108 |
| less Revenue Foregone (in excess of free sanitation service to indigent households) | | | | | | | | | - | - | - | - |
| less Cost of Free Basis Services (free sanitation service to indigent households) | | 15,178 | - | - | - | - | - | (61) | (61) | 15,095 | 15,835 | 16,811 |
| Net Service charges - sanitation revenue | | 119,428 | - | - | - | - | - | 585 | 585 | 120,014 | 125,400 | 132,297 |
| Service charges - refuse revenue | | | | | | | | | | | | |
| Total refuse removal revenue | | 111,151 | | | | | | 1,084 | 1,084 | 112,235 | 116,709 | 123,128 |
| Total landfill revenue | | | | | | | | | - | - | - | - |
| less Revenue Foregone (in excess of one removal a week to indigent households) | | | | | | | | | - | - | - | - |
| less Cost of Free Basis Services (removed once a week to indigent households) | | 15,551 | - | - | - | - | - | (2,332) | (2,332) | 13,218 | 16,328 | 17,226 |
| Net Service charges - refuse revenue | | 95,601 | - | - | - | - | - | 3,416 | 3,416 | 99,017 | 100,381 | 105,902 |
| Other Revenue By Source | | | | | | | | | | | | |
| Fuel Levy | | 0 | | | | | | | - | - | - | - |
| Other Revenue | | 20,587 | | | | | | (2,602) | (2,602) | 18,384 | 22,039 | 23,248 |
| Total 'Other' Revenue | 1 | 20,587 | - | - | - | - | - | (2,602) | (2,602) | 18,384 | 22,039 | 23,248 |
| EXPENDITURE ITEMS | | | | | | | | | | | | |
| Employee related costs | | | | | | | | | | | | |
| Basic Salaries and Wages | | 362,925 | | | | | | (260) | 3,744 | 3,484 | 386,389 | 394,989 |
| Pension and UIF Contributions | | 63,630 | | | | | | | 1,380 | 1,380 | 65,010 | 69,703 |
| Medical Aid Contributions | | 27,390 | | | | | | (4,521) | (4,521) | 22,869 | 28,475 | 30,026 |
| Overtime | | 33,900 | | | | | | (2,183) | (2,183) | 31,717 | 35,256 | 37,195 |
| Performance Bonus | | 27,425 | | | | | | | 541 | 541 | 27,966 | 30,036 |
| Motor Vehicle Allowance | | 21,851 | | | | | | | 753 | 753 | 22,614 | 23,633 |
| Cellphone Allowance | | - | | | | | | | - | - | - | - |
| Housing Allowances | | 7,260 | | | | | | (133) | (133) | 7,127 | 7,627 | 7,955 |
| Other benefits and allowances | | 22,136 | | | | | | 2,039 | 2,039 | 24,175 | 23,025 | 24,607 |
| Payments in lieu of leave | | - | | | | | | | - | - | - | - |
| Long service awards | | 3,707 | | | | | | 1,101 | 1,101 | 4,808 | 3,856 | 4,068 |
| Post-retirement benefit obligations | 4 | - | | | | | | | - | - | - | - |
| sub-total | | 570,234 | - | - | - | - | - | (260) | 2,720 | 2,440 | 572,674 | 590,500 |
| Less: Employee costs capitalised to PPE | | - | | | | | | | - | - | - | - |
| Total Employee related costs | 1 | 570,234 | - | - | - | - | - | (260) | 2,720 | 2,440 | 572,674 | 590,500 |
| Depreciation & asset impairment | | | | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | | 378,675 | | | | | | (13,592) | (13,592) | 365,084 | 380,035 | 401,736 |
| Lease amortisation | | - | | | | | | | - | - | - | - |
| Capital asset impairment | | - | | | | | | | - | - | - | - |
| Total Depreciation & asset impairment | 1 | 378,675 | - | - | - | - | - | (13,592) | (13,592) | 365,084 | 380,035 | 401,736 |
| Bulk purchases | | | | | | | | | | | | |
| Electricity Bulk Purchases | | 557,138 | | | | | | | - | 557,138 | 649,066 | 758,407 |
| Water Bulk Purchases | | - | | | | | | | - | - | - | - |
| Total bulk purchases | 1 | 557,138 | - | - | - | - | - | - | - | 557,138 | 649,066 | 758,407 |
| Transfers and grants | | | | | | | | | | | | |
| Cash transfers and grants | | | | | | | | | | | | |
| Non-cash transfers and grants | | | | | | | | | | | | |
| Total transfers and grants | | - | - | - | - | - | - | - | - | - | - | - |
| Contracted services | | | | | | | | | | | | |
| Outsourced Services | | 137,610 | | | | | | 141,553 | 35,540 | 177,063 | 314,703 | 133,495 |
| Consultants and Professional Services | | 187,161 | | | | | | | | - | 187,161 | 151,566 |
| Contractors | | 63,114 | | | | | | | | - | 63,114 | 60,326 |
| Total contracted services | | 387,885 | - | - | - | - | - | 141,553 | 35,540 | 177,063 | 564,999 | 345,377 |
| Other Expenditure By Type | | | | | | | | | | | | |
| Collection costs | | - | | | | | | 5,201 | 5,201 | 5,201 | - | - |
| Contributions to 'other' provisions | | - | | | | | | | | | - | - |
| Audit fees | | - | | | | | | 5,400 | 5,400 | 5,400 | - | - |
| Other Expenditure | | 106,680 | | | | | | (1,174) | (5,615) | (6,789) | 93,682 | 88,107 |
| Total Other Expenditure | 1 | 106,680 | - | - | - | - | - | (1,174) | 4,886 | 3,812 | 110,501 | 93,682 |
| by Expenditure Item | | | | | | | | | | | | |
| Employee related costs | 14 | - | - | - | - | - | - | - | - | - | - | - |
| Other materials | | - | - | - | - | - | - | - | - | - | - | - |
| Contracted Services | | 86,495 | - | - | - | - | - | (2,818) | (4,848) | (7,668) | 78,829 | 111,464 |
| Other Expenditure | | - | - | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 15 | 86,495 | - | - | - | - | - | (2,818) | (4,848) | (7,668) | 78,829 | 111,464 |

KZN252 Newcastle - Supporting Table SB2 Supporting detail to 'Financial Position Budget' -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 4 A1 | 5 B | 6 C | 7 D | 8 E | 9 F | 10 G | 11 H | | |
| R thousands | | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | | |
| | | 8,760 | | | | | | (2,969) | | | - | - |
| Consumer debtors | | | | | | | | | | | | |
| Consumer debtors | | 544,148 | | | | | | | - | 544,148 | 565,914 | 594,209 |
| Less: provision for debt impairment | | - | - | - | - | - | - | - | - | - | - | - |
| Total Consumer debtors | 1 | 544,148 | - | - | - | - | - | - | - | 544,148 | 565,914 | 594,209 |
| Debt impairment provision | | | | | | | | | | | | |
| Balance at the beginning of the year | | | | | | | | | | | | |
| Contributions to the provision | | | | | | | | | | | | |
| Bad debts written off | | | | | | | | | | | | |
| Balance at end of year | | | | | | | | | | | | |
| Property, plant & equipment | | | | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | | 6,410,126 | | | | | | | | 6,410,126 | 6,679,351 | 6,973,243 |
| Leases recognised as PPE | 2 | | | | | | | | | | | |
| Less: Accumulated depreciation | | | | | | | | | | | | |
| Total Property, plant & equipment | 1 | 6,410,126 | - | - | - | - | - | - | - | 6,410,126 | 6,679,351 | 6,973,243 |
| LIABILITIES | | | | | | | | | | | | |
| Current liabilities - Borrowing | | | | | | | | | | | | |
| Short term loans (other than bank overdraft) | | | | | | | | | | | | |
| Current portion of long-term liabilities | | 15,118 | | | | | | | | 15,118 | 15,753 | 16,446 |
| Total Current liabilities - Borrowing | | 15,118 | - | - | - | - | - | - | - | 15,118 | 15,753 | 16,446 |
| Trade and other payables | | | | | | | | | | | | |
| Trade Payables | | 563,938 | | | | | | 84,079 | 84,079 | 648,017 | 654,879 | 644,766 |
| Other creditors | | | | | | | | | | | | |
| Unspent conditional transfers | | 22,279 | | | | | | 4,497 | 4,497 | 26,776 | 21,218 | 19,289 |
| VAT | | 14,877 | | | | | | | | 14,877 | 15,502 | 16,184 |
| Total Trade and other payables | 1 | 601,094 | - | - | - | - | - | 88,576 | 88,576 | 689,671 | 691,600 | 680,239 |
| Non current liabilities - Borrowing | | | | | | | | | | | | |
| Borrowing | 3 | 138,168 | | | | | | | | 138,168 | 519,079 | 497,202 |
| Finance leases (including PPP asset element) | | 207,485 | | | | | | | | 207,485 | | |
| Total Non current liabilities - Borrowing | | 345,654 | - | - | - | - | - | - | - | 345,654 | 519,079 | 497,202 |
| Provisions - non current | | | | | | | | | | | | |
| Retirement benefits | | 150,357 | | | | | | | | 150,357 | 156,872 | 163,566 |
| Refuse landfill site rehabilitation | | 52,107 | | | | | | | | 52,107 | 54,295 | 56,684 |
| Other | | | | | | | | | | | | |
| Total Provisions - non current | | 202,464 | - | - | - | - | - | - | - | 202,464 | 210,967 | 220,250 |
| CHANGES IN NET ASSETS | | | | | | | | | | | | |
| Accumulated surplus/(Deficit) | | | | | | | | | | | | |
| Accumulated surplus/(Deficit) - opening balance | | 6,553,974 | | | | | | (120,822) | (120,822) | 6,433,152 | 6,682,248 | 7,174,382 |
| GRAP adjustments | | | | | | | | | | | | |
| Restated balance | | 6,553,974 | - | - | - | - | - | (120,822) | (120,822) | 6,433,152 | 6,682,248 | 7,174,382 |
| Surplus/(Deficit) | | (153,313) | - | - | - | - | 38,236 | (4,726) | 33,510 | (119,804) | (164,497) | (198,834) |
| Transfers to/from Reserves | | | | | | | | | | | | |
| Depreciation offsets | | | | | | | | | | | | |
| Other adjustments | | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | 1 | 6,400,661 | - | - | - | - | 38,236 | (125,549) | (87,313) | 6,313,348 | 6,497,751 | 6,975,549 |
| Reserves | | | | | | | | | | | | |
| Housing Development Fund | | 29,545 | | | | | | (4,138) | (4,138) | 25,407 | 30,786 | 32,140 |
| Capital replacement | | | | | | | | | | | | |
| Self-insurance | | 530 | | | | | | (94) | (94) | 435 | 552 | 576 |
| Other reserves | | | | | | | | | | | | |
| Revaluation | | | | | | | | | | | | |
| Total Reserves | 2 | 30,074 | - | - | - | - | - | (4,232) | (4,232) | 25,842 | 31,337 | 32,716 |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 6,430,735 | - | - | - | - | 38,236 | (129,781) | (91,545) | 6,339,190 | 6,529,068 | 7,008,265 |

KZN252 Newcastle - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks -

| Description of financial indicator | Basis of calculation | 2017/18 | 2018/19 | 2019/20 | Budget Year 2020/21 | | | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|--|--|-----------------|-----------------|-----------------|---------------------|----------------|-----------------|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Prior Adjusted | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Borrowing Management | | | | | | | | | |
| Credit Rating | Short term/long term rating | | | 3.0% | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | | | 5.1% | 2.9% | 0.0% | 2.7% | 2.9% | 2.8% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Safety of Capital | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | | | 1983.7% | 1149.3% | 0.0% | 1337.6% | 1656.4% | 1519.7% |
| Liquidity | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | | | 116.6% | 99.5% | 0.0% | 87.2% | 97.8% | 117.7% |
| Current Ratio adjusted for aged debtors | Current assets/current liabilities less debtors > 90 days/current liabilities | | | 0.2% | 99.5% | 0.0% | 0.0% | 0.0% | 0.0% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | | | 0.0 | 0.0 | 0.0 | 0.1 | 0.2 |
| Revenue Management | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/ Last 12 Mths Billing | | | 81.0% | | | | | |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | | | 27.5% | | | | | |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | | | 27.5% | 28.2% | 0.0% | 26.3% | 29.1% | 28.7% |
| Longstanding Debtors Recovered | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Creditors Management | | | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within MFMA s 65(e)) | | | | | | | | |
| Creditors to Cash and Investments | | | | | 6569.5% | 0.0% | 11157.9% | 1352.0% | 437.7% |
| Other Indicators | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) | | | | | | | | |
| | Total Cost of Losses (Rand '000) | | | | | | | | |
| Water Distribution Losses (2) | % Volume (units purchased and generated less units sold)/units purchased and generated | | | | | | | | |
| | Total Volume Losses (kℓ) | | | | | | | | |
| Employee costs | Total Cost of Losses (Rand '000) | | | | | | | | |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | | | | | | | | |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | | | 25.5% | 25.8% | 0.0% | 24.1% | 25.9% | 25.7% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | | | 26.9% | | | | | |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | | | 3.9% | 3.9% | 0.0% | 3.3% | 5.1% | 5.0% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | | | | 18.9% | 0.0% | 17.0% | 18.9% | 18.4% |
| IDP regulation financial viability indicators | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year | | | | 2066.1% | 0.0% | 2088.2% | 2127.8% | 2290.2% |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | | | | 24.6% | 0.0% | 22.9% | 24.8% | 24.6% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

KZN252 Newcastle - Supporting Table SB6 Adjustments Budget - funding measurement -

| Description | Ref | MFMA section | 2017/18 | 2018/19 | 2019/20 | Medium Term Revenue and Expenditure Framework | | | | |
|---|-----|--------------|-----------------|-----------------|-----------------|---|----------------|-----------------|------------------------|------------------------|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Prior Adjusted | Adjusted Budget | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousands | | | | | | | | | | |
| Funding measures | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 1 | 18(1)b | 9,724 | 35,546 | 936 | 9,150 | -- | 6,181 | 51,152 | 155,398 |
| Cash + investments at the yr end less applications - R'000 | 2 | 18(1)b | (118,185) | 3,180 | (11,366) | (151,636) | -- | (142,464) | (66,515) | 79,811 |
| Cash year end/monthly employee/supplier payments | 3 | 18(1)b | 0 | 0 | 0 | -- | -- | -- | -- | -- |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 4 | 18(1) | (35,445) | (34,308) | (155,551) | (153,313) | -- | (119,804) | (164,497) | (198,834) |
| Service charge rev % change - macro CPIX target exclusive | 5 | 18(1)a,(2) | 0.002254658 | -7.6% | -6.0% | 0.0% | 0.0% | 0.0% | 1.4% | 1.7% |
| Cash receipts % of Ratepayer & Other revenue | 6 | 18(1)a,(2) | 0.0% | 0.0% | 0.0% | 82.0% | 0.0% | 97.0% | 97.1% | 96.9% |
| Debt Impairment expense as a % of total billable revenue | 7 | 18(1)a,(2) | 6.9% | 10.9% | 80.7% | 19.0% | 0.0% | 18.3% | 18.3% | 17.6% |
| Capital payments % of capital expenditure | 8 | 18(1)c;19 | 100.0% | 100.0% | 18.5% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 9 | 18(1)c | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Grants % of Govt. legislated/gazetted allocations | 10 | 18(1)a | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Current consumer debtors % change - incr(decr) | 11 | 18(1)a | 7.6% | 10.1% | 0.0% | 11.0% | | | 5.9% | 4.9% |
| Long term receivables % change - incr(decr) | 12 | 18(1)a | 0.0% | 0.0% | 0.0% | 0.0% | | | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 13 | 20(1)(vi) | 1.3% | 1.1% | 1.3% | 1.2% | 0.0% | 1.1% | 1.6% | 1.6% |
| Asset renewal % of capital budget | 14 | 20(1)(vi) | 29.5% | 13.3% | 0.0% | 6.2% | 0.0% | 5.7% | 12.6% | 11.5% |

KZN252 Newcastle - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

| Description | Ref | Budget Year 2020/21 | | | | | | Budget Year | Budget Year | |
|---|------|---------------------|----------------|--------------------|--------------------|----------------|----------------|-----------------|-----------------|----------------|
| | | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | |
| | | A | 7 A1 | 8 B | 9 C | 10 D | 11 E | 12 F | +1 2021/22 | +2 2022/23 |
| R thousands | | | | | | | | | | |
| RECEIPTS: | 1, 2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 488,728 | - | - | (25,300) | - | (25,300) | 460,480 | 464,440 | 490,924 |
| Local Government Equitable Share | | 417,790 | | | | | - | 417,790 | 417,790 | 442,574 |
| Energy Efficiency and Demand Management | 3 | 4,000 | | | | | - | 4,000 | 13,500 | 10,000 |
| Integrated National Electrification Programme | | 13,500 | | | (13,500) | | (13,500) | - | 1,650 | 1,850 |
| Finance Management | | 1,650 | | | | | - | 1,650 | - | - |
| Municipal Infrastructure Grant (MIG) | | 12,840 | | | (4,800) | | (4,800) | 8,040 | 1,500 | 500 |
| Water Services Infrastructure Grant (WSIG) | | 36,000 | | | (7,000) | | (7,000) | 29,000 | 26,000 | 32,000 |
| EPWP Incentive | | 2,948 | | | | | | | 4,000 | 4,000 |
| Provincial Government: | | 206,293 | - | - | 122,055 | - | 122,055 | 328,348 | 132,205 | 137,493 |
| Level 2 accreditation | | 3,839 | | | 2,055 | | 2,055 | 5,894 | 429 | 446 |
| Museums Services | | 429 | | | | | - | 429 | 2,475 | 2,574 |
| Community Library Services Grant | 4 | 2,475 | | | | | - | 2,475 | 1,000 | 1,040 |
| Provincialisation of Libraries | | 6,757 | | | | | - | 6,757 | 3,839 | 3,993 |
| Housing | | - | | | | | - | - | 124,462 | 129,440 |
| Housing Project | | 192,793 | | | 120,000 | | 120,000 | 312,793 | - | - |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| <i>[insert description]</i> | | | | | | | | | | |
| Other grant providers: | | - | - | - | 1,546 | - | 1,546 | 1,546 | - | - |
| LGSETA GRANT | | - | | | 1,546 | | 1,546 | 1,546 | | |
| | | - | | | | | - | - | | |
| Total Operating Transfers and Grants | 6 | 695,021 | - | - | 98,301 | - | 98,301 | 790,374 | 596,645 | 628,417 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 125,342 | - | - | 13,000 | - | 13,000 | 138,342 | 121,670 | 119,838 |
| Municipal Infrastructure Grant (MIG) | | 106,342 | | | 4,800 | | 4,800 | 111,142 | 106,670 | 104,838 |
| Neighbourhood Development Partnership | | 15,000 | | | (7,500) | | (7,500) | 7,500 | | |
| Water Services Infrastructure Grant (WSIG) | | 4,000 | | | 7,000 | | 7,000 | 11,000 | 15,000 | 15,000 |
| Water Intervention Project | | - | | | 8,700 | | 8,700 | 8,700 | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Provincial Government: | | 11,000 | - | - | 2,529 | - | 1,524 | 1,524 | 275 | - |
| Museum | | | | | 300 | | 300 | 300 | 275 | - |
| Sport and Recreation | | 11,000 | | | | | | | | |
| Housing | | | | | 1,005 | | | | | |
| Greenest Town | | | | | 1,224 | | 1,224 | 1,224 | | |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| <i>[insert description]</i> | | | | | | | | | | |
| Other grant providers: | | - | - | - | 3,000 | - | 3,000 | 3,000 | - | - |
| EDTEA Grant(Airport Upgrade) | | | | | 2,000 | | 2,000 | 2,000 | | |
| EDTEA Grant(Trade Stalls) | | | | | 1,000 | | 1,000 | 1,000 | | |
| Total Capital Transfers and Grants | 6 | 136,342 | - | - | 18,529 | - | 17,524 | 142,866 | 121,944 | 119,838 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 831,363 | - | - | 116,830 | - | 115,825 | 933,240 | 718,589 | 748,256 |

KZN252 Newcastle - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

| Description | Ref | Budget Year 2020/21 | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------------|--------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 2 A1 | 3 B | 4 C | 5 D | 6 E | 7 F | +1 2021/22 | +2 2022/23 |
| R thousands | | | | | | | | | | |
| EXPENDITURE ON TRANSFERS AND GRANT PROGRAM: | | | | | | | | | | |
| <u>Operating expenditure of Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | 488,728 | - | - | (25,300) | - | (25,300) | 460,480 | 464,440 | 490,924 |
| Local Government Equitable Share | | 417,790 | | | | | - | 417,790 | 417,790 | 442,574 |
| Energy Efficiency and Demand Management | | 4,000 | | | | | - | 4,000 | 13,500 | 10,000 |
| Integrated National Electrification Programme | | 13,500 | | | (13,500) | | (13,500) | - | 1,650 | 1,850 |
| Finance Management | | 1,650 | | | | | - | 1,650 | - | - |
| Municipal Infrastructure Grant (MIG) | | 12,840 | | | (4,800) | | (4,800) | 8,040 | 1,500 | 500 |
| Water Services Infrastructure Grant (WSIG) | | 36,000 | | | (7,000) | | (7,000) | 29,000 | 26,000 | 32,000 |
| EPWP Incentive | | 2,948 | | | | | - | | 4,000 | 4,000 |
| Provincial Government: | | 206,293 | - | - | 122,055 | - | 122,055 | 328,348 | 132,205 | 137,493 |
| Level 2 accreditation | | 3,839 | | | 2,055 | | 2,055 | 5,894 | 429 | 446 |
| Museums Services | | 429 | | | | | - | 429 | 2,475 | 2,574 |
| Community Library Services Grant | | 2,475 | | | | | - | 2,475 | 1,000 | 1,040 |
| Provincialisation of Libraries | | 6,757 | | | | | - | 6,757 | 3,839 | 3,993 |
| Housing Project | | 192,793 | | | 120,000 | | 120,000 | 312,793 | 124,462 | 129,440 |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| <i>[insert description]</i> | | | | | | | | | | |
| Other grant providers: | | - | - | - | 1,546 | - | 1,546 | 1,546 | - | - |
| LGSETA GRANT | | | | | 1,546 | | 1,546 | 1,546 | | |
| | | | | | | | | | | |
| Total operating expenditure of Transfers and Grants: | | 695,021 | - | - | 98,301 | - | 98,301 | 790,374 | 596,645 | 628,417 |
| <u>Capital expenditure of Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | 125,342 | - | - | 13,000 | - | 13,000 | 138,342 | 121,670 | 119,838 |
| Municipal Infrastructure Grant (MIG) | | 106,342 | | | 4,800 | | 4,800 | 111,142 | 106,670 | 104,838 |
| Neighbourhood Development Partnership | | 15,000 | | | (7,500) | | (7,500) | 7,500 | | |
| Water Services Infrastructure Grant (WSIG) | | 4,000 | | | 7,000 | | 7,000 | 11,000 | 15,000 | 15,000 |
| Water Intervention Project | | | | | 8,700 | | 8,700 | 8,700 | | |
| Provincial Government: | | 11,000 | - | - | 2,529 | - | 1,524 | 1,524 | 275 | - |
| Museum | | | | | 300 | | 300 | 300 | 275 | |
| Sport and Recreation | | 11,000 | | | | | | | | |
| Housing | | | | | 1,005 | | | | | |
| Greenest Town | | | | | 1,224 | | 1,224 | 1,224 | | |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| <i>[insert description]</i> | | | | | | | | | | |
| Other grant providers: | | - | - | - | 3,000 | - | 3,000 | 3,000 | - | - |
| EDTEA Grant(Airport Upgrade) | | | | | 2,000 | | 2,000 | 2,000 | | |
| EDTEA Grant(Trade Stalls) | | | | | 1,000 | | 1,000 | 1,000 | | |
| Total capital expenditure of Transfers and Grants | | 136,342 | - | - | 18,529 | - | 17,524 | 142,866 | 121,944 | 119,838 |
| Total capital expenditure of Transfers and Grants | | 831,363 | - | - | 116,830 | - | 115,825 | 933,240 | 718,589 | 748,256 |

KZN252 Newcastle - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

| Summary of remuneration | Ref | Budget Year 2020/21 | | | | | | | | | | % change |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|--------|----------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | | |
| | | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | | |
| R thousands | | | | | | | | | | | | |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | | | |
| Basic Salaries and Wages | | 18,107 | | | | | | | | 16,107 | 0.0% | |
| Pension and UIF Contributions | | 1,979 | | | | | | | | 1,979 | 0.0% | |
| Medical Aid Contributions | | 111 | | | | | | | | 111 | 0.0% | |
| Motor Vehicle Allowance | | 6,423 | | | | | | | | 6,423 | 0.0% | |
| Cellphone Allowance | | 3,088 | | | | | | | | 3,088 | | |
| Housing Allowances | | 1,175 | | | | | | | | 1,175 | | |
| Other benefits and allowances | | | | | | | | | | | | |
| Sub Total - Councillors | | 28,882 | | | | | | | | 28,882 | 0.0% | |
| % increase | | | (0) | | | | | | | | | |
| Senior Managers of the Municipality | | | | | | | | | | | | |
| Basic Salaries and Wages | | 7,882 | | | | | | (5,697) | (5,697) | 1,985 | -74.2% | |
| Pension and UIF Contributions | | 840 | | | | | | (832) | (832) | 8 | -99.0% | |
| Medical Aid Contributions | | | | | | | | | | | | |
| Overtime | | | | | | | | | | | | |
| Performance Bonus | | 386 | | | | | | (386) | (386) | (0) | | |
| Motor Vehicle Allowance | | 997 | | | | | | (997) | (997) | | | |
| Cellphone Allowance | | | | | | | | | | | | |
| Housing Allowances | | | | | | | | | | | | |
| Other benefits and allowances | | | | | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | | | |
| Long service awards | | | | | | | | | | | | |
| Post-retirement benefit obligations | 5 | | | | | | | | | | | |
| Sub Total - Senior Managers of Municipality | | 9,906 | | | | | | (7,913) | (7,913) | 1,993 | -79.9% | |
| % increase | | | (0) | | | | | | | (0) | | |
| Other Municipal Staff | | | | | | | | | | | | |
| Basic Salaries and Wages | | 350,670 | | | | | (280) | 11,657 | 11,377 | 362,048 | 3.2% | |
| Pension and UIF Contributions | | 64,340 | | | | | | 1,380 | 1,380 | 65,720 | 2.1% | |
| Medical Aid Contributions | | 24,498 | | | | | | (4,521) | (4,521) | 19,976 | -18.5% | |
| Overtime | | 34,260 | | | | | | (2,183) | (2,183) | 32,107 | -6.4% | |
| Performance Bonus | | 27,734 | | | | | | 541 | 541 | 28,275 | | |
| Motor Vehicle Allowance | | 21,861 | | | | | | 753 | 753 | 22,614 | 3.4% | |
| Cellphone Allowance | | | | | | | | | | | | |
| Housing Allowances | | 7,342 | | | | | | (133) | (133) | 7,208 | | |
| Other benefits and allowances | | 22,638 | | | | | | 2,039 | 2,039 | 24,677 | | |
| Payments in lieu of leave | | | | | | | | | | | | |
| Long service awards | | 3,750 | | | | | | 1,101 | 1,101 | 4,851 | 29.4% | |
| Post-retirement benefit obligations | 5 | 3,204 | | | | | | | | 3,204 | 0.0% | |
| Sub Total - Other Municipal Staff | | 560,328 | | | | | (280) | 10,633 | 10,353 | 570,681 | 1.8% | |
| % increase | | | | | | | | | | | | |
| Total Parent Municipality | | 599,116 | | | | | (280) | 2,720 | 2,440 | 601,557 | 0.4% | |
| Board Members of Entities | | | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | | | | | |
| Pension and UIF Contributions | | | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | | | |
| Overtime | | | | | | | | | | | | |
| Performance Bonus | | | | | | | | | | | | |
| Motor Vehicle Allowance | | | | | | | | | | | | |
| Cellphone Allowance | | | | | | | | | | | | |
| Housing Allowances | | | | | | | | | | | | |
| Other benefits and allowances | | | | | | | | | | | | |
| Board Fees | | | | | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | | | |
| Long service awards | | | | | | | | | | | | |
| Post-retirement benefit obligations | 5 | | | | | | | | | | | |
| Sub Total - Board Members of Entities | | | | | | | | | | | | |
| % increase | | | | | | | | | | | | |
| Senior Managers of Entities | | | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | | | | | |
| Pension and UIF Contributions | | | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | | | |
| Overtime | | | | | | | | | | | | |
| Performance Bonus | | | | | | | | | | | | |
| Motor Vehicle Allowance | | | | | | | | | | | | |
| Cellphone Allowance | | | | | | | | | | | | |
| Housing Allowances | | | | | | | | | | | | |
| Other benefits and allowances | | | | | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | | | |
| Long service awards | | | | | | | | | | | | |
| Post-retirement benefit obligations | 5 | | | | | | | | | | | |
| Sub Total - Senior Managers of Entities | | | | | | | | | | | | |
| % increase | | | | | | | | | | | | |
| Other Staff of Entities | | | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | | | | | |
| Pension and UIF Contributions | | | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | | | |
| Overtime | | | | | | | | | | | | |
| Performance Bonus | | | | | | | | | | | | |
| Motor Vehicle Allowance | | | | | | | | | | | | |
| Cellphone Allowance | | | | | | | | | | | | |
| Housing Allowances | | | | | | | | | | | | |
| Other benefits and allowances | | | | | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | | | |
| Long service awards | | | | | | | | | | | | |
| Post-retirement benefit obligations | 5 | | | | | | | | | | | |
| Sub Total - Other Staff of Entities | | | | | | | | | | | | |
| % increase | | | | | | | | | | | | |
| Total Municipal Entities | | | | | | | | | | | | |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 599,116 | | | | | (280) | 2,720 | 2,440 | 601,557 | 0.4% | |
| % increase | | | | | | | | | | | | |
| TOTAL MANAGERS AND STAFF | | 570,234 | | | | | (280) | 2,720 | 2,440 | 572,674 | 0.4% | |

KZN252 Newcastle - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | | |
|---|-----|---------------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|------------------|------------------|---|------------------------|------------------------|--|--|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | | |
| | | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | | |
| Revenue by Vote | | | | | | | | | | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 32,171 | 32,112 | 812 | 398 | 407 | 5,673 | 577 | 889 | 2,486 | 4,003 | 4,964 | 86,078 | 86,915 | 83,751 | | | |
| Vote 2 - COMMUNITY SERVICES | | 28,140 | 25,189 | 9,522 | 10,002 | 10,080 | 23,494 | 20,257 | 10,363 | 6,652 | 6,617 | 22 | 170,596 | 172,319 | 178,219 | | | |
| Vote 3 - BUDGET AND TREASURY | | 49,327 | 39,022 | 28,637 | 29,946 | 31,364 | 38,464 | 33,150 | 30,650 | 32,260 | 26,149 | 27,189 | 399,306 | 422,848 | 444,587 | | | |
| Vote 4 - MUNICIPAL MANAGER | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN RESOURCES | | 760 | 784 | 29,028 | 19,685 | 53,024 | 50,576 | 23,381 | 37,932 | 21,733 | 51,727 | 69,360 | 381,375 | 136,449 | 137,489 | | | |
| Vote 6 - TECHNICAL SERVICES | | 112,824 | 106,725 | 60,348 | 21,132 | 46,801 | 101,367 | 40,900 | 38,472 | 35,749 | 32,541 | 38,365 | 675,115 | 697,968 | 739,281 | | | |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 92,930 | 102,357 | 69,510 | 58,340 | 56,895 | 80,553 | 54,064 | 65,375 | 63,389 | 51,011 | 74,494 | 822,980 | 925,505 | 1,062,168 | | | |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Total Revenue by Vote | | 316,152 | 306,190 | 197,858 | 139,504 | 197,571 | 300,128 | 172,328 | 183,861 | 162,278 | 172,047 | 214,384 | 2,534,450 | 2,442,003 | 2,645,485 | | | |
| Expenditure by Vote | | | | | | | | | | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 6,151 | 6,899 | 14,574 | 13,834 | 7,370 | 6,638 | 4,416 | 7,907 | 9,763 | 11,763 | 3,231 | 102,856 | 150,139 | 155,028 | | | |
| Vote 2 - COMMUNITY SERVICES | | 14,652 | 25,872 | 24,771 | 18,267 | 24,000 | 25,043 | 19,609 | 27,262 | 23,351 | 23,351 | 53,802 | 298,538 | 258,996 | 267,093 | | | |
| Vote 3 - BUDGET AND TREASURY | | 10,395 | 19,757 | 15,751 | 15,306 | 15,233 | 16,019 | 11,049 | 10,665 | 10,745 | 10,745 | 45,721 | 192,008 | 166,922 | 169,900 | | | |
| Vote 4 - MUNICIPAL MANAGER | | 3,976 | 7,676 | 7,189 | 8,636 | 7,354 | 6,465 | 5,311 | 6,776 | 4,559 | 4,559 | 21,767 | 88,499 | 75,420 | 76,639 | | | |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN RESOURCES | | 5,159 | 18,141 | 14,482 | 28,548 | 51,020 | 54,041 | 13,235 | 23,917 | 26,797 | 26,797 | 88,281 | 357,475 | 163,235 | 164,935 | | | |
| Vote 6 - TECHNICAL SERVICES | | 121,879 | 46,960 | 54,848 | 55,313 | 53,510 | 31,075 | 66,707 | 69,529 | 60,895 | 60,895 | 202,258 | 894,952 | 965,001 | 1,013,826 | | | |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 3,974 | 71,154 | 41,002 | 49,516 | 50,174 | 44,201 | 45,109 | 43,630 | 54,398 | 54,398 | 208,321 | 719,925 | 795,292 | 903,639 | | | |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Total Expenditure by Vote | | 166,185 | 196,459 | 172,616 | 189,420 | 208,660 | 183,483 | 155,436 | 189,707 | 190,509 | 192,509 | 623,382 | 2,654,252 | 2,575,004 | 2,751,059 | | | |
| Surplus / (Deficit) | | 149,967 | 109,731 | 25,242 | (49,916) | (11,089) | 116,645 | 6,893 | (6,026) | (28,231) | (20,462) | (408,997) | (119,803) | (133,001) | (105,573) | | | |

References

1. Surplus (Deficit) must reconcile with budget table A2 and monthly budget statement table C2

KZM252 Newcastle - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) -

| Description - Standard classification | Ref | Budget Year 2020/21 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|--|-----|---------------------|----------------|----------------|-----------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|---|------------------------|------------------------|--|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | |
| | | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| Revenue - Functional | | | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 81,488 | 71,135 | 29,449 | 30,345 | 31,771 | 65,137 | 30,329 | 30,329 | 30,329 | 30,329 | 30,329 | 23,407 | 484,385 | 509,763 | 528,338 | |
| Executive and council | | 2,035 | 2,037 | 684 | 710 | 1,995 | 3,667 | 350 | 350 | 350 | 350 | 350 | 767 | 13,647 | 7,404 | 7,571 | |
| Finance and administration | | 79,463 | 69,098 | 28,765 | 29,634 | 29,776 | 61,469 | 29,979 | 29,979 | 29,979 | 29,979 | 29,979 | 22,640 | 470,738 | 502,359 | 520,767 | |
| Internal audit | | | | | | | | | | | | | | | | | |
| <i>Community and public safety</i> | | 1,979 | 2,097 | 28,722 | 21,472 | 54,758 | 51,964 | 11,547 | 8,548 | 9,548 | 10,547 | 9,547 | 179,900 | 390,530 | 146,712 | 147,644 | |
| Community and social services | | 1,322 | 1,219 | 1,245 | 1,451 | 1,346 | 986 | 1,007 | 1,007 | 1,007 | 1,007 | 1,007 | 1,970 | 14,475 | 13,805 | 14,039 | |
| Sport and recreation | | | | 10 | 15 | 26 | | 3,609 | 609 | 1,609 | 2,609 | 1,609 | 1,035 | 11,132 | 11,760 | 11,709 | |
| Public safety | | 6 | 198 | 254 | 464 | 489 | 484 | 382 | 382 | 382 | 382 | 382 | 99 | 3,903 | 3,375 | 3,561 | |
| Housing | | 651 | 680 | 27,212 | 19,542 | 52,897 | 50,494 | 6,549 | 6,549 | 6,549 | 6,549 | 6,549 | 176,795 | 361,016 | 117,706 | 118,265 | |
| Health | | | 0 | | 0 | 1 | | | 1 | | | | 1 | 4 | 66 | 70 | |
| <i>Economic and environmental services</i> | | 1,166 | 2,009 | 16,930 | 7,316 | 26,921 | 8,598 | 509 | 817 | 1,540 | 509 | 811 | 75,227 | 142,356 | 145,266 | 163,960 | |
| Planning and development | | 95 | 90 | 16,419 | 5,811 | 26,756 | 7,586 | 509 | 509 | 509 | 509 | 509 | 75,011 | 134,316 | 18,562 | 19,032 | |
| Road transport | | 1,071 | 1,919 | 511 | 1,505 | 166 | 1,012 | | 308 | 1,031 | | 302 | 216 | 8,040 | 126,705 | 144,928 | |
| Environmental protection | | | | | | | | | | | | | | | | | |
| <i>Trading services</i> | | 231,492 | 226,933 | 118,244 | 80,357 | 83,106 | 185,414 | 87,523 | 87,523 | 87,523 | 87,523 | 87,523 | 153,843 | 1,517,005 | 1,640,081 | 1,805,352 | |
| Energy sources | | 92,930 | 102,357 | 69,510 | 58,340 | 56,895 | 80,553 | 55,478 | 55,478 | 55,478 | 55,478 | 55,478 | 85,005 | 822,980 | 925,505 | 1,062,158 | |
| Water management | | 53,251 | 45,317 | 26,348 | 8,345 | 7,847 | 45,121 | 13,621 | 13,621 | 13,621 | 13,621 | 13,621 | 57,452 | 311,775 | 327,613 | 343,814 | |
| Waste water management | | 58,501 | 55,488 | 14,375 | 5,602 | 10,148 | 37,731 | 9,971 | 9,971 | 9,971 | 9,971 | 9,971 | 9,507 | 241,210 | 243,650 | 250,539 | |
| Waste management | | 26,809 | 23,770 | 8,011 | 8,069 | 8,216 | 22,019 | 8,453 | 8,453 | 8,453 | 8,453 | 8,453 | 1,880 | 141,040 | 143,313 | 148,641 | |
| Other | | 16 | 16 | 13 | 15 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 17 | 174 | 182 | 192 | |
| Total Revenue - Functional | | 316,152 | 302,190 | 193,358 | 139,504 | 196,570 | 311,126 | 129,923 | 127,231 | 128,954 | 128,923 | 128,224 | 432,294 | 2,534,450 | 2,442,003 | 2,645,485 | |
| Expenditure - Functional | | | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 21,712 | 42,625 | 47,414 | 40,862 | 37,006 | 35,550 | 35,645 | 35,645 | 35,645 | 35,645 | 35,645 | 59,776 | 463,170 | 417,777 | 426,392 | |
| Executive and council | | 6,139 | 6,805 | 6,711 | 14,341 | 6,794 | 7,275 | 6,461 | 6,461 | 6,461 | 6,461 | 6,461 | 14,787 | 95,154 | 83,213 | 86,021 | |
| Finance and administration | | 15,573 | 35,789 | 40,703 | 26,505 | 30,149 | 28,160 | 29,104 | 29,104 | 29,104 | 29,104 | 29,104 | 44,881 | 367,278 | 327,492 | 332,949 | |
| Internal audit | | 0 | 31 | | 17 | 64 | 116 | 80 | 80 | 80 | 80 | 80 | 108 | 737 | 7,073 | 7,422 | |
| <i>Community and public safety</i> | | 14,142 | 31,353 | 26,400 | 40,069 | 63,362 | 68,081 | 24,324 | 24,324 | 24,324 | 24,324 | 24,324 | 152,085 | 517,110 | 329,352 | 338,289 | |
| Community and social services | | 2,360 | 3,028 | 2,878 | 2,706 | 2,560 | 3,655 | 3,194 | 3,194 | 3,194 | 3,194 | 3,194 | 8,874 | 42,032 | 40,726 | 42,008 | |
| Sport and recreation | | 4,291 | 6,503 | 5,667 | 5,779 | 6,033 | 5,494 | 6,080 | 6,080 | 6,080 | 6,080 | 6,080 | 7,577 | 71,745 | 83,553 | 86,765 | |
| Public safety | | 3,847 | 4,816 | 5,028 | 4,829 | 4,921 | 6,079 | 5,423 | 5,423 | 5,423 | 5,423 | 5,423 | 10,974 | 67,811 | 62,836 | 65,830 | |
| Housing | | 3,077 | 16,297 | 12,086 | 26,015 | 48,942 | 52,026 | 8,827 | 8,827 | 8,827 | 8,827 | 8,827 | 123,940 | 326,119 | 132,630 | 133,717 | |
| Health | | 567 | 710 | 741 | 740 | 906 | 827 | 799 | 799 | 799 | 799 | 799 | 1,119 | 9,603 | 9,607 | 9,969 | |
| <i>Economic and environmental services</i> | | 34,862 | 5,953 | 32,498 | 21,946 | 23,820 | 9,903 | 23,079 | 23,079 | 23,079 | 23,079 | 23,079 | 27,427 | 271,605 | 291,953 | 296,825 | |
| Planning and development | | 6,246 | 5,516 | 7,141 | 6,361 | 6,195 | 7,008 | 6,079 | 6,079 | 6,079 | 6,079 | 6,079 | 12,135 | 80,996 | 84,760 | 88,343 | |
| Road transport | | 28,416 | 436 | 25,357 | 15,585 | 17,625 | 2,895 | 16,999 | 16,999 | 16,999 | 16,999 | 16,999 | 15,290 | 190,601 | 207,184 | 208,474 | |
| Environmental protection | | | | | | | | | | | | | | | | | |
| <i>Trading services</i> | | 95,669 | 116,528 | 66,097 | 86,114 | 84,265 | 69,948 | 79,798 | 79,798 | 79,798 | 79,798 | 79,798 | 481,403 | 1,399,012 | 1,532,035 | 1,685,580 | |
| Energy sources | | 65,074 | 70,647 | 37,894 | 47,726 | 48,681 | 43,182 | 45,709 | 45,709 | 45,709 | 45,709 | 45,709 | 163,277 | 705,018 | 789,448 | 898,760 | |
| Water management | | 27,954 | 42,821 | 15,776 | 30,930 | 26,728 | 22,388 | 23,393 | 23,393 | 23,393 | 23,393 | 23,393 | 312,428 | 595,992 | 631,710 | 652,477 | |
| Waste water management | | 28 | 43 | 9,527 | 4,550 | 4,848 | 818 | 7,161 | 7,161 | 7,161 | 7,161 | 7,161 | 41 | 55,661 | 70,966 | 93,122 | |
| Waste management | | 2,614 | 3,016 | 2,910 | 2,907 | 4,008 | 3,560 | 3,534 | 3,534 | 3,534 | 3,534 | 3,534 | 5,656 | 42,342 | 39,911 | 41,221 | |
| Other | | | | 208 | 428 | 208 | | 0 | 0 | 0 | 0 | 0 | 2,511 | 3,356 | 3,866 | 3,973 | |
| Total Expenditure - Functional | | 166,185 | 196,459 | 172,616 | 189,420 | 208,660 | 183,483 | 162,846 | 162,846 | 162,846 | 162,846 | 162,846 | 723,201 | 2,654,252 | 2,575,004 | 2,751,059 | |
| Surplus/ (Deficit) 1. | | 149,967 | 105,731 | 20,742 | (49,916) | (12,090) | 127,644 | (32,923) | (35,614) | (33,891) | (33,923) | (34,621) | (280,907) | (119,803) | (133,001) | (105,573) | |

KZN252 Newcastle - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -

| Ref | Description | Budget Year 2020/21 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | | |
|-----|--|---------------------|----------------|-----------------|-----------------|-----------------|----------------|----------------|-----------------|------------------|-----------------|------------------|------------------|---|------------------------|------------------------|-----------------|--|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | | |
| | | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| | R thousands | | | | | | | | | | | | | | | | | |
| | Revenue By Source | | | | | | | | | | | | | | | | | |
| | Property rates | 36,375 | 26,772 | 29,051 | 27,852 | 26,489 | 27,916 | 27,959 | 25,741 | 26,587 | 22,458 | 58,751 | 362,426 | 380,548 | 401,478 | | | |
| | Service charges - electricity revenue | 56,568 | 62,823 | 59,303 | 51,899 | 48,389 | 48,077 | 51,046 | 46,699 | 59,547 | 59,526 | 133,367 | 726,407 | 795,873 | 874,762 | | | |
| | Service charges - water revenue | 14,280 | 15,996 | 16,656 | 17,357 | 13,422 | 15,367 | 15,186 | 12,875 | 13,689 | 12,453 | 26,843 | 187,084 | 203,605 | 214,803 | | | |
| | Service charges - sanitation revenue | 9,472 | 9,345 | 9,308 | 9,308 | 7,942 | 9,359 | 9,329 | 8,845 | 9,860 | 8,960 | 17,892 | 120,014 | 125,400 | 132,297 | | | |
| | Service charges - refuse revenue | 7,751 | 7,755 | 8,964 | 7,734 | 5,467 | 7,740 | 7,709 | 6,854 | 6,363 | 7,813 | 16,544 | 99,017 | 100,381 | 105,902 | | | |
| | Rental of facilities and equipment | 656 | 602 | 575 | 638 | 688 | 1,435 | 637 | 879 | 796 | 604 | 750 | 8,917 | 7,909 | 8,344 | | | |
| | Interest earned - external investments | 0 | 0 | 351 | 153 | 92 | 56 | 576 | 249 | 244 | 288 | 205 | 81 | 2,294 | 2,410 | 2,543 | | |
| | Interest earned - outstanding debtors | 314 | 282 | 310 | 402 | 302 | 507 | 324 | 355 | 346 | 364 | 442 | 4,247 | 4,875 | 5,143 | | | |
| | Dividends received | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| | Fines, penalties and forfeits | 27 | 193 | 243 | 462 | 536 | 494 | 363 | 102 | 589 | 192 | 630 | 3,944 | 2,210 | 2,332 | | | |
| | Licences and permits | 2 | 3 | 3 | 4 | 2 | 4 | 6 | 1 | 1 | - | 16 | 41 | 110 | 116 | | | |
| | Agency services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| | Transfers and subsidies | 175,186 | 169,978 | 32,899 | 26,375 | 55,878 | 191,888 | 79,891 | 24,175 | 15,859 | 10,957 | 59,945 | 842,932 | 633,136 | 648,973 | | | |
| | Other revenue | 855 | 1,116 | 2,532 | 899 | 779 | 546 | 694 | 2,059 | 1,352 | 1,900 | 4,153 | 18,364 | 22,036 | 23,248 | | | |
| | Gains | - | - | - | 338 | 613 | 552 | 107 | - | - | - | 1,027 | 2,638 | - | - | | | |
| | Total Revenue | 301,437 | 294,614 | 161,642 | 143,422 | 161,570 | 303,941 | 193,828 | 121,114 | 130,214 | 113,991 | 320,039 | 2,378,344 | 2,278,492 | 2,419,940 | | | |
| | Expenditure By Type | | | | | | | | | | | | | | | | | |
| | Employee related costs | 40,999 | 45,417 | 46,021 | 46,114 | 48,500 | 55,053 | 49,436 | 47,455 | 50,788 | 52,666 | 41,973 | 572,674 | 590,500 | 622,221 | | | |
| | Remuneration of councillors | 2,170 | 2,175 | 1,987 | 2,038 | 1,876 | 1,929 | 1,929 | 2,452 | 2,265 | 2,100 | 5,861 | 28,882 | 30,038 | 31,239 | | | |
| | Debt impairment | (0) | 2,975 | 2,767 | 2,073 | 654 | 1,612 | 4,511 | 14,520 | 14,520 | 14,520 | 202,309 | 274,982 | 294,878 | 306,673 | | | |
| | Depreciation & asset impairment | 28,399 | 26,892 | 27,167 | 28,932 | 26,997 | 124 | 30,251 | 40,114 | 40,666 | 41,996 | 32,547 | 365,084 | 390,035 | 401,736 | | | |
| | Finance charges | 3,335 | 3,360 | 3,306 | 3,321 | 3,287 | 3,320 | 3,161 | 3,666 | 2,988 | 3,877 | 2,233 | 39,754 | 41,424 | 43,247 | | | |
| | Bulk purchases | 61,412 | 63,776 | 37,895 | 37,750 | 37,806 | 36,650 | 44,887 | 57,890 | 38,979 | 33,566 | 71,017 | 557,138 | 649,066 | 759,407 | | | |
| | Other materials | 11,255 | 11,122 | 11,378 | 11,553 | 11,259 | 11,176 | 11,223 | 11,351 | 11,251 | 10,349 | 26,268 | 139,578 | 140,003 | 144,059 | | | |
| | Contracted services | 14,941 | 37,530 | 33,459 | 44,348 | 71,989 | 68,127 | 67,130 | 41,566 | 51,489 | 38,659 | 40,749 | 564,999 | 345,377 | 353,369 | | | |
| | Transfers and subsidies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| | Other expenditure | 3,675 | 3,211 | 8,626 | 13,251 | 6,293 | 5,491 | 9,595 | 11,509 | 10,358 | 10,997 | 16,545 | 110,501 | 93,682 | 89,107 | | | |
| | Losses | - | - | - | - | - | - | - | - | - | - | 659 | 659 | 1 | 1 | | | |
| | Total Expenditure | 166,185 | 196,459 | 172,606 | 189,420 | 208,660 | 183,483 | 202,846 | 218,319 | 238,882 | 208,705 | 440,160 | 2,654,252 | 2,575,004 | 2,751,059 | | | |
| | Surplus/(Deficit) | 135,302 | 98,156 | (10,964) | (45,998) | (47,091) | 120,458 | (9,017) | (85,839) | (117,768) | (94,714) | (120,121) | (275,908) | (296,512) | (331,119) | | | |
| | Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | | | | | | | | | | | | | | | | |
| | Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 2,565 | 5,241 | 12,570 | 7,116 | 17,643 | 9,050 | 2,486 | 58,000 | | | 41,423 | 156,105 | 132,014 | 132,285 | | | |
| | Transfers and subsidies - capital (in-kind - all) | | | | | | | | | | | | | | | | | |
| | Surplus/(Deficit) after capital transfers & contributions | 137,867 | 103,397 | 1,607 | (38,882) | (29,447) | 129,508 | (6,522) | (85,839) | (59,763) | (94,714) | (78,698) | (119,804) | (164,497) | (198,834) | | | |

KZN252 Newcastle - Supporting Table SB15 Adjustments Budget - monthly cash flow -

| Ref | Monthly cash flows | Budget Year 2020/21 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|-----|--|---------------------|----------|----------|----------|----------|----------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|--|
| | | July | August | Sept | October | November | December | January | February | March | April | May | June | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | |
| | | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| 1 | Cash Receipts By Source | | | | | | | | | | | | | | | | |
| | Property rates | 34,099 | 13,457 | 24,524 | 28,694 | 28,804 | 28,873 | 28,868 | 24,083 | 24,083 | 14,083 | 6,083 | 7,216 | 282,868 | 299,499 | 317,469 | |
| | Service charges - electricity revenue | 52,762 | 46,594 | 48,709 | 58,340 | 65,430 | 58,508 | 44,909 | 50,204 | 56,204 | 60,204 | 62,204 | (5,468) | 598,608 | 642,673 | 684,847 | |
| | Service charges - water revenue | 10,469 | 11,241 | 11,658 | 7,869 | 10,426 | 16,009 | 10,107 | 9,895 | 6,895 | 6,895 | 5,895 | 6,698 | 114,077 | 120,922 | 133,177 | |
| | Service charges - sanitation revenue | 10,166 | 6,065 | 7,935 | 5,216 | 3,680 | 7,990 | 4,674 | 5,474 | 5,474 | 5,474 | 5,474 | (1,995) | 65,625 | 69,592 | 76,736 | |
| | Service charges - refuse | 8,644 | 4,818 | 6,085 | 4,061 | 5,440 | 4,105 | 5,881 | 5,090 | 4,090 | 3,090 | 4,090 | 9,253 | 64,648 | 68,527 | 77,638 | |
| | Rental of facilities and equipment | 656 | 602 | 575 | 638 | 658 | 1,435 | 637 | 706 | 606 | 706 | 706 | (484) | 7,442 | 7,898 | 8,362 | |
| | Interest earned - external investments | 114 | 288 | 461 | 153 | 72 | 76 | 176 | 208 | 208 | 208 | 208 | 221 | 2,373 | 2,747 | 3,021 | |
| | Interest earned - outstanding debtors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Dividends received | 27 | 193 | 43 | 62 | 36 | 94 | 63 | - | - | 60 | - | 578 | 1,292 | 1,370 | 1,452 | |
| | Fines, penalties and forfeits | 2 | 3 | 3 | 4 | 2 | 4 | 6 | 1 | 1 | 1 | 1 | (12) | 15 | 16 | 17 | |
| | Licences and permits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Agency services | 175,079 | 18,538 | 22,980 | 27,446 | 48,224 | 258,128 | 15,000 | 49,175 | 15,859 | 28,957 | 35,013 | 6,986 | 701,384 | 579,227 | 584,689 | |
| | Transfers and Subsidies - Operational | 314 | 1,116 | - | 899 | 1,613 | 546 | 694 | 1,311 | 1,311 | 1,311 | 1,311 | 8,440 | 18,865 | 18,087 | 29,461 | |
| | Other revenue | 292,353 | 102,895 | 122,973 | 133,382 | 164,385 | 375,767 | 111,017 | 146,196 | 114,815 | 120,988 | 120,984 | 31,442 | 1,837,197 | 1,810,517 | 1,918,849 | |
| | Cash Receipts by Source | | | | | | | | | | | | | | | | |
| | Other Cash Flows by Source | | | | | | | | | | | | | | | | |
| | Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 41,709 | - | 29,865 | - | - | 20,000 | - | 45,000 | - | - | - | (27,570) | 108,904 | 174,290 | 187,136 | |
| | Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Proceeds on Disposal of Fixed and Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Short term loans | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Borrowing long term/re-financing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Increase (decrease) in consumer deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Decrease (increase) in non-current receivables | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Total Cash Receipts by Source | 334,062 | 102,895 | 152,838 | 133,382 | 164,385 | 395,767 | 111,017 | 146,196 | 159,815 | 120,988 | 120,984 | 21,773 | 1,964,101 | 2,006,807 | 2,127,985 | |
| | Cash Payments by Type | | | | | | | | | | | | | | | | |
| | Employee related costs | 40,999 | 45,417 | 46,021 | 46,114 | 48,500 | 55,053 | 49,436 | 48,252 | 47,455 | 50,788 | 52,666 | 13,751 | 544,453 | 590,500 | 622,221 | |
| | Remuneration of councillors | 2,170 | 2,175 | 1,987 | 2,038 | 1,876 | 1,929 | 1,929 | 2,452 | 2,265 | 2,100 | 2,100 | 4,438 | 27,480 | 30,038 | 31,239 | |
| | Finance charges | 3,335 | 3,360 | 3,306 | 3,321 | 3,287 | 3,320 | 3,161 | 3,666 | 3,988 | 3,877 | 3,900 | 1,233 | 39,754 | 41,424 | 43,247 | |
| | Bulk purchases - Electricity | - | - | - | - | - | - | - | 29,545 | 43,887 | 46,890 | 47,879 | 415,665 | 583,866 | 736,666 | 899,007 | |
| | Bulk purchases - Water & Sewer | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Other materials | 11,255 | 12,350 | - | 44,348 | 71,989 | 68,127 | 10,509 | 361 | 251 | 354 | 349 | 69,124 | 139,578 | 140,003 | 144,069 | |
| | Contracted services | 4,178 | 37,530 | 33,459 | - | - | 68,127 | 27,130 | 8,566 | 6,489 | 10,699 | 13,659 | 238,026 | 564,999 | 345,377 | 353,369 | |
| | Transfers and grants - other municipalities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Transfers and grants - other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Other expenditure | 11,896 | 11,894 | 9,991 | 8,266 | 8,964 | 7,129 | 8,753 | 9,009 | 9,358 | 8,497 | 8,450 | 51,068 | 153,266 | 60,315 | 93,396 | |
| | Cash Payments by Type | 73,832 | 112,717 | 94,764 | 104,088 | 134,615 | 170,594 | 100,918 | 101,842 | 113,693 | 123,205 | 129,001 | 794,095 | 2,053,365 | 1,944,323 | 2,146,537 | |
| | Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | | |
| | Capital assets | (2,565) | (5,241) | (12,862) | (15,386) | (16,788) | 1,943 | 1,943 | 14,817 | 14,817 | 14,817 | 13,317 | 178,625 | 185,393 | 142,514 | 142,285 | |
| | Repayment of borrowing | (7,874) | (16,275) | 800 | 3,320 | 3,287 | 3,049 | 3,049 | - | - | - | - | 47,578 | 31,864 | 32,106 | 34,082 | |
| | Other Cash Flows/Payments | 134,545 | (47,594) | - | - | - | - | - | - | - | - | - | (86,951) | - | - | - | |
| | Total Cash Payments by Type | 197,939 | 41,606 | 82,702 | 92,021 | 121,114 | 170,594 | 105,810 | 116,659 | 128,510 | 138,022 | 142,318 | 933,347 | 2,270,643 | 2,118,943 | 2,322,904 | |
| | NET INCREASE/(DECREASE) IN CASH HELD | 136,123 | 61,289 | 70,137 | 41,361 | 43,271 | 225,173 | 5,207 | 29,537 | 31,304 | (17,034) | (21,334) | (911,575) | (306,542) | (112,136) | (194,919) | |
| | Cash/cash equivalents at the month/year beginning: | 36,244 | 172,367 | 233,656 | 303,792 | 345,154 | 388,424 | 613,998 | 618,805 | 648,342 | 679,646 | 682,612 | 641,277 | 36,244 | (270,297) | (382,433) | |
| | Cash/cash equivalents at the month/year end: | 172,367 | 233,656 | 303,792 | 345,154 | 388,424 | 613,998 | 618,805 | 648,342 | 679,646 | 662,612 | 641,277 | (270,297) | (270,297) | (382,433) | (577,352) | |

KZN252 Newcastle - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) -

| Ref | Description - Municipal Vote | Budget Year 2020/21 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|-------------|--|---------------------|---------|---------|---------|----------|----------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|---|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | |
| | | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| R thousands | | | | | | | | | | | | | | | | | |
| 1 | <u>Multi-year expenditure appropriation</u> | | | | | | | | | | | | | | | | |
| | Vote 1 - CORPORATE SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 2 - COMMUNITY SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 3 - BUDGET AND TREASURY | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 4 - MUNICIPAL MANAGER | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETT | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 6 - TECHNICAL SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 8 - [NAME OF VOTE 8] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 9 - [NAME OF VOTE 9] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 10 - [NAME OF VOTE 10] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 11 - [NAME OF VOTE 11] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 12 - [NAME OF VOTE 12] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 13 - [NAME OF VOTE 13] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 14 - [NAME OF VOTE 14] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 15 - [NAME OF VOTE 15] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | <u>Capital Multi-year expenditure sub-total</u> | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | <u>Single-year expenditure appropriation</u> | | | | | | | | | | | | | | | | |
| | Vote 1 - CORPORATE SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 2 - COMMUNITY SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 3 - BUDGET AND TREASURY | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 4 - MUNICIPAL MANAGER | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETT | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 6 - TECHNICAL SERVICES | 2,565 | 4,832 | 12,570 | 14,355 | 12,689 | 5,934 | 12,543 | 10,900 | 14,000 | 10,000 | 22,481 | 139,971 | 131,670 | 129,838 | - | - |
| | Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 8 - [NAME OF VOTE 8] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 9 - [NAME OF VOTE 9] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 10 - [NAME OF VOTE 10] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 11 - [NAME OF VOTE 11] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 12 - [NAME OF VOTE 12] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 13 - [NAME OF VOTE 13] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 14 - [NAME OF VOTE 14] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Vote 15 - [NAME OF VOTE 15] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | <u>Capital single-year expenditure sub-total</u> | 2,565 | 5,241 | 12,862 | 15,392 | 16,788 | 9,134 | 14,340 | 28,974 | 14,665 | 16,323 | 13,222 | 185,393 | 142,514 | 142,285 | - | - |
| 2 | <u>Total Capital Expenditure</u> | 2,565 | 5,241 | 12,862 | 15,392 | 16,788 | 9,134 | 14,340 | 28,974 | 14,665 | 16,323 | 13,222 | 185,393 | 142,514 | 142,285 | - | - |

KZN252 Newcastle - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|---|-----|---------------------|---------|---------|---------|----------|----------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|---|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | |
| | | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| R thousands | | | | | | | | | | | | | | | | | |
| Capital Expenditure - Functional | | | | | | | | | | | | | | | | | |
| Governance and administration | | | | | | | | | | | | | | | | | |
| Executive and council | | - | - | 24 | 304 | 926 | 63 | - | 800 | 50 | 1,000 | 750 | 1,287 | 5,204 | - | - | - |
| Finance and administration | | - | - | 24 | 304 | 926 | 63 | - | 800 | 50 | 1,000 | 750 | 1,100 | 4,966 | - | - | - |
| Internal audit | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Community and public safety | | | | | | | | | | | | | | | | | |
| Community and social services | | - | - | 268 | 377 | 258 | 3,137 | 104 | 772 | 1,301 | 2,916 | 299 | 4,206 | 13,637 | 10,845 | 12,447 | - |
| Sport and recreation | | - | - | 268 | 377 | 258 | 21 | 50 | 450 | 1,301 | 2,815 | - | 516 | 1,480 | 485 | - | - |
| Public safety | | - | - | - | - | - | 3,116 | 54 | - | - | - | - | 3,363 | 11,098 | 10,350 | 12,447 | - |
| Housing | | - | - | - | - | - | - | - | 322 | - | 101 | 299 | 328 | 1,049 | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | | | | | | | | | | | | | | | | |
| Planning and development | | 1,071 | 409 | 5,011 | 9,130 | 3,168 | 1,356 | 2,560 | 2,000 | 3,000 | 10,500 | 6,065 | 14,114 | 58,384 | 24,100 | 24,200 | - |
| Road transport | | - | - | - | 408 | 2,914 | - | 1,893 | 2,000 | 3,000 | 6,500 | 2,500 | 6,466 | 25,471 | 100 | 200 | - |
| Environmental protection | | 1,071 | 409 | 5,011 | 8,723 | 253 | 1,356 | 866 | - | - | 4,000 | 3,555 | 7,658 | 32,913 | 24,000 | 24,000 | - |
| Trading services | | | | | | | | | | | | | | | | | |
| Energy sources | | 1,494 | 4,832 | 608 | 5,581 | 12,436 | 4,377 | 1,676 | 12,708 | 13,450 | 15,101 | 13,715 | 21,988 | 108,167 | 107,570 | 105,638 | - |
| Water management | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Waste water management | | 1,494 | 3,905 | - | 5,184 | 7,301 | 1,429 | 1,208 | 5,954 | 9,000 | 9,801 | 8,900 | 10,403 | 64,577 | 71,570 | 69,152 | - |
| Waste management | | - | 928 | 608 | 397 | 5,135 | 3,149 | 469 | 6,754 | 4,450 | 5,301 | 4,815 | 10,362 | 42,366 | 36,000 | 36,486 | - |
| Other | | - | - | - | - | - | - | - | - | - | - | - | 1,224 | 1,224 | - | - | - |
| Total Capital Expenditure - Functional | | 2,565 | 5,241 | 5,910 | 15,392 | 16,788 | 9,134 | 4,340 | 16,280 | 17,801 | 29,517 | 20,828 | 41,596 | 185,392 | 142,514 | 142,285 | - |

| | | | | | | | | | | | | |
|---|-------|--------|---|---|---|-------|---------|----------|-------|--------|--------|--------|
| Conservation Areas | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Heritage | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - | - |
| Revenue Generating | - | - | - | - | - | - | - | - | - | - | - | - |
| Improved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | - | - | - | - | - | - | - | - | - | - | - | - |
| Improved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Operational Buildings | - | - | - | - | - | - | - | - | - | - | - | - |
| Municipal Offices | - | - | - | - | - | - | - | - | - | - | - | - |
| Pay/Enquiry Points | - | - | - | - | - | - | - | - | - | - | - | - |
| Building Plan Offices | - | - | - | - | - | - | - | - | - | - | - | - |
| Workshops | - | - | - | - | - | - | - | - | - | - | - | - |
| Yards | - | - | - | - | - | - | - | - | - | - | - | - |
| Stores | - | - | - | - | - | - | - | - | - | - | - | - |
| Laboratories | - | - | - | - | - | - | - | - | - | - | - | - |
| Training Centres | - | - | - | - | - | - | - | - | - | - | - | - |
| Manufacturing Plant | - | - | - | - | - | - | - | - | - | - | - | - |
| Depots | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - | - | - | - |
| Staff Housing | - | - | - | - | - | - | - | - | - | - | - | - |
| Social Housing | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Service Licences | - | - | - | - | - | - | - | - | - | - | - | - |
| Licences and Rights | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Rights | - | - | - | - | - | - | - | - | - | - | - | - |
| Effluent Licences | - | - | - | - | - | - | - | - | - | - | - | - |
| Solid Waste Licences | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Software and Applications | - | - | - | - | - | - | - | - | - | - | - | - |
| Load Settlement Software Applications | - | - | - | - | - | - | - | - | - | - | - | - |
| Unspecified | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | 1,350 | - | - | - | - | - | 110 | 110 | 1,460 | 1,180 | 1,700 | - |
| Furniture and Office Equipment | 1,350 | - | - | - | - | - | 110 | 110 | 1,460 | 1,180 | 1,700 | - |
| Machinery and Equipment | - | - | - | - | - | 1,224 | 1,614 | 2,838 | 2,838 | 2,000 | 2,000 | - |
| Machinery and Equipment | - | - | - | - | - | 1,224 | 1,614 | 2,838 | 2,838 | 2,000 | 2,000 | - |
| Transport Assets | 3,200 | - | - | - | - | - | (1,972) | (2,672) | 628 | - | - | - |
| Transport Assets | 3,200 | - | - | - | - | - | (1,972) | (2,672) | 628 | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure on new assets to be adjusted | 1 | 70,770 | - | - | - | - | 11,958 | (12,648) | (690) | 70,080 | 51,899 | 58,045 |

| | | | | | | | | | | | | | | | | | | |
|---|----------|--------------|--|--|--|--|--|--|--|--------------|--------------|---------------|---------------|---------------|--|--|--|--|
| Monuments | | | | | | | | | | | | | | | | | | |
| Historic Buildings | | | | | | | | | | | | | | | | | | |
| Works of Art | | | | | | | | | | | | | | | | | | |
| Conservation Areas | | | | | | | | | | | | | | | | | | |
| Other Heritage | | | | | | | | | | | | | | | | | | |
| Investment properties | | | | | | | | | | | | | | | | | | |
| Revenue Generating | | | | | | | | | | | | | | | | | | |
| Improved Property | | | | | | | | | | | | | | | | | | |
| Unimproved Property | | | | | | | | | | | | | | | | | | |
| Non-revenue Generating | | | | | | | | | | | | | | | | | | |
| Improved Property | | | | | | | | | | | | | | | | | | |
| Unimproved Property | | | | | | | | | | | | | | | | | | |
| Other assets | | | | | | | | | | | | | | | | | | |
| Operational Buildings | | | | | | | | | | | | | | | | | | |
| Municipal Offices | | | | | | | | | | | | | | | | | | |
| Paying Points | | | | | | | | | | | | | | | | | | |
| Building Plan Offices | | | | | | | | | | | | | | | | | | |
| Workshops | | | | | | | | | | | | | | | | | | |
| Yards | | | | | | | | | | | | | | | | | | |
| Stores | | | | | | | | | | | | | | | | | | |
| Laboratories | | | | | | | | | | | | | | | | | | |
| Training Centres | | | | | | | | | | | | | | | | | | |
| Manufacturing Plant | | | | | | | | | | | | | | | | | | |
| Depots | | | | | | | | | | | | | | | | | | |
| Capital Spares | | | | | | | | | | | | | | | | | | |
| Housing | | | | | | | | | | | | | | | | | | |
| Staff Housing | | | | | | | | | | | | | | | | | | |
| Social Housing | | | | | | | | | | | | | | | | | | |
| Capital Spares | | | | | | | | | | | | | | | | | | |
| Biological or Cultivated Assets | | | | | | | | | | | | | | | | | | |
| Biological or Cultivated Assets | | | | | | | | | | | | | | | | | | |
| Intangible Assets | | | | | | | | | | | | | | | | | | |
| Servitudes | | | | | | | | | | | | | | | | | | |
| Licences and Rights | | | | | | | | | | | | | | | | | | |
| Water Rights | | | | | | | | | | | | | | | | | | |
| Effluent Licenses | | | | | | | | | | | | | | | | | | |
| Solid Waste Licenses | | | | | | | | | | | | | | | | | | |
| Computer Software and Applications | | | | | | | | | | | | | | | | | | |
| Local Settlement Software Applications | | | | | | | | | | | | | | | | | | |
| Unspecified | | | | | | | | | | | | | | | | | | |
| Computer Equipment | | | | | | | | | | | | | | | | | | |
| Computer Equipment | | | | | | | | | | | | | | | | | | |
| Furniture and Office Equipment | | | | | | | | | | | | | | | | | | |
| Furniture and Office Equipment | | | | | | | | | | | | | | | | | | |
| Machinery and Equipment | | | | | | | | | | | | | | | | | | |
| Machinery and Equipment | | | | | | | | | | | | | | | | | | |
| Transport Assets | | | | | | | | | | | | | | | | | | |
| Transport Assets | | | | | | | | | | | | | | | | | | |
| Land | | | | | | | | | | | | | | | | | | |
| Land | | | | | | | | | | | | | | | | | | |
| Zoo's, Marine and Non-Biological Animals | | | | | | | | | | | | | | | | | | |
| Zoo's, Marine and Non-Biological Animals | | | | | | | | | | | | | | | | | | |
| Total Capital Expenditure on renewal of existing assets to be adjusted | 1 | 9,000 | | | | | | | | 1,663 | 1,663 | 10,663 | 16,000 | 15,400 | | | | |

KZN252 Newcastle - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class -

| Description | Ref | Budget Year 2020/21 | | | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Net. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 7 A1 | 8 B | 9 C | 10 D | 11 E | 12 F | 13 G | 14 H | | |
| R thousands | | | | | | | | | | | | |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | | | | |
| Infrastructure | | 71,033 | - | - | - | - | (2,493) | (6,220) | (8,713) | 62,320 | 95,971 | 102,558 |
| Roads Infrastructure | | 4,486 | - | - | - | - | - | 576 | 576 | 5,042 | 35,476 | 32,869 |
| Roads | | 4,466 | - | - | - | - | - | 576 | 576 | 5,042 | 35,476 | 32,869 |
| Road Structures | | - | - | - | - | - | - | - | - | - | - | - |
| Road Furniture | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Storm water Infrastructure | | 18,422 | - | - | - | - | - | (155) | (155) | 18,266 | - | - |
| Drainage Collection | | - | - | - | - | - | - | - | - | - | - | - |
| Storm water Conveyance | | 18,422 | - | - | - | - | - | (155) | (155) | 18,266 | - | - |
| Attenuation | | - | - | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | 7,231 | - | - | - | - | - | - | - | 7,231 | 9,357 | 9,819 |
| Power Plants | | - | - | - | - | - | - | - | - | - | - | - |
| HV Substations | | 7,231 | - | - | - | - | - | - | - | 7,231 | 9,357 | 9,819 |
| HV Switching Station | | - | - | - | - | - | - | - | - | - | - | - |
| HV Transmission Conductors | | - | - | - | - | - | - | - | - | - | - | - |
| MV Substations | | - | - | - | - | - | - | - | - | - | - | - |
| MV Switching Stations | | - | - | - | - | - | - | - | - | - | - | - |
| MV Networks | | - | - | - | - | - | - | - | - | - | - | - |
| LV Networks | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | 11,466 | - | - | - | - | 2,307 | (1,750) | 557 | 12,022 | 25,262 | 25,458 |
| Dams and Weirs | | - | - | - | - | - | - | - | - | - | - | - |
| Boreholes | | - | - | - | - | - | - | - | - | - | - | - |
| Reservoirs | | - | - | - | - | - | - | - | - | - | - | - |
| Pump Stations | | 5,034 | - | - | - | - | - | (1,500) | (1,500) | 3,534 | 3,282 | 3,458 |
| Water Treatment Works | | 5,000 | - | - | - | - | 2,307 | - | 2,307 | 7,307 | 22,000 | 22,000 |
| Bulk Mains | | - | - | - | - | - | - | - | - | - | - | - |
| Distribution | | 1,432 | - | - | - | - | - | (250) | (250) | 1,182 | - | - |
| Distribution Points | | - | - | - | - | - | - | - | - | - | - | - |
| PRV Stations | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Sanitation Infrastructure | | 27,383 | - | - | - | - | (4,800) | (2,825) | (7,625) | 19,758 | 25,876 | 34,312 |
| Pump Station | | - | - | - | - | - | - | - | - | - | - | - |
| Reticulation | | 2,463 | - | - | - | - | - | - | - | 2,463 | - | - |
| Waste Water Treatment Works | | 5,000 | - | - | - | - | 800 | - | 800 | 5,800 | 3,146 | 3,335 |
| Outfall Sewers | | - | - | - | - | - | - | - | - | - | - | - |
| Toilet Facilities | | 19,920 | - | - | - | - | (5,600) | (2,825) | (8,425) | 11,495 | 22,730 | 30,977 |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | 2,065 | - | - | - | - | - | (2,065) | (2,065) | 0 | - | - |
| Landfill Sites | | - | - | - | - | - | - | - | - | - | - | - |
| Waste Transfer Stations | | - | - | - | - | - | - | - | - | - | - | - |
| Waste Processing Facilities | | 2,065 | - | - | - | - | - | (2,065) | (2,065) | 0 | - | - |
| Waste Drop-off Points | | - | - | - | - | - | - | - | - | - | - | - |
| Waste Separation Facilities | | - | - | - | - | - | - | - | - | - | - | - |
| Electricity Generation Facilities | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Rail Lines | | - | - | - | - | - | - | - | - | - | - | - |
| Rail Structures | | - | - | - | - | - | - | - | - | - | - | - |
| Rail Furniture | | - | - | - | - | - | - | - | - | - | - | - |
| Drainage Collection | | - | - | - | - | - | - | - | - | - | - | - |
| Storm water Conveyance | | - | - | - | - | - | - | - | - | - | - | - |
| Attenuation | | - | - | - | - | - | - | - | - | - | - | - |
| MV Substations | | - | - | - | - | - | - | - | - | - | - | - |
| LV Networks | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Sand Pumps | | - | - | - | - | - | - | - | - | - | - | - |
| Piers | | - | - | - | - | - | - | - | - | - | - | - |
| Revetments | | - | - | - | - | - | - | - | - | - | - | - |
| Promenades | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - | - | - |
| Data Centres | | - | - | - | - | - | - | - | - | - | - | - |
| Core Layers | | - | - | - | - | - | - | - | - | - | - | - |
| Distribution Layers | | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - | - | - |
| Community Assets | | 2,065 | - | - | - | - | (224) | (159) | (383) | 1,682 | 1,391 | 1,474 |
| Community Facilities | | 1,767 | - | - | - | - | (224) | (156) | (380) | 1,367 | 1,075 | 1,140 |
| Halls | | 185 | - | - | - | - | - | 3 | 3 | 188 | - | - |

| | | | | | | | | | | | |
|---|-------|--------|---|---|-------|---------|---------|---------|--------|---------|---------|
| Centres | - | - | - | - | - | - | - | - | - | - | |
| Crèches | - | - | - | - | - | - | - | - | - | - | |
| Clinics/Care Centres | - | - | - | - | - | - | - | - | - | - | |
| Fire/Ambulance Stations | - | - | - | - | - | - | - | - | - | - | |
| Testing Stations | - | - | - | - | - | - | - | - | - | - | |
| Museums | 8 | - | - | - | (224) | (0) | (225) | (217) | - | - | |
| Galleries | - | - | - | - | - | - | - | - | - | - | |
| Theatres | - | - | - | - | - | - | - | - | - | - | |
| Libraries | 29 | - | - | - | - | 99 | 99 | 128 | - | - | |
| Cemeteries/Crematoria | - | - | - | - | - | - | - | - | - | - | |
| Police | - | - | - | - | - | - | - | - | - | - | |
| Parks | - | - | - | - | - | - | - | - | - | - | |
| Public Open Space | 580 | - | - | - | - | (50) | (56) | 502 | 112 | 119 | |
| Nature Reserves | - | - | - | - | - | - | - | - | - | - | |
| Public Ablution Facilities | - | - | - | - | - | - | - | - | - | - | |
| Markets | - | - | - | - | - | - | - | - | - | - | |
| Stalls | 115 | - | - | - | - | (36) | (36) | 79 | - | - | |
| Abattoirs | - | - | - | - | - | - | - | - | - | - | |
| Airports | 681 | - | - | - | - | (284) | (284) | 397 | 912 | 957 | |
| Taxi Ranks/Bus Terminals | - | - | - | - | - | - | - | - | - | - | |
| Capital Spares | 190 | - | - | - | - | 120 | 120 | 310 | 60 | 54 | |
| Sport and Recreation Facilities | 298 | - | - | - | - | (3) | (3) | 295 | 316 | 335 | |
| Indoor Facilities | 183 | - | - | - | - | - | - | 183 | 194 | 206 | |
| Outdoor Facilities | 115 | - | - | - | - | (3) | (3) | 112 | 122 | 129 | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | |
| Monuments | - | - | - | - | - | - | - | - | - | - | |
| Historic Buildings | - | - | - | - | - | - | - | - | - | - | |
| Works of Art | - | - | - | - | - | - | - | - | - | - | |
| Conservation Areas | - | - | - | - | - | - | - | - | - | - | |
| Other Heritage | - | - | - | - | - | - | - | - | - | - | |
| Investment properties | - | - | - | - | - | - | - | - | - | - | |
| Revenue Generating | - | - | - | - | - | - | - | - | - | - | |
| Improved Property | - | - | - | - | - | - | - | - | - | - | |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | |
| Non-revenue Generating | - | - | - | - | - | - | - | - | - | - | |
| Improved Property | - | - | - | - | - | - | - | - | - | - | |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | |
| Other assets | 4,419 | - | - | - | - | (347) | (347) | 4,072 | 3,097 | 262 | |
| Operational Buildings | 3,367 | - | - | - | - | (101) | (101) | 3,266 | 2,850 | - | |
| Municipal Offices | 3,260 | - | - | - | - | (101) | (101) | 3,159 | 2,850 | - | |
| Pay/Equity Points | - | - | - | - | - | - | - | - | - | - | |
| Building Plan Offices | - | - | - | - | - | - | - | - | - | - | |
| Workshops | 43 | - | - | - | - | - | - | 43 | - | - | |
| Yards | - | - | - | - | - | - | - | - | - | - | |
| Stores | 64 | - | - | - | - | - | - | 64 | - | - | |
| Laboratories | - | - | - | - | - | - | - | - | - | - | |
| Training Centres | - | - | - | - | - | - | - | - | - | - | |
| Manufacturing Plant | - | - | - | - | - | - | - | - | - | - | |
| Dapots | - | - | - | - | - | - | - | - | - | - | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | |
| Housing | 1,052 | - | - | - | - | (246) | (246) | 806 | 247 | 262 | |
| Staff Housing | 603 | - | - | - | - | (224) | (224) | 379 | 247 | 262 | |
| Social Housing | 449 | - | - | - | - | (22) | (22) | 427 | - | - | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | |
| Intangible Assets | 3,109 | - | - | - | - | (100) | (100) | 3,009 | 3,964 | 4,201 | |
| Servitudes | - | - | - | - | - | - | - | - | - | - | |
| Licences and Rights | 3,109 | - | - | - | - | (100) | (100) | 3,009 | 3,964 | 4,201 | |
| Water Rights | - | - | - | - | - | - | - | - | - | - | |
| Effluent Licenses | - | - | - | - | - | - | - | - | - | - | |
| Solid Waste Licenses | - | - | - | - | - | - | - | - | - | - | |
| Computer Software and Applications | 3,109 | - | - | - | - | (100) | (100) | 3,009 | 3,964 | 4,201 | |
| Load Settlement Software Applications | - | - | - | - | - | - | - | - | - | - | |
| Unspecified | - | - | - | - | - | - | - | - | - | - | |
| Computer Equipment | - | - | - | - | - | (100) | 1,739 | 1,639 | 1,639 | - | |
| Computer Equipment | - | - | - | - | - | (100) | 1,739 | 1,639 | 1,639 | - | |
| Furniture and Office Equipment | 38 | - | - | - | - | (1) | (1) | 37 | - | - | |
| Furniture and Office Equipment | 38 | - | - | - | - | (1) | (1) | 37 | - | - | |
| Machinery and Equipment | 5,830 | - | - | - | - | 239 | 239 | 6,070 | 11,070 | 11,734 | |
| Machinery and Equipment | 5,830 | - | - | - | - | 239 | 239 | 6,070 | 11,070 | 11,734 | |
| Transport Assets | - | - | - | - | - | - | - | - | - | - | |
| Transport Assets | - | - | - | - | - | - | - | - | - | - | |
| Land | - | - | - | - | - | - | - | - | - | - | |
| Land | - | - | - | - | - | - | - | - | - | - | |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | |
| Total Repairs and Maintenance Expenditure to be adjusted | 1 | 86,495 | - | - | - | (2,818) | (4,848) | (7,666) | 78,829 | 115,493 | 120,229 |

| | | | | | | | | | | | | |
|---|--------|---------|---|---|---|---|---|----------|----------|---------|---------|---------|
| Centres | - | - | - | - | - | - | - | - | - | - | - | |
| Crèches | - | - | - | - | - | - | - | - | - | - | - | |
| Clinics/Care Centres | - | - | - | - | - | - | - | - | - | - | - | |
| Fires/Ambulance Stations | - | - | - | - | - | - | - | - | - | - | - | |
| Testing Stations | - | - | - | - | - | - | - | - | - | - | - | |
| Museums | - | - | - | - | - | - | - | - | - | - | - | |
| Galleries | - | - | - | - | - | - | - | - | - | - | - | |
| Theatres | - | - | - | - | - | - | - | - | - | - | - | |
| Libraries | - | - | - | - | - | - | - | - | - | - | - | |
| Crematoria/Crematoria | - | - | - | - | - | - | - | - | - | - | - | |
| Police | - | - | - | - | - | - | - | - | - | - | - | |
| Pris | - | - | - | - | - | - | - | - | - | - | - | |
| Public Open Space | - | - | - | - | - | - | - | - | - | - | - | |
| Nature Reserves | - | - | - | - | - | - | - | - | - | - | - | |
| Public Ablution Facilities | - | - | - | - | - | - | - | - | - | - | - | |
| Markets | - | - | - | - | - | - | - | - | - | - | - | |
| Stalls | - | - | - | - | - | - | - | - | - | - | - | |
| Abattoirs | - | - | - | - | - | - | - | - | - | - | - | |
| Airports | - | - | - | - | - | - | - | - | - | - | - | |
| Taxi Rank/Bus Terminals | - | - | - | - | - | - | - | - | - | - | - | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | |
| Sport and Recreation Facilities | 6 | - | - | - | - | - | - | - | - | 6 | - | |
| Indoor Facilities | 5 | - | - | - | - | - | - | - | - | 6 | - | |
| Outdoor Facilities | - | - | - | - | - | - | - | - | - | - | - | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - | |
| Monuments | - | - | - | - | - | - | - | - | - | - | - | |
| Historic Buildings | - | - | - | - | - | - | - | - | - | - | - | |
| Works of Art | - | - | - | - | - | - | - | - | - | - | - | |
| Conservation Areas | - | - | - | - | - | - | - | - | - | - | - | |
| Other Heritage | - | - | - | - | - | - | - | - | - | - | - | |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - | |
| Revenue Generating | - | - | - | - | - | - | - | - | - | - | - | |
| Improved Property | - | - | - | - | - | - | - | - | - | - | - | |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | - | |
| Non-revenue Generating | - | - | - | - | - | - | - | - | - | - | - | |
| Improved Property | - | - | - | - | - | - | - | - | - | - | - | |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | - | |
| Other assets | 61,998 | - | - | - | - | - | - | - | - | 61,998 | - | |
| Operational Buildings | 61,998 | - | - | - | - | - | - | - | - | 61,998 | - | |
| Municipal Offices | 61,998 | - | - | - | - | - | - | - | - | 61,998 | - | |
| Pty/Enquiry Points | - | - | - | - | - | - | - | - | - | - | - | |
| Building Plan Offices | - | - | - | - | - | - | - | - | - | - | - | |
| Workshops | - | - | - | - | - | - | - | - | - | - | - | |
| Yards | - | - | - | - | - | - | - | - | - | - | - | |
| Stores | - | - | - | - | - | - | - | - | - | - | - | |
| Laboratories | - | - | - | - | - | - | - | - | - | - | - | |
| Training Centres | - | - | - | - | - | - | - | - | - | - | - | |
| Manufacturing Plant | - | - | - | - | - | - | - | - | - | - | - | |
| Depots | - | - | - | - | - | - | - | - | - | - | - | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | |
| Housing | - | - | - | - | - | - | - | - | - | - | - | |
| Staff Housing | - | - | - | - | - | - | - | - | - | - | - | |
| Social Housing | - | - | - | - | - | - | - | - | - | - | - | |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | - | |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | - | |
| Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | |
| Service Concessions | - | - | - | - | - | - | - | - | - | - | - | |
| Licences and Rights | - | - | - | - | - | - | - | - | - | - | - | |
| Water Rights | - | - | - | - | - | - | - | - | - | - | - | |
| Effluent Licenses | - | - | - | - | - | - | - | - | - | - | - | |
| Solid Waste Licenses | - | - | - | - | - | - | - | - | - | - | - | |
| Computer Software and Applications | - | - | - | - | - | - | - | - | - | - | - | |
| Lead Settlement Software Applications | - | - | - | - | - | - | - | - | - | - | - | |
| Unspecified | - | - | - | - | - | - | - | - | - | - | - | |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Furniture and Office Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Furniture and Office Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Machinery and Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Machinery and Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Transport Assets | - | - | - | - | - | - | - | - | - | - | - | |
| Transport Assets | - | - | - | - | - | - | - | - | - | - | - | |
| Land | - | - | - | - | - | - | - | - | - | - | - | |
| Land | - | - | - | - | - | - | - | - | - | - | - | |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | - | |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | - | |
| Total Depreciation to be adjusted | 1 | 378,875 | - | - | - | - | - | (13,592) | (13,592) | 365,284 | 380,035 | 401,736 |

| | | | | | | | | | | | | |
|---|--------|--------|---|---|---|---|--------|--------|--------|---------|--------|--------|
| Sport and Recreation Facilities | 11,000 | - | - | - | - | - | - | - | - | 11,000 | - | - |
| Indoor Facilities | - | - | - | - | - | - | - | - | - | - | - | - |
| Outdoor Facilities | 11,000 | - | - | - | - | - | - | - | - | 11,000 | - | - |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | - |
| Heritage Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Monuments | - | - | - | - | - | - | - | - | - | - | - | - |
| Historic Buildings | - | - | - | - | - | - | - | - | - | - | - | - |
| Works of Art | - | - | - | - | - | - | - | - | - | - | - | - |
| Conservation Areas | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Heritage | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - | - |
| Revenue Generating | - | - | - | - | - | - | - | - | - | - | - | - |
| Improved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | - | - | - | - | - | - | - | - | - | - | - | - |
| Improved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Unimproved Property | - | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | 5,639 | 5,639 | 5,639 | - | - | - |
| Operational Buildings | - | - | - | - | - | - | 4,438 | 4,438 | 4,438 | - | - | - |
| Municipal Offices | - | - | - | - | - | - | - | - | - | - | - | - |
| Play/Enquiry Points | - | - | - | - | - | - | 5,639 | 5,639 | 5,639 | - | - | - |
| Building Plan Offices | - | - | - | - | - | - | - | - | - | - | - | - |
| Workshops | - | - | - | - | - | - | - | - | - | - | - | - |
| Yards | - | - | - | - | - | - | - | - | - | - | - | - |
| Stores | - | - | - | - | - | - | - | - | - | - | - | - |
| Laboratories | - | - | - | - | - | - | - | - | - | - | - | - |
| Training Centres | - | - | - | - | - | - | - | - | - | - | - | - |
| Manufacturing Plant | - | - | - | - | - | - | - | - | - | - | - | - |
| Depots | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - | - | - | - |
| Staff Housing | - | - | - | - | - | - | - | - | - | - | - | - |
| Social Housing | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Spares | - | - | - | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Servitudes | - | - | - | - | - | - | - | - | - | - | - | - |
| Licences and Rights | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Rights | - | - | - | - | - | - | - | - | - | - | - | - |
| Effluent Licences | - | - | - | - | - | - | - | - | - | - | - | - |
| Solid Waste Licences | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Software and Applications | - | - | - | - | - | - | - | - | - | - | - | - |
| Land Settlement Software Applications | - | - | - | - | - | - | - | - | - | - | - | - |
| Unspecified | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Computer Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Transport Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Transport Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure on upgrading of existing assets to be adjusted | 1 | 65,823 | - | - | - | - | 18,823 | 20,269 | 39,087 | 104,720 | 72,615 | 87,840 |

KZN252 Newcastle - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget -

| Function | Project Description | Medium Term Revenue and Expenditure Framework | | | | | |
|--|---|---|-----------------|------------------------|-----------------|------------------------|-----------------|
| | | Budget Year 2020/21 | | Budget Year +1 2021/22 | | Budget Year +2 2022/23 | |
| | | Original Budget | Adjusted Budget | Original Budget | Adjusted Budget | Original Budget | Adjusted Budget |
| R thousands | | | | | | | |
| Parent municipality: | | | | | | | |
| <i>List all capital projects grouped by Function</i> | | | | | | | |
| CULTURE, RECREATION, AMENITIES | CONSTRUCTION OF SPORTS FACILITY (OLD CASINO) | 11,000 | 11,000 | 10,000 | - | 12,447 | - |
| CULTURE, RECREATION, AMENITIES | ESTABLISHMENT OF PARKING AREA NEWCASTLE LIBRARY | - | 632 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | ART PURCHASES | - | 65 | 100 | - | - | - |
| CULTURE, RECREATION, AMENITIES | IT EQUIPMENT | - | - | 20 | - | - | - |
| CULTURE, RECREATION, AMENITIES | CARPORPTS : ART GALLERY | - | - | 50 | - | - | - |
| CULTURE, RECREATION, AMENITIES | AMPHITHEATRE: FORT AMIEL | - | - | 150 | - | - | - |
| CULTURE, RECREATION, AMENITIES | FURNITURE & EQUIPMENT FORT AMIEL | - | 29 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | CONSTRUCTION OF FORT AMIEL ADMIN BUILDING | - | 62 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | INSTALLATION OF ALARM SYSTEM | - | 50 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | CONSTRUCTION OF ZULU UMUZI | - | 50 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | CONSTRUCTION OF ADMIN BUILDING & GUARD HOUSE | - | 200 | 25 | - | - | - |
| CULTURE, RECREATION, AMENITIES | BULK REFUSE CONTAINERS | - | 824 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | GMC PURCHASE OF BULK REFUSE CONTAINERS | - | 400 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | INSTALLATION OF AIR CONDITIONERS :LIBRARIES | - | 49 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | FENCING MODULAR LIBRARY | - | 354 | - | - | - | - |
| CULTURE, RECREATION, AMENITIES | GRASSCUTTER | - | 98 | - | - | - | - |
| MUNICIPAL MANAGER | PURCHASE OF VEHICLE | 300 | 239 | - | - | - | - |
| MUNICIPAL MANAGER | CAMERAS | - | - | 100 | - | - | - |
| MUNICIPAL MANAGER | DRONE | - | - | 50 | - | - | - |
| | | - | - | 350 | - | - | - |
| ECONOMIC DEVELOPMENT | NEWCASTLE INFORMAL TRADE STALLS | - | 1,000 | - | - | - | - |
| ECONOMIC DEVELOPMENT | NEWCASTLE AIRPORT INFRASTRUCTURE UPGRADE | - | 2,000 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:PROFESSIONAL FEES | 99 | 421 | - | - | - | - |
| TOWN PLANNING | UPGRADE OF HRD BUILDING: UNISA CENTRE | - | 4,961 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:CONSTRUCTING OF ROADS | 4,421 | 3,699 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:STORM WATER | 1,109 | 1,109 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:STREET LIGHTS | 2,184 | 2,184 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:WATER | 758 | 758 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:SEWER | 697 | 697 | - | - | - | - |
| TOWN PLANNING | MEDICAL PRECINCT:SUBSTATIONS | 1,348 | 1,027 | - | - | - | - |
| TOWN PLANNING | NDPG PROJECT | - | 7,500 | - | - | - | - |
| HOUSING & LAND | Furnisher Equipment | - | 1,005 | - | - | - | - |
| HOUSING & LAND | Furnisher Equipment | - | 10 | - | - | - | - |
| HOUSING & LAND | FURNITURE AND EQUIPMENT | 35 | 35 | - | - | - | - |
| TOWN PLANNING | BR10 Link Road | - | - | - | - | - | - |
| FINANCIAL/TREASURY SERVICES | FURNITURE AND EQUIPMENT | 200 | 296 | - | - | - | - |
| FINANCIAL/TREASURY SERVICES | MACHINERY & EQUIPMENT | 100 | 169 | - | - | - | - |
| FINANCIAL/TREASURY SERVICES | IT EQUIPMENT | 900 | 1,445 | - | - | - | - |
| FINANCIAL/TREASURY SERVICES | PLANT & EQUIPMENT - VEHICLE | - | 33 | - | - | - | - |
| FINANCIAL/TREASURY SERVICES | LAND & BUILDING - CONSTRUCTION OF MADADENI OFFICE | - | 123 | - | - | - | - |
| ELECTRICAL SERVICES | PURCHASE OF REFUSE COMPACT TRUCK | 2,900 | 2,900 | - | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF SPEED HUMPS | - | - | - | - | - | - |
| INFRASTRUCTURE CIVIL | RESEALING OF ROADS MADADENI | 2,000 | 1,522 | 2,000 | - | 2,000 | - |
| INFRASTRUCTURE CIVIL | RESEALING OF ROADS OSIZWENI | 2,000 | 1,522 | 2,000 | - | 2,000 | - |
| INFRASTRUCTURE CIVIL | RESEALING OF ROADS NEWCASTLE | 3,000 | 2,587 | 4,000 | - | 4,000 | - |
| INFRASTRUCTURE CIVIL | RESEALING OF ROADS - RESIDENTIAL WEST | 2,000 | 1,609 | 2,000 | - | 2,000 | - |
| INFRASTRUCTURE CIVIL | PLANT & EQUIPMENT - VEHICLE | - | 389 | - | - | - | - |
| INFRASTRUCTURE CIVIL | REPLACEMENT OF THE DN150 BULK OUTFALL SEWER CLAY PIPE | 8,609 | 7,366 | - | - | - | - |
| INFRASTRUCTURE CIVIL | UPGRADE & REFURBISHMENT OF BULK SEWER PIPELINE FROM S | 1,500 | 4,800 | 14,000 | - | 24,760 | - |
| INFRASTRUCTURE CIVIL | UPGRADE OF MA23,26 & 25 | 3,609 | 1,609 | 7,000 | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF MF18 & MF19 | 3,895 | 3,664 | - | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF MF 69, 7,10 | 6,008 | 2,107 | - | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF OB 1 LINK ROAD | 5,146 | 2,987 | 2,000 | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF H39 BUS ROAD & STREETLIGHTS | 5,154 | 5,716 | - | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION MADADENI URBAN ACCESS ROAD PH3 | - | 1,026 | - | - | 7,000 | - |
| INFRASTRUCTURE CIVIL | UPGRADE OF OC44, OC22 | 3,600 | 6,600 | 5,000 | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF OSIZWENI URBAN ACCESS ROAD PHASE 4 | - | 1,575 | - | - | 7,000 | - |
| INFRASTRUCTURE CIVIL | UPGRADE OF MADADENI WASTE WATER TREATMENT | 26,000 | 20,000 | 22,000 | - | 11,726 | - |
| INFRASTRUCTURE CIVIL | BLAAUWBOSCH BULK WATER | 18,000 | 16,000 | 22,922 | - | - | - |
| INFRASTRUCTURE CIVIL | PIPE REPLACEMENT AND UPGRADE PROJECT | 10,000 | 11,800 | 17,648 | - | 26,000 | - |
| INFRASTRUCTURE CIVIL | VILIOENPARK BULK WATER & SANITATION | 14,707 | 25,777 | 16,000 | - | 28,152 | - |
| INFRASTRUCTURE CIVIL | FURNITURE EQUIPMENT | 115 | 115 | 100 | - | 200 | - |
| INFRASTRUCTURE CIVIL | WATER INTERVENTION PROJECT GRANTS | - | 8,700 | - | - | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF ABLUTION FACILITIES | - | 1,500 | - | - | - | - |
| INFRASTRUCTURE CIVIL | NEWCASTLE EAST WATER MAINS EXTENSION | 4,000 | 11,000 | 15,000 | - | 15,000 | - |
| TECHNICAL SERVICES | OSIZWENI WATER PRESSURE SYSTEM MANAGEMENT | 10,000 | 6,792 | 6,000 | - | 4,400 | - |
| TECHNICAL SERVICES | NECASTLE WEST | - | 6,000 | - | - | - | - |
| TECHNICAL SERVICES | PROVISION OF BASIC WATER SUPPLY (P46,WARD16,WARD12,WA | 6,000 | - | 2,000 | - | 4,000 | - |
| TECHNICAL SERVICES | RESEALING OF ROADS NEWCASTLE RESIDENTIAL AREA | 2,500 | 4,188 | 3,000 | - | 6,000 | - |
| TECHNICAL SERVICES | RESEALING OF ROADS - NEWCASTLE WEST | 3,500 | 2,500 | 1,500 | - | 3,000 | - |
| TECHNICAL SERVICES | RESEALING OF ROADS MADADENI | 2,000 | 2,000 | 1,500 | - | 3,000 | - |
| TECHNICAL SERVICES | RESEALING OF ROADS OSIZWENI | 2,000 | 2,000 | - | - | - | - |
| TECHNICAL SERVICES | CONSTRUCTION OF SPEED:HUMPS | 2,000 | 2,000 | 2,000 | - | 2,000 | - |
| TECHNICAL SERVICES | STORMATER MANAGEMENT | 2,500 | 1,183 | - | - | - | - |
| TECHNICAL SERVICES | PURCHASES OF VEHICLE | - | 2,500 | - | - | - | - |
| TECHNICAL SERVICES | OSIZWENI WATER PRESSURE SYSTEM MANAGEMENT | - | 1,208 | - | - | - | - |
| TECHNICAL SERVICES | SOUL CITY LONG CONNECTION | - | 3,000 | - | - | - | - |
| Entities: | | | | | | | |
| <i>List all capital projects grouped by Municipal Entity</i> | | | | | | | |
| Entity Name | | | | | | | |
| Project name | | | | | | | |

ANNEXURE E

UTHUKELA WATER ADJUSTMENTS BUDGET

Adjustments Budget 2021/2022

| Account | Account Name | NGAG | New value for 2021/2022 budget | | |
|--|--|---------------|-----------------------------------|-------------------|---------------------------------|
| | | | Adjusted Current 2021/2022 Budget | Adjustments | Board Approved Budget 2021/2022 |
| Revenue | | | | | |
| | Water Sales | | | | |
| D0001/IR01137/F0932/X148/R5236/001/ | Newcastle LM | | 135 509 769 | 3 792 773 | 131 716 996 |
| | Umzinyathi DM | | 22 734 747 | 139 642 | 22 595 106 |
| | Amajuba DM | | 23 458 714 | 2 460 352 | 20 998 362 |
| | Consumers | | 457 960 | - | 457 960 |
| D0001/IR01059/F0932/X049/R5236/001/ | Interest earned external investments | | 114 490 | - | 114 490 |
| D0001/IR01077/F0045/X148/R5236/001/ | Shorfall | | - | - | - |
| D0001/IR01411/F0045/X148/R5236/001/ | Other Revenue | | 50 000 | - | 50 000 |
| | Total Revenue | | 182 325 680 | 6 392 767 | 175 932 913 |
| Employee related costs | | | 15 792 616 | 64 313 792 | -480 730 |
| O0001/IE00036/F0932/X051/R5236/001 | Municipal Running Cost/Basic Salary and Wages | 9252866.043 | 42 177 274 | - | 42 177 274 |
| O0001/IE00044/F0932/X051/R5236/001 | Municipal Running Cost/Pension | 1688618.167 | 6 753 734 | - | 6 753 734 |
| O0001/IE00043/F0932/X051/R5236/001 | Municipal Running Cost/Medical | 522567.36 | 2 013 046 | - | 2 013 046 |
| O0001/IE00126/F0932/X051/R5236/001 | Municipal Running Cost/Travel or Motor Vehicle | 97032 | 928 572 | - | 928 572 |
| O0001/IE01521/F0932/X051/R5236/001 | Municipal Running Cost/Housing Benefits | 11574.12 | 161 861 | - | 161 861 |
| O0001/IE01523/F0932/X051/R5236/001 | Municipal Running Cost/Rental Subsidy | 46080 | 112 320 | - | 112 320 |
| O0001/IE03971/F0932/X051/R5236/001 | Municipal Running Cost/Structured | 1581846.331 | 2 710 240 | - | 2 710 240 |
| O0001/IE01535/F0932/X051/R5236/001 | Municipal Running Cost/Standby Allowance | 768377.1492 | 1 826 004 | - | 1 826 004 |
| O0001/IE01526/F0932/X051/R5236/001 | Municipal Running Cost/Bonus | 1082604.502 | 4 501 749 | - | 4 501 749 |
| O0001/IE03968/F0932/X051/R5236/001 | Municipal Running Cost/Night Shift | 248625.4552 | 445 869 | - | 445 869 |
| O0001/IE01525/F0932/X051/R5236/001 | Municipal Running Cost/Acting and Post Related Allowances | 0 | 411 645 | - | 411 645 |
| O0001/IE00125/F0932/X051/R5236/001 | Municipal Running Cost/Non-pensionable | 47423.76 | 156 642 | - | 156 642 |
| O0001/IE01533/F0932/X051/R5236/001 | Municipal Running Cost/Long Service Award | 44187.82406 | 356 029 | - | 356 029 |
| O0001/IE00045/F0932/X051/R5236/001 | Municipal Running Cost/Unemployment Insurance | 53426.21205 | 162 161 | - | 162 161 |
| O0001/IE00040/F0932/X051/R5236/001 | Municipal Running Cost/Bargaining Council | 3255 | 9 975 | - | 9 975 |
| O0001/IE01530/F0932/X051/R5236/001 | Municipal Running Cost/Leave Pay | 133863.0654 | 706 002 | - | 706 002 |
| O0001/IE00119/F0932/X051/R5236/001 | Municipal Running Cost/Accommodation, Travel and incidental | 49579.51996 | 324 430 | -480 730 | 805 160 |
| O0001/IE00042/F0932/X051/R5236/001 | Municipal Running Cost/Group Life Insurance | 160689.2053 | 556 239 | - | 556 239 |
| Depreciation and asset impairment | | | 823 151 | 1 885 312 | - |
| O0001/IE00711/F0932/X046/R5236/001 | Municipal Running Cost/Furniture and Office Equipment | 823 151.29 | 1 885 312 | - | 1 885 311.90 |
| Operating Leases | | | 1 570 230 | - | 1 570 230 |
| O0001/IE00546/F0932/X045/R5236/001 | Municipal Running Cost/Other Assets | - | 1 570 230 | - | 1 570 230 |
| Bulk purchases | | | 24 275 789 | 27 503 164 | 3 227 375 |
| O0001/IE00523/F0932/X146/R0399/001 | Municipal Running Cost/Water | 24 275 789.31 | 27 503 164 | 3 227 375 | 24 275 789 |
| Materials & Supplies | | | 4 663 909 | 7 619 887 | -1 505 774 |
| O0001/IE00534/F0932/X148/R0399/001 | Municipal Running Cost/Materials and Supplies | 4 598 219.26 | 7 008 565 | -1 505 774 | 8 514 339 |
| O0001/IE00738/F0932/X045/R5236/001 | Municipal Running Cost/Standard Rated | 65 690.07 | 611 322 | - | 611 322 |
| Contract Services | | | 6 019 467 | 13 638 382 | -8 668 057 |
| O1551-1/IE00651/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_NGA_Transport Assets/Maintenance of Unspe | 237 739.80 | 237 740 | -151 000 | 388 740 |
| O1551-2/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Transport Assets/Maintenance of Unspe | - | 118 665 | - | 118 665 |
| O0005-1/IE00005/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_LAB_Drinking Water Quality/Water | - | 2 191 769 | -399 152 | 2 590 921 |
| O0001/IE00649/F0932/X045/R5236/001 | Municipal Running Cost/Maintenance of Buildings and Facilities | - | 76 384 | - | 76 384 |
| O1336-1/IE00843/F0932/X045/R5236/001/STR | KZN252_UTWSDDBIP_STRAT_Administrative Strategy and Planning | - | 320 000 | -1 751 250 | 2 071 250 |
| O0001/IE00830/F0932/X049/R5236/001/FIN | Municipal Running Cost/Accounting and Auditing | - | 22 237 | - | 22 237 |
| O0001/IE00663/F0932/X148/R0399/001 | Municipal Running Cost/Safeguard and Security | 364 627.86 | 736 986 | - | 736 986 |
| O0001/IE00698/F0932/X073/R5236/001 | Municipal Running Cost/Security Services | - | 82 952 | - | 82 952 |
| O0001/IE00685/F0932/X045/R5236/001/STR | Municipal Running Cost/Internal Auditors | - | 517 042 | - | 517 042 |
| O0001/IE00842/F0932/X099/R5236/001 | Municipal Running Cost/Occupational Health & Safety | - | 112 885 | - | 112 885 |
| O0001/IE00650/F0932/X052/R5236/001 | Municipal Running Cost/Maintenance of Equipment | - | 65 947 | - | 65 947 |
| O1293-1/IE00632/F0932/X148/R0399/001 | KZN252_UTWSDDBIP_BIG_Special Events and Functions/Catering S | - | 5 083 | - | 5 083 |
| O0001/IE00635/F0932/X101/R5236/001 | Municipal Running Cost/Employee Wellness | - | 23 232 | -22 293 | 45 525 |
| O1293-3/IE00677/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_LAB_Special Events and Functions/Catering S | - | 7 221 | - | 7 221 |
| O1293-2/IE00632/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_NGA_Special Events and Functions/Catering | 12 706.84 | 12 707 | - | 12 707 |
| O0001/IE00677/F0932/X045/R5236/001 | Municipal Running Cost/Catering Services | - | 46 975 | -150 000 | 196 975 |
| O0001/IE00008/F0932/X045/R5236/001 | Municipal Running Cost/Legal Advice and Litigation | - | 240 287 | - | 240 287 |
| O0001/IE00833/F0932/X051/R5236/001 | Municipal Running Cost/Audit Committee | - | 134 978 | -48 000 | 182 978 |
| O1416-1/IE00080/F0932/X101/R5236/001 | KZN293_UTWSDDBIP_ENG_Water Treatment Works/Civil | - | 36 611 | - | 36 611 |
| O1416-1/IE00081/F0932/X101/R5236/001 | KZN293_UTWSDDBIP_ENG_Water Treatment Works/Electrical | - | 6 839 | - | 6 839 |
| O1416-1/IE00083/F0932/X101/R5236/001 | KZN293_UTWSDDBIP_ENG_Water Treatment Works/Mechanical | - | 6 839 | - | 6 839 |
| O1548-3/IE00650/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Furniture and Office Equipment/Mainte | - | 100 000 | -121 970 | 221 970 |
| O1548-12/IE00650/F0932/X046/R5236/001 | KZN293_UTWSDDBIP_COM_Furniture and Office Equipment/Maint | - | 16 193 | - | 16 193 |

| | | | | | |
|---------------------------------------|--|--------------|-----------|------------|-----------|
| O1548-1/IE00650/F0932/X049/R5236/001 | KZN293_UTWSDDBIP_FIN_Furniture and Office Equipment/Mainte | - | 16 193 | - | 16 193 |
| O1555-1/IE00650/F0932/X052/R5236/001 | KZN293_UTWSDDBIP_ICT_Furniture and Office Equipment/Mainte | - | 90 218 | - | 90 218 |
| O1548-8/IE00650/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_NGA_Furniture and Office Equipment/Maint | 40 135.76 | 40 136 | - | 40 136 |
| O1548-10/IE00650/F0932/X045/R5236/001 | KZN293_UTWSDDBIP_STRAT_Furniture and Office Equipment/Mair | - | 169 011 | - | 169 011 |
| O2523-1/IE00651/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_NGA_Pipe Work/Maintenance of Unspecifie | 200 000.00 | 200 000 | -518 494 | 718 494 |
| O2158-2/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Pipe Work/Maintenance of Unspecified | - | 300 000 | -219 410 | 519 410 |
| O2158-1/IE00651/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_NGA_Pipe Work/Maintenance of Unspecifie | 500 000.00 | 500 000 | -478 711 | 978 711 |
| O2579-4/IE00651/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_NGA_Mechanical Equipment/Maintenance o | 1 570 987.90 | 1 570 988 | - | 1 570 988 |
| O2209-1/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Civil Structure/Maintenance of Unspecif | - | 1 517 828 | - | 1 517 828 |
| O2214-1/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Mechanical Equipment/Maintenance of | - | 223 546 | -663 753 | 887 299 |
| O2563-2/IE00651/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_NGA_Civil Structure/Maintenance of Unspec | 152 505.84 | 152 506 | - | 152 506 |
| O2574-2/IE00651/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_NGA_Civil Structure/Maintenance of Unspec | 1 226 407.87 | 1 226 408 | -1 140 277 | 2 366 685 |
| O2526-1/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Earthworks/Maintenance of Unspecified | - | 152 768 | - | 152 768 |
| O1548-2/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Furniture Equipment/Maintenance of E | - | 2 766 | - | 2 766 |
| O1548-5/IE00650/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_LAB_Furniture and Office Equipment/Mainte | - | 120 123 | - | 120 123 |
| O2526-2/IE00651/F0932/X148/R5236/001 | KZN252_UTWSDDBIP_NGA_Earthworks/Maintenance of Unspecified | 700 000.00 | 700 000 | -1 891 393 | 2 591 393 |
| O2576-2/IE00634/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Electrical Equipment/Electrical | - | 229 151 | - | 229 151 |
| O2576-1/IE00634/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_NGA_Electrical Equipment/Electrical | 673 935.86 | 673 936 | -644 387 | 1 318 323 |
| O2208-2/IE00631/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Buildings/Building | - | 240 810 | -240 810 | 481 620 |
| O2754-1/IE00649/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_LAB_Buildings/Maintenance of Buildings and | - | 35 992 | - | 35 992 |
| O2573-2/IE00631/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_NGA_Buildings/Building | 248 758.43 | 248 758 | -227 157 | 475 915 |
| O2389-1/IE00651/F0932/X148/R5236/001 | KZN293_UTWSDDBIP_NGA_Road Bridges/Maintenance of Unspecifi | 91 660.56 | 91 661 | - | 91 661 |
| O2389-2/IE00651/F0932/X148/R0399/001 | KZN293_UTWSDDBIP_BIG_Road/Maintenance of Unspecifi | - | 16 011 | - | 16 011 |

| | | | | |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| Other Expenditure | 39 140 419 | 64 398 163 | 13 816 654 | 50 576 509 |
|--------------------------|-------------------|-------------------|-------------------|-------------------|

| | | | | | |
|--|---|--------------------|------------------|--------------------|------------|
| O0001/IE00759/F0932/X049/R5236/001 | Municipal Running Cost/Bank Accounts | - | 80 815 | - | 80 815 |
| O0001/IE00577/F0932/X148/R0399/001 | Municipal Running Cost/Levies Paid - Water Resource Management | 3 121 429.03 | 6 168 360 | 3 025 000 | 3 143 360 |
| O0001/IE00595/F0932/X051/R5236/001 | Municipal Running Cost/Skills Development Fund Levy | 107667.9948 | 456 782 | - | 456 782 |
| O0001/IE00609/F0932/X051/R5236/001 | Municipal Running Cost/Workmen's Compensation Fund | 76536.04804 | 260 389 | - | 260 389 |
| O0001/IE00607/F0932/X045/R5236/001 | Municipal Running Cost/Wet Fuel | 443 762.58 | 920 116 | - | 920 116 |
| O0001/IE00709/F0932/X052/R5236/001 | Municipal Running Cost/Computer Equipment | - | 245 354 | - | 245 354 |
| O0001/IE00723/F0932/X148/R5236/001 | Municipal Running Cost/Hire Charges | 64 365.75 | 165 192 | -165 192 | 330 384 |
| O0001/IE00605/F0932/X148/R5236/001 | Municipal Running Cost/Vehicle Tracking | 47 411.70 | 69 650 | - | 69 650 |
| O0001/IE00749/F0932/X045/R5236/001 | Municipal Running Cost/Auctions | - | 29 148 | - | 29 148 |
| O0001/IE00793/F0932/X052/R5236/001/ICT | Municipal Running Cost/Specialised Computer Service | - | 129 496 | - | 129 496 |
| O0001/IE00959/F0932/X148/R5236/001 | Municipal Running Cost/National | 12 706.79 | 290 667 | - | 290 667 |
| O0001/IE003611/F0932/X035/R0399/001 | Municipal Running Cost/ESCOM | 34 816 503.00 | 49 694 857 | 12 792 478 | 36 902 379 |
| O0001/IE00808/F0932/X045/R5236/001 | Municipal Running Cost/Motor Vehicle Licence and Registrations | 90 726.59 | 121 586 | - | 121 586 |
| O0001/IE00810/F0932/X148/R5236/001 | Municipal Running Cost/Professional and Regulatory Bodies | - | 7 638 | - | 7 638 |
| O0001/IE00584/F0932/X045/R5236/001 | Municipal Running Cost/Professional Bodies, Membership and Sub | - | 81 466 | - | 81 466 |
| O0001/IE07550/F0932/X148/R0399/001 | Municipal Running Cost/Electrical Infrastructure | - | 42 775 | - | 42 775 |
| O0001/IE00579/F0932/X045/R5236/001 | Municipal Running Cost/Municipal Services | - | 313 633 | - | 313 633 |
| O0001/IE00604/F0932/X045/R5236/001 | Municipal Running Cost/Uniform and Protective Clothing | 119 098.81 | 271 550 | - | 271 550 |
| O0001/IE00770/F0932/X148/R5236/001 | Municipal Running Cost/Licences (Radio and Television) | 12 706.84 | 12 707 | - | 12 707 |
| O0001/IE00776/F0932/X148/R0399/001 | Municipal Running Cost/Telemetric Systems | 167 506.64 | 337 765 | -120 000 | 457 765 |
| O0001/IE00769/F0932/X052/R5236/001 | Municipal Running Cost/Cellular Contract (Subscription and Call | 47 775.74 | 374 759 | - | 374 759 |
| O0001/IE00778/F0932/X052/R5236/001 | Municipal Running Cost/Telephone, Fax, Telegraph and Telex | - | 150 000 | -92 745 | 242 745 |
| O0001/IE00784/F0932/X052/R5236/001 | Municipal Running Cost/Data Lines | - | 368 677 | - | 368 677 |
| O0001/IE00787/F0932/X052/R5236/001 | Municipal Running Cost/Internet Charge | - | 1 271 | - | 1 271 |
| O0001/IE00795/F0932/X052/R5236/001 | Municipal Running Cost/System Development | - | 45 830 | - | 45 830 |
| O0001/IE00760/F0932/X049/R5236/001 | Municipal Running Cost/Fleet and Other Credit | - | 19 163 | - | 19 163 |
| O0001/IE00782/F0932/X045/R5236/001 | Municipal Running Cost/Mayor | - | 61 086 | - | 61 086 |
| O0001/IE00062/F0932/X045/R5236/001 | Municipal Running Cost/Food and Beverage | - | 3 135 | - | 3 135 |
| O0001/IE00567/F0932/X049/R5236/001 | Municipal Running Cost/External Audit Fees | - | 1 667 508 | - | 1 667 508 |
| O0001/IE00801/F0932/X049/R5236/001 | Municipal Running Cost/Excess Payments | - | 38 120 | - | 38 120 |
| O0001/IE00805/F0932/X049/R5236/001 | Municipal Running Cost/Premiums | - | 943 359 | -233 023 | 1 176 382 |
| O0001/IE00559/F0932/X045/R5236/001 | Municipal Running Cost/Courier and Delivery Services | 2 541.31 | 16 483 | -10 000 | 26 483 |
| O0001/IE00771/F0932/X049/R5236/001 | Municipal Running Cost/Postage | 513.96 | 18 011 | - | 18 011 |
| O0001/IE00773/F0932/X045/R5236/001 | Municipal Running Cost/Rent Private Bag and Postal Box | - | 2 473 | -704 | 3 177 |
| O0001/IE00751/F0932/X046/R5236/001 | Municipal Running Cost/Corporate and Municipal Activities | - | 27 498 | -27 498 | 54 996 |
| O0001/IE00593/F0932/X046/R5236/001 | Municipal Running Cost/Servitudes and Land Surveys | - | 23 237 | - | 23 237 |
| O0001/IE00792/F0932/X052/R5236/001 | Municipal Running Cost/Software Licences | - | 410 265 | - | 410 265 |
| O0001/IE00030/F0932/X052/R5236/001 | Municipal Running Cost/Computer Software and Applications | - | 12 707 | - | 12 707 |
| O0001/IE00757/F0932/X148/R5236/001 | Municipal Running Cost/Staff Recruitment | - | 39 720 | - | 39 720 |
| O0001/IE00758/F0932/X051/R5236/001 | Municipal Running Cost/Tenders | 9 165.99 | 137 913 | -88 128 | 226 041 |
| O1232-1/IE01399/F0932/X051/R5236/001 | KZN293_UTWSDDBIP_HR_Works/University of KwaZulu-Na | - | 25 464 | - | 25 464 |
| O1232-1/IE01403/F0932/X051/R5236/001 | KZN293_UTWSDDBIP_HR_Works/University of South Afri | - | 63 534 | -63 534 | 127 068 |
| O1232-1/IE01410-1/F0932/X051/R5236/001 | KZN293_UTWSDDBIP_HR_Works/KZN293_UTWSDDBIP_HR_Unspe | - | 243 004 | -1 200 000 | 1 443 004 |
| Total Expenditure | 90 715 351 | 180 923 930 | 6 389 467 | 174 534 463 | |

ANNEXURE F

REVISED BUDGET FUNDING PLAN

NEWCASTLE MUNICIPALITY

ADJUSTED BUDGET FUNDING PLAN 2021/22 to 2025/27

BUDGET FUNDING PLAN

1. Purpose

This Adjusted Budget Funding Plan 2021/22 (BFP) has developed in response to the municipality's current financial situation and the strategies that will be applied to ensure a funded budget of the municipality within the next five years. The plan will also assist with the long-term financial stability of the municipality beyond the duration of the plan. The plan is aligned to the 2021/22 adjustments budget, which is being tabled to council for adoption. The municipality does acknowledge that fact that its budget is not yet funded, hence, the need for a credible plan, which its purpose is move the municipality into a funded budget position within the next five years.

2. Introduction

The 2021/22 medium term budget framework indicates that the municipality will be operating at the deficit for at least the next three financial years. In order to continue to provide services and extend its services to the community, the budget should be funded in accordance with the legal requirements of the Municipal Finance Management Act (MFMA). It is therefore imperative that a plan that will respond to the situation be crafted and monitored by the Council. The importance of tabling funded budgets was indicated to council before and it is also highlighted in the National Treasury circulars, however there are cases that may warrant a plan since the budget could not be funded continuously over the Medium Term Revenue and Expenditure Framework (MTREF) period. This is currently the case with Newcastle Municipality. As a result, the municipality is required to table and adopt a Budget Funding Plan which aligns to the Adjustments Budget for the 2021/22 financial year. The purpose of the BFP is to ensure that the municipality continuously moves from an unfunded to a funded budget position. The plan must also ensure that the funding position is maintained even beyond the period in which the budget is projected to be funded in order to maintain a financial stability as required by MFMA Circular No.93.

The table below reflects a high level operating results of the municipality's budget over the next three years. Evidently, the municipality is projecting a deficit of R275.9 million, R265.0 million, R237.8 million and R225.7 million for the 2021/22, 2022/23, 2023/24 and 2024/25 financial years respectively:

Table 1: Budget summary (financial and capital performance)

| Description | Budget Year 2021/22 | | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|--------------------------|---------------------|-----------------|---------------------|------------------------|------------------------|
| | Original Budget | Adjusted Budget | Budget | Budget | Budget |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Total Revenue Budget | 2 214 2425 | 2 378 344 | 2 309 989 | 2 513 200 | 2 618 240 |
| Total Expenditure Budget | 2 488 931 | 2 654 252 | 2 575 004 | 2 751 059 | 2 844 011 |
| Surplus/(Deficit) | (274 689) | (275 908) | (265 015) | (237 858) | (225 770) |
| Capital expenditure | 145 393 | 185 392 | 142 514 | 142 285 | 130 442 |

From Table 1 the above, it is evident that the municipality is not financially viable and without sufficient cash flow it will not be able to continue to provide services to the community. The municipality is currently experiencing cash flow challenges resulting in insufficient cash to support its current service delivery mandate. A high level assessment performed by the municipality and KZN Provincial Treasury has revealed the following factors as the main contributors to the financial crisis that the Newcastle Municipality is faced with:

- The municipality is operating at a deficit;

- Escalation of outstanding debtors, especially domestic consumers;
- Huge operating expenditure base from employee costs, contracted services and other expenditure;
- Over-commitment on external borrowing;
- Huge Eskom and Uthukela Water debts;
- Tariffs not cost-reflective, especially for water and sanitation;
- Limitation in revenue generation and revenue enhancement strategies;
- Reserves, conditional grants and reserves not fully cash backed;
- Reduction in the equitable share allocation due to the impact of Covid-19;
- The high increase in the electricity bulk purchases compared to the revenue tariff increase;
- Actions and spending that give rise to unplanned cash outflows.

3. Strategic objectives of the Budget Funding Plan 2021/22 (BFP)

The principle objective of the BFP is to ensure financial viability and sustainability of the municipality, a funded budget and to subsequently ensure the ability of the municipality to meet its obligations in terms of the Service Delivery and Budget Implementation Plan (SDBIP) and Integrated Development Plan (IDP). In order to achieve these objectives, the municipality has developed strategies which are aimed at improving its financial status. These strategies have been developed by senior management of the municipality, in consultation with all other staff members. The plan indicates the key focus areas, the responsible official, the time frames of implementation, as well as revenue and costs projected to be generated or incurred over the period of the plan.

The following table contains a list of the strategies that management has put together in order to ensure that the budget of the municipality will be funded within the next five years and beyond:

Table 2: Budget Funding Strategies

Budget Funding Plan

| | | | | |
|--------------------------------|----------------------|----------------------------------|--------------------------|--------------------------|
| STATUS & PERCENTAGE | Task completed: 100% | Task almost completed: 51% - 99% | Task commenced: 1% - 50% | Task not yet started: 0% |
|--------------------------------|----------------------|----------------------------------|--------------------------|--------------------------|

| No | Strategy | Focus Area | Key Activities | Responsible Person | Start Date | End Date | Status & percentage | Comments regarding status and progress related to activities |
|----|---|-----------------------------------|---|--------------------|------------|------------|---------------------|--|
| 1 | Inflation linked tariff increase and improved collection rate | Property rates | Steadily increase increase revenue based on CPI target | MM & CFO | 01/07/2018 | 30/06/2024 | 70% | Task almost completed: 51% - 99% |
| 2 | Inflation linked tariff increase and improved collection rate | Service charges | Steadily increase increase revenue based on CPI target | MM & CFO | 01/07/2018 | 30/06/2024 | 70% | Task almost completed: 51% - 99% |
| 3 | Inflation linked tariff increase and improved collection rate | Other revenue | Steadily increase increase revenue based on CPI target | MM & CFO | 01/07/2018 | 30/06/2024 | 90% | Task almost completed: 51% - 99% |
| 4 | Ensure full access to all government grants | Transfers recognised - capital | Submit business plans and ensure conditional grants are fully spent | MM & CFO | 01/07/2015 | 30/06/2030 | 25% | Task commenced: 1%-50% |
| 5 | Dispose unused land and other assets | Proceeds on disposal of PPE | Identify unused land for residential and business use | MM & CFO | 01/07/2015 | 30/06/2030 | 70% | Task almost completed: 51% - 99% |
| 6 | Curb recruitment on new personnel | Employee related costs | Do not fill any non-critical positions being vacated | MM & CFO | 01/07/2018 | 30/06/2024 | 40% | Task commenced: 1%-50% |
| 7 | No commitment on new loans - interest | Finance charges | No new capital expenditure will be financed through external loans | MM & CFO | 01/07/2018 | 30/06/2024 | 70% | Task almost completed: 51% - 99% |
| 8 | No commitment on new loans - capital | Repayment of borrowing | No new capital expenditure will be financed through external loans | MM & CFO | 01/07/2020 | 30/06/2026 | 70% | Task almost completed: 51% - 99% |
| 9 | Limit exorbitant increase in non-core expenditure | Contracted services | Reduction and very minimal increase on contracted services | MM & CFO | 01/07/2020 | Continuous | 45% | Task commenced: 1%-50% |
| 10 | Limit exorbitant increase in non-core expenditure | Other expenditure | Reduction and very minimal increase on other expenditure | MM & CFO | 01/07/2020 | Continuous | 45% | Task commenced: 1%-50% |
| 11 | Reduce internally funded capital expenditure | Internally generated funds | fast-track early appointment of service providers | MM & CFO | 01/07/2018 | Continuous | 50% | Task almost completed: 51% - 99% |
| 12 | Reduce unspent conditional grants | Unspent conditional transfers | Prioritise payment of grant related payments and clean up the grant register | MM & CFO | 01/07/2018 | Continuous | 15% | Task commenced: 1%-50% |
| 13 | Improve payment of creditors | Other working capital requirement | Keep up with the Eskom agreement and ensure timely payment of other creditors | MM & CFO | 01/07/2020 | Continuous | 30% | Task commenced: 1%-50% |
| 14 | Ensure cash-backing of provisions | Other provisions | Build up reserves up ensuring increased cash and cash equivalents | MM & CFO | 01/07/2020 | Continuous | 0% | Task not yet started: 0% |
| 15 | Ensure cash-backing of reserves | Reserves to be cash-backed | Build up reserves up ensuring increased cash and cash equivalents | MM & CFO | 01/07/2019 | Continuous | 20% | Task commenced: 1%-50% |
| 16 | Claim all vat receivable from SARS | Statutory requirements | Ensure timely payment of invoices and submission of Vat returns | MM & CFO | 01/07/2020 | Continuous | 75% | Task almost completed: 51% - 99% |

3.1 Increase on the collections rates for service charges and property rates

The Newcastle Municipality is planning to steadily increase collection rate over the next five years by 1% basis points and above the consumer price index (CPIX). This will be done in order to steadily achieve cost reflective tariffs over the same period. Furthermore, through an aggressive awareness campaign aimed at instilling a culture of payment within our communities, arresting water losses and the implementation consumer of incentive schemes, the collection rate is projected to steadily improve from 78% to 85% over the next five years.

3.2 Full access to conditional grants.

The municipality will drive an aggressive strategy to submit business plans to ensure that its capital programme is gradually and eventually fully funded from government grants. The departments are also being encouraged to investigate and access all grant opportunities available with other sectors, in order lessen the impact of rates and service charges. Equally, the municipality is be putting measures in place to ensure that all grants are fully spent. This will also assist to ensure that no funds are reverted to the National Revenue Fund.

3.3 Disposal of unused land and other properties.

The municipality has already identified and put a plan to service unused land for disposal, especially for commercial purposes. For some of the properties the Municipality has already received bids from the public and same have since been awarded thorough the supply chain management system, with the transfer processes still underway. The developmental plans include, but not limited, the upgrading of the Human Resources Development

unit's building for use by University of South Africa (Unisa), servicing and disposal of land next to the Medical Precinct Centre next to Mediclinic. This process is already at an advanced state.

3.4 Delay recruitment in new positions

The municipality is planning to delay recruitment on some of the positions, which are not considered to be critical. These include positions that will be exited during the next five years, and other new positions currently vacant. The budget for the employee related costs is however expected to increase steadily of the next four years in order to accommodate the expected annual increase on staff salaries. The municipality is also revisiting its strategies to limit the use of overtime by using EPWP and to limit the rate of those above the threshold.

3.5 No commitment to new loans

One of the challenges of the Newcastle Municipality is faced with is its over-commitment on external long-term loans. In order to deal with the funding position, the municipality is not planning to take any loans until a favourable funding position has been achieved. No loans are planned to be taken over the next five years in order to deal with the impact of finance charges in the budget.

3.6 Limit increase on non-core expenditure

The municipality will enforce its cost containment policy to ensure that non-core expenditure is reduced or eliminated over the next five years. In this case, focus shall be given to other expenditure and contracted services. The municipality will utilise reporting on this plan, as well as the quarterly reporting to trace and monitor expenditure. The municipality has also established the Finance Committee, which deals with scrutinising of all purchase requisitions in line with the budget and the cost containment policy. This budget has also been used to limit the expenditure on classes of contracted services and other services, except for those items that are grant funded.

3.7 Reduce internally funded capital expenditure

The municipality is planning to reduce the internally-funded capital expenditure over the next five years. While it is acknowledged that this cannot be done in the current year due to commitments, internal funding is expected to be fully eliminated over the next five years. To supplement this, the Municipality is planning to improve the submission business plans to donor institutions to ensure that those projects that were funded internally are in future funded from grants instead. It is evidence from the 2021/22 budget that the internally funded capital budget has been reduced drastically in line with this strategy.

3.8 Improve payment of creditors

The Municipality will use the Finance Committee to ensure that the payment of key creditors is prioritised. These include the payment of current account and arrear debt to Eskom and Uthukela Water, SARS and loan institutions. This will assist to ensure the outstanding debt does not continue to escalate. It will also help to ensure that interest and penalties on late payment are not incurred and thereby curtailing incidences of fruitless and wasteful expenditure. The municipality is currently monitoring this plan successfully since the agreement with Eskom was entered into in June 2020.

3.9 Cash-backing of provisions and reserves

One of the key challenges to the funding position of the budget is that provisions of the municipality were not fully cash-backed. These include leave provision and other provisions which are required to be cash-backed in line with the Funding and Reserves Policy of Council. The Municipality shall use the opportunity of each budget process to ensure all excess funds are invested to ensure funding of all provisions and reserves.

3.10 Claiming VAT Refunds from SARS

The municipality is already utilising the services of a specialist to ensure that VAT refunds due to the Municipality are claimed from SARS. While staff members of the municipality focus on the reconciliation and submission of VAT returns, the specialist is focusing on the VAT review covering the period of the past five years. The financial system has also been improved to ensure that VAT is configured correctly. This will assist in ensuring that accurate VAT returns are filed timeously and refunds received on time.

4. Financial Impact of the Budget Funding Plan

It is expected that the strategies and activities put in the plan will have a positive financial impact to the municipality over a long-term period, which will ensure that the municipality's budget is fully funded in the 2023/24 financial year. Although some of the strategies reflect negative impact on the plan, it is however critical to reflect how these are likely to improve over a period, and eventually yield a positive long-term impact in funding the budget. The table below depicts the impact of each identified strategy on the budget:

Table 3: Financial Impact

| Financial Impact of the Budget Funding Plan | | | | | | | | | | | |
|---|---|------------------------------------|--|-----------------|-----------------|-----------------------|--------------|-------------|------------|------------|------------|
| No | Strategy | Focus Area | Key Activities | Key Activities | | | | | | | |
| | | | | Original Budget | Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | | | | 2021/22 | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| 1 | Inflation linked tariff increase and improved collection rate | Property rates | Steadily increase increase revenue based on CPI target | 70 949 694 | 15 759 434 | -55 190 259 | 13 590 984 | 15 697 587 | 12 044 330 | 12 526 103 | 13 027 147 |
| 2 | Inflation linked tariff increase and improved collection rate | Service charges | Steadily increase increase revenue based on CPI target | -263 916 132 | -253 306 360 | 10 608 771 | 86 333 155 | 91 717 190 | 22 671 966 | 69 376 217 | 73 538 790 |
| 3 | Inflation linked tariff increase and improved collection rate | Other revenue | Steadily increase increase revenue based on CPI target | -56 769 295 | -56 778 802 | -9 507 | 10 308 353 | 10 720 687 | 8 362 136 | 14 355 000 | 12 058 200 |
| 4 | Ensure full access to all government grants | Transfers recognised - operational | Submit business plans and ensure conditional grants are fully spent | 127 281 759 | 165 832 723 | 38 550 964 | -170 214 151 | 58 553 050 | 19 424 353 | 0 | 0 |
| 5 | Ensure full access to all government grants | Transfers recognised - capital | Submit business plans and ensure conditional grants are fully spent | -29 192 363 | -10 835 925 | 18 356 438 | -18 227 500 | -12 007 050 | 15 885 058 | 0 | 0 |
| 6 | Dispose unused land and other assets | Proceeds on disposal of PPE | Identify unused land for residential and business use | 18 000 000 | 18 000 000 | 0 | 11 000 000 | 13 150 000 | 9 000 000 | 10 000 000 | 10 000 000 |
| 7 | Curb recruitment of new personnel | Employee related costs | Do not fill any non-critical positions being vacated | 53 935 813 | 4 076 402 | -49 859 411 | 17 826 218 | 31 720 751 | 24 888 847 | 32 356 501 | 33 973 276 |
| 8 | No commitment on new loans - interest | Finance charges | No new capital expenditure will be financed through external loans | 8 710 012 | 8 710 012 | 0 | 3 127 440 | 3 408 245 | 3 640 680 | 3 449 603 | 4 079 784 |
| 9 | No commitment on new loans - capital | Repayment of borrowing | No new capital expenditure will be financed through external loans | -2 886 287 | -2 886 287 | 0 | -3 127 441 | -3 408 245 | -3 640 680 | -3 449 603 | -4 079 784 |
| 10 | Limit exhortant increase in non-core expenditure | Contracted services | Reduction and very minimal increase on contracted services | 122 565 339 | 170 274 707 | 47 709 367 | -219 621 496 | 7 991 257 | 0 | 0 | -3 498 698 |
| 11 | Limit exhortant increase in non-core expenditure | Other expenditure | Reduction and very minimal increase on other expenditure | 90 327 129 | -93 967 655 | -184 294 794 | -16 819 093 | -4 575 091 | -1 747 201 | -1 712 942 | -1 679 355 |
| 12 | Reduce internally funded capital expenditure | Internally generated funds | Separately invest conditional grants and fast-track early appointment of service providers | -5 971 390 | 12 457 288 | 18 428 678 | -18 787 666 | -500 000 | 0 | -3 000 000 | 0 |
| 13 | Reduce unspent conditional grants | Unspent conditional transfers | Prioritise payment of grant related payments and clean up the grant register | -14 844 129 | -11 752 527 | 3 091 602 | -5 557 905 | -1 928 946 | 0 | -1 753 588 | -1 594 170 |
| 14 | Improve payment of creditors | Other working capital requirement | Keep up with the Eskom agreement and ensure timely payment of other creditors | -97 721 030 | -69 600 000 | 28 121 030 | -89 600 000 | -99 600 000 | -8 690 000 | 0 | 0 |
| 15 | Ensure cash-backing of provisions | Other provisions | Build up reserves up ensuring increased cash and cash equivalents | -10 526 112 | 0 | 10 526 112 | 388 930 | 404 487 | 132 647 | 106 493 | 107 558 |
| 16 | Ensure cash-backing of reserves | Reserves to be cash-backed | Build up reserves up ensuring increased cash and cash equivalents | 980 845 | 0 | -980 845 | 5 495 477 | 1 378 845 | -675 497 | 640 815 | 653 631 |
| 17 | Claim all vat receivable from SARS | Statutory requirements | Ensure timely payment of invoices and submission of Vat returns | 34 174 589 | 34 174 589 | 0 | 23 916 000 | 11 000 000 | 11 000 000 | 5 000 000 | 5 000 000 |

The following sections seek to highlight the impact of each of the strategies in achieving a budgeted budget position.

4.1 Increase on the collections rates for service charges and property rates

The impact of an increase of a 1% basis points and above the consumer price index (CPIX) on the collection rate and the increase in tariffs within the CPIX on rate and services is expected to generate a cash-inflow of at least R150 million to the budget over the next five years.

4.2 Full access to conditional grants.

Over the next five years, the Municipality will implement measures to ensure full access to conditional and unconditional grants. This is expected to generate an additional R48 million over the next five years.

4.3 Disposal of unused land and other properties.

As part of its revenue enhancement strategy, the Municipality has already started rolling out its programme to service and dispose all unused land to generate more revenue. This is expected to generate about R53 million over the next five years.

4.4 Limit increase on non-core expenditure

Through the containment and curtailment of other expenditure and contracted services, the Municipality is expecting to save about R50 million over the next five years. This will be done by steadily by reducing expenditure on non-essential items by monitoring expenditure using the Finance Committee in line with the approved budget and the cost containment policy.

4.5 No commitment to new loans

The municipality will not save any costs by maintaining this position. However, through this commitment, it will ensure that additional costs on borrowing through finance charges is not incurred until the funding position has improved. The municipality will start realising saving as more loans are being paid up.

4.6 Reduce Internally Funded Capital Expenditure

The municipality is projecting to save about R120 million through the strategy of cutting its internally funded capital budget over the next five years. Currently the municipality is spending in excess of R40 million on internally funded capital expenditure, and this is expected to reduce to only R5 million per year over the next two years. This will be supplemented by re-aligning capital grant funding.

4.7 Improve the working capital position

The municipality has put together an aggressive strategy to improve its collection of outstanding debtors over the next four years. Equally so, the municipality will also improve payment of its bulk and other key creditors in order to avoid interest and penalties and to improve the working capital position. Which the municipality is committed to pay in excess of R200 million for the Eskom and Uthukela Water debts, the long term benefits are however huge, as the municipality will be relieved of such debts, and begin to realise the cash surplus.

4.8 Claiming of Vat Refunds

The municipality is projecting to receive in excess of over R55 million over the next five years through statutory requirements. The use of a VAT specialist, internal capacity and financial system configuration will ensure this strategy is attained.

5. Operating Financial Performance

The municipality will continue to accelerate revenue as part of its long-term plan. Tariffs will be increase by at least 3.9% over the medium term framework and over the next five years. This will ensure that the Municipality is able to provide services within the CPIX increases but also not putting pressure to consumers, who are already strained due to the dire economic circumstance. The municipality is also planning to ensure that non-essential expenditure is eliminated in order to ensure tariffs and cash-backed. While the increase will be noted on some of expenditure items like employee costs, councillor remuneration and bulk purchases, these increases be maintained at a bare minimum in order to continue to provide services within the projected increases. Items like contracted services and other expenditure have however been reduced drastically over the next five years, in order to compensate for the payment of the Eskom debt and other unavoidable expenditure. The table below depicts the projected financial outcome of the plan.

Table 4: Financial Performance

Financial Impact of the Budget Funding Plan on the Financial Performance (Table A4/B4)

| Description | Original Budget | Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| R thousand | 2021/22 | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Revenue By Source | | | | | | | | |
| Property rates | 362 426 238 | 362 426 238 | 0 | 380 547 549 | 401 477 665 | 421 551 548 | 442 629 126 | 464 760 582 |
| Service charges - electricity revenue | 710 188 478 | 726 407 135 | 16 218 657 | 827 369 577 | 968 022 406 | 1 026 103 750 | 1 087 669 975 | 1 152 930 174 |
| Service charges - water revenue | 193 909 678 | 187 083 603 | -6 826 075 | 203 605 162 | 214 803 446 | 227 691 653 | 239 076 236 | 251 030 047 |
| Service charges - sanitation revenue | 119 428 804 | 120 014 166 | 585 362 | 125 400 244 | 132 297 257 | 138 912 120 | 145 857 726 | 153 150 613 |
| Service charges - refuse revenue | 95 600 842 | 99 017 292 | 3 416 450 | 100 380 883 | 105 901 832 | 111 196 924 | 116 756 770 | 122 594 608 |
| | | | 0 | | | | | |
| Rental of facilities and equipment | 7 532 029 | 8 916 743 | 1 384 714 | 7 908 628 | 8 343 603 | 8 760 783 | 9 198 822 | 9 658 763 |
| Interest earned - external investments | 2 295 509 | 2 293 788 | -1 721 | 2 410 284 | 2 542 850 | 2 669 993 | 2 803 492 | 2 943 667 |
| Interest earned - outstanding debtors | 4 642 465 | 4 246 536 | -395 929 | 4 874 588 | 5 142 690 | 5 399 825 | 5 669 816 | 5 953 307 |
| Dividends received | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fines, penalties and forfeits | 2 104 944 | 3 943 759 | 1 838 815 | 2 210 191 | 2 331 751 | 2 448 339 | 2 570 755 | 2 699 293 |
| Licences and permits | 103 620 | 41 433 | -62 187 | 110 186 | 116 246 | 122 058 | 128 161 | 134 569 |
| Agency services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers and subsidies | 695 021 001 | 842 931 651 | 147 910 650 | 633 135 500 | 648 972 550 | 648 972 550 | 687 910 903 | 722 306 448 |
| Other revenue | 20 986 800 | 18 384 423 | -2 602 377 | 22 036 140 | 23 248 128 | 24 410 534 | 25 631 061 | 26 912 614 |
| Gains on disposal of PPE | | 2 637 520 | | | | 0 | | |
| Total Revenue (excluding capital transfers and contributions) | 2 214 240 408 | 2 378 344 287 | 161 466 359 | 2 309 988 933 | 2 513 200 424 | 2 618 240 077 | 2 765 902 843 | 2 915 074 685 |
| Expenditure By Type | | | | | | | | |
| Employee related costs | 570 233 898 | 572 674 199 | 2 440 301 | 590 500 417 | 622 221 168 | 647 110 015 | 679 465 515 | 713 438 791 |
| Remuneration of councillors | 28 882 467 | 28 882 467 | 0 | 30 037 766 | 31 239 277 | 32 488 848 | 33 788 402 | 35 139 938 |
| Debt impairment | 283 536 108 | 274 982 230 | -8 553 878 | 294 877 522 | 306 672 654 | 315 872 834 | 325 349 019 | 335 109 489 |
| Depreciation & asset impairment | 378 675 137 | 365 083 525 | -13 591 612 | 390 035 391 | 401 736 453 | 409 771 182 | 417 966 606 | 426 325 938 |
| Finance charges | 39 754 198 | 39 754 198 | 0 | 41 423 874 | 43 246 524 | 43 246 524 | 28 255 670 | 24 175 886 |
| Bulk purchases | 557 137 890 | 557 137 890 | 0 | 649 065 642 | 759 406 801 | 804 971 209 | 885 468 330 | 974 015 163 |
| Other materials | 136 114 419 | 139 578 253 | 3 463 834 | 140 002 661 | 144 059 052 | 149 821 414 | 152 817 842 | 155 874 199 |
| Contracted services | 387 905 778 | 564 998 774 | 177 092 996 | 345 377 278 | 353 368 535 | 353 368 535 | 353 368 535 | 349 869 837 |
| Transfers and subsidies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other expenditure | 106 689 848 | 110 501 418 | 3 811 570 | 93 682 325 | 89 107 234 | 87 360 033 | 85 647 092 | 83 967 737 |
| Loss on disposal of PPE | 1 000 | 659 462 | 658 462 | 1 060 | 1 124 | 0 | 0 | 0 |
| Total Expenditure | 2 488 930 743 | 2 654 252 416 | 165 321 673 | 2 575 003 936 | 2 751 058 822 | 2 844 010 594 | 2 962 127 011 | 3 097 916 978 |
| Surplus/(Deficit) | -274 690 335 | -275 908 129 | -3 855 314 | -265 015 003 | -237 858 398 | -225 770 517 | -196 224 167 | -182 842 293 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 121 377 000 | 156 104 513 | 34 727 513 | 132 014 391 | 132 285 000 | 122 442 450 | 138 327 518 | 145 230 143 |
| Surplus/(Deficit) after capital transfers and subsidies | -153 313 335 | -119 803 616 | 30 872 199 | -133 000 612 | -105 573 398 | -103 328 067 | -57 896 650 | -37 612 149 |

6. Capital Financial Performance

The municipality will continue its drive to, by and large, finance its capital programme from the government grants. The municipality is also not planning to take any new loans over the next five financial years. This is necessary in order not to exert additional financial pressure to the Municipality. The Municipality is further planning to cut on funding the capital expenditure from internal reserves gradually over the next five years. The table below depicts the projected capital performance over the next five years.

Table 5: Capital Financial Performance

Financial Impact of the Budget Funding Plan on the Capital Financial Performance (Table A5/B5)

| Description | Original Budget | Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------------------|--------------------|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| R thousand | 2021/22 | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Capital Expenditure - Functional | | | | | | | | |
| <i>Governance and administration</i> | 4 400 000 | 5 204 075 | 804 075 | 0 | 0 | 1 500 000 | 1 000 000 | 1 000 000 |
| Executive and council | 300 000 | 237 608 | -62 392 | | | 0 | | |
| Finance and administration | 4 100 000 | 4 966 467 | 866 467 | | | 1 500 000 | 1 000 000 | 1 000 000 |
| Internal audit | 0 | 0 | 0 | | | 0 | | |
| <i>Community and public safety</i> | 11 035 000 | 13 637 347 | 2 602 347 | 10 844 500 | 12 446 676 | 0 | 0 | 0 |
| Community and social services | 0 | 1 490 364 | 1 490 364 | 494 500 | 0 | 0 | 0 | 0 |
| Sport and recreation | 11 000 000 | 11 097 809 | 97 809 | 10 350 000 | 12 446 676 | 0 | 0 | 0 |
| Public safety | 0 | 0 | 0 | | | 0 | 0 | 0 |
| Housing | 35 000 | 1 049 174 | 1 014 174 | | | 0 | 0 | 0 |
| Health | 0 | 0 | 0 | | | 0 | | |
| <i>Economic and environmental services</i> | 47 142 860 | 58 383 739 | 11 240 879 | 24 100 000 | 24 200 000 | 121 442 450 | 115 806 160 | 119 280 343 |
| Planning and development | 10 731 000 | 25 471 149 | 14 740 149 | 100 000 | 200 000 | 10 000 000 | 10 200 000 | 10 506 000 |
| Road transport | 36 411 860 | 32 912 590 | -3 499 270 | 24 000 000 | 24 000 000 | 111 442 450 | 105 606 160 | 108 774 343 |
| Environmental protection | 0 | 0 | 0 | | | 0 | | |
| <i>Trading services</i> | 82 815 140 | 108 167 018 | 25 351 878 | 107 569 891 | 105 638 323 | 7 500 000 | 7 650 000 | 7 879 500 |
| Energy sources | 0 | 0 | 0 | 0 | 0 | 1 500 000 | 1 530 000 | 1 575 900 |
| Water management | 46 706 540 | 64 577 205 | 17 870 665 | 71 569 891 | 69 152 467 | 6 000 000 | 6 120 000 | 6 303 600 |
| Waste water management | 36 108 600 | 42 365 838 | 6 257 238 | 36 000 000 | 36 485 856 | 0 | 0 | 0 |
| Waste management | 0 | 1 223 975 | 1 223 975 | | | 0 | | |
| Other | 0 | 0 | 0 | | | 0 | 0 | 0 |
| Total Capital Expenditure - Functional | 145 393 000 | 185 392 179 | 39 999 179 | 142 514 391 | 142 284 999 | 130 442 450 | 124 456 160 | 128 159 843 |
| Funded by: | | | | | | | | |
| National Government | 110 342 000 | 132 942 000 | 22 600 000 | 121 669 891 | 119 838 323 | 111 535 450 | 119 456 160 | 123 159 843 |
| Provincial Government | 11 035 000 | 23 162 513 | 12 127 513 | 10 344 500 | 12 446 676 | 10 907 000 | 0 | 0 |
| District Municipality | 0 | 0 | 0 | | | | 0 | 0 |
| Other transfers and grants | 0 | 0 | 0 | | | | 0 | 0 |
| Transfers recognised - capital | 121 377 000 | 156 104 513 | 34 727 513 | 132 014 391 | 132 285 000 | 122 442 450 | 119 456 160 | 123 159 843 |
| Borrowing | 0 | 0 | | | | | | |
| Internally generated funds | 24 016 000 | 29 287 666 | 5 271 666 | 10 500 000 | 10 000 000 | 8 000 000 | 5 000 000 | 5 000 000 |
| Total Capital Funding | 145 393 000 | 185 392 179 | 39 999 179 | 142 514 391 | 142 285 000 | 130 442 450 | 124 456 160 | 128 159 843 |

Capital expenditure is decreasing from R185.3 million in the current year, to R142.5 million in 2021/22 and further down in the years up to 2026/27 financial year. It is however noted that the internal funding will be reduced drastically, from R29.2 million in the current year to only R5 million in 2026/27 financial year.

7. Financial Position Plan

The municipality is projecting to remain within a favourable equity position, with the total assets exceeding total liabilities by a large margin. The net current position of the municipal is also projected to improve over the next three years, which is good indicator of the ability of the municipality to meet its short-term obligations over the next three years.

The table below depicts the Financial Position Plan of the municipality for the next five years:

Table 6: Financial Position

Financial Impact of the Budget Funding Plan on the Financial Position (Table A6/B6)

| Description | Original Budget | Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| R thousand | 2021/22 | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| ASSETS | | | | | | | | |
| Current assets | | | | | | | | |
| Cash | 390 207 | 390 207 | - | 51 152 477 | 155 397 501 | 160 539 156 | 170 400 408 | 173 685 353 |
| Call investment deposits | 8 759 545 | 5 790 814 | -2 968 731 | - | - | - | - | - |
| Consumer debtors | 544 147 765 | 544 147 765 | - | 565 913 676 | 594 209 360 | 557 541 436 | 328 488 107 | 335 433 162 |
| Other debtors | 81 351 346 | 81 351 346 | - | 96 667 306 | 100 920 668 | 100 920 668 | - | - |
| Current portion of long-term receivables | - | - | - | - | - | - | - | - |
| Inventory | 14 994 565 | 14 994 565 | - | 15 624 337 | 16 311 808 | 16 311 808 | 16 964 280 | 17 642 851 |
| Total current assets | 649 643 428 | 646 674 697 | -2 968 731 | 729 357 795 | 866 839 335 | 835 313 067 | 515 852 794 | 526 761 366 |
| Non current assets | | | | | | | | |
| Long-term receivables | - | - | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - | - | - |
| Investment property | 341 873 618 | 341 873 618 | - | 356 232 310 | 371 906 532 | 371 906 532 | 394 220 923 | 417 874 179 |
| Investment in Associate | 217 333 222 | 217 333 222 | - | 226 461 217 | 236 425 511 | 236 425 511 | 227 332 222 | 218 588 675 |
| Property, plant and equipment | 6 410 126 071 | 6 410 126 071 | - | 6 679 351 366 | 6 973 242 826 | 6 973 242 826 | 7 042 975 254 | 7 113 405 007 |
| Biological | - | - | - | - | - | - | - | - |
| Intangible | 1 223 846 | 1 223 846 | - | 1 275 248 | 1 331 358 | 1 331 358 | 1 424 554 | 1 524 272 |
| Other non-current assets | 11 710 932 | 11 710 932 | - | 12 202 791 | 12 739 714 | 12 739 714 | 13 631 494 | 14 585 699 |
| Total non current assets | 6 982 267 689 | 6 982 267 689 | - | 7 275 522 932 | 7 595 645 941 | 7 595 645 941 | 7 679 584 447 | 7 765 977 832 |
| TOTAL ASSETS | 7 631 911 117 | 7 628 942 386 | -2 968 731 | 8 004 880 727 | 8 462 485 276 | 8 430 959 008 | 8 195 437 241 | 8 292 739 198 |
| LIABILITIES | | | | | | | | |
| Current liabilities | | | | | | | | |
| Bank overdraft | - | - | - | - | - | - | - | - |
| Borrowing | 15 117 588 | 15 117 588 | - | 15 752 527 | 16 445 638 | 16 445 638 | 35 156 170 | 38 525 548 |
| Consumer deposits | 27 094 773 | 27 094 773 | - | 28 232 753 | 29 474 995 | 29 474 995 | 31 474 995 | 33 474 995 |
| Trade and other payables | 601 094 204 | 689 670 593 | 88 576 389 | 691 599 576 | 680 239 017 | 680 239 017 | 375 004 480 | 392 146 971 |
| Provisions | 9 752 000 | 9 752 000 | - | 10 161 584 | 10 608 694 | 10 608 694 | 11 245 215 | 11 919 928 |
| Total current liabilities | 653 058 565 | 741 634 954 | 88 576 389 | 745 746 440 | 736 768 343 | 736 768 343 | 452 880 860 | 476 067 442 |
| Non current liabilities | | | | | | | | |
| Borrowing | 345 653 584 | 345 653 584 | - | 519 079 091 | 497 202 195 | 497 202 195 | 462 046 024 | 423 520 476 |
| Provisions | 202 463 819 | 202 463 819 | - | 210 967 299 | 220 249 861 | 220 249 861 | 233 464 852 | 247 472 743 |
| Total non current liabilities | 548 117 403 | 548 117 403 | - | 730 046 391 | 717 452 055 | 717 452 055 | 695 510 877 | 670 993 220 |
| TOTAL LIABILITIES | 1 201 175 968 | 1 289 752 357 | 88 576 389 | 1 475 792 831 | 1 454 220 398 | 1 454 220 398 | 1 148 391 737 | 1 147 060 661 |
| NET ASSETS | 6 430 735 149 | 6 339 190 029 | -91 545 120 | 6 529 087 896 | 7 008 264 878 | 6 976 738 610 | 7 047 045 505 | 7 145 678 537 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | |
| Accumulated Surplus/(Deficit) | 6 400 660 888 | 6 313 348 128 | -87 312 762 | 6 497 750 518 | 6 975 548 656 | 6 944 022 388 | 7 013 020 633 | 7 110 292 670 |
| Reserves | 30 074 259 | 25 841 901 | -4 232 358 | 31 337 378 | 32 716 223 | 32 716 223 | 34 024 871 | 35 385 866 |
| TOTAL COMMUNITY WEALTH/EQUITY | 6 430 735 147 | 6 339 190 029 | -91 545 120 | 6 529 087 896 | 7 008 264 878 | 6 976 738 610 | 7 047 045 505 | 7 145 678 537 |

It is noted from table 5 above that the trade and payables is projected to remain high over the next two financial years. This due to the fact that the municipality has included the long-term portion of the Eskom debt. This is expected to improve as soon as the Eskom debt is fully paid up.

8. Cash Flow Plan

The municipality is planning to improve its collection rate of the next four years in order to ensure that adequate revenue is collected. The collection rate is projected to increase from 78% to 85% over the next five years. The municipality will also put measures in place to ensure that all grant opportunities are being accessed fully. The municipality has already identified and put plans in place to ensure that unused land and other assets are disposed-off in order to enhance revenue. The repayment of borrowing is also expected to continue to decrease over the next five years as no external borrowings will be taken. The table below depicts Cash Flow Plan over the next five years.

Table 7: Cash Flow

Financial Impact of the Budget Funding Plan on the Cash Flow (Table A7/B7)

| Description | Original Budget | Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| R thousand | 2021/22 | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | |
| Receipts | | | | | | | | |
| Property rates | 271 819 678 | 271 819 678 | - | 285 410 662 | 301 108 249 | 313 152 579 | 325 678 682 | 338 705 829 |
| Service charges | 942 901 455 | 955 547 969 | 12 646 514 | 1 041 881 123 | 1 133 598 314 | 1 156 270 280 | 1 225 646 497 | 1 299 185 287 |
| Other revenue | 29 044 755 | 257 708 832 | 228 664 077 | 268 017 186 | 278 737 873 | 287 100 009 | 301 455 010 | 313 513 210 |
| Government - operating | 695 021 000 | 828 431 651 | 133 410 651 | 658 217 500 | 716 770 550 | 736 194 903 | 736 194 903 | 736 194 903 |
| Government - capital | 121 377 000 | 152 677 000 | 31 300 000 | 134 449 500 | 122 442 450 | 138 327 518 | 138 327 518 | 138 327 518 |
| Interest | 2 295 509 | 2 293 788 | -1 721 | 2 385 539 | 2 504 816 | 2 542 850 | 3 212 117 | 3 436 965 |
| Dividends | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | |
| Suppliers and employees | -1 863 263 092 | -2 225 766 468 | -362 503 376 | -2 148 424 133 | -2 255 845 339 | -2 447 592 193 | -2 545 495 881 | -2 647 315 716 |
| Finance charges | -39 754 198 | -39 754 198 | - | -35 345 953 | -31 705 273 | -28 255 670 | -24 175 886 | -21 350 125 |
| Transfers and Grants | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 159 442 107 | 202 958 252 | 43 516 145 | 206 591 425 | 267 611 640 | 157 740 275 | 160 842 959 | 160 697 871 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | |
| Receipts | | | | | | | | |
| Proceeds on disposal of PPE | 11 000 000 | 11 000 000 | - | 11 000 000 | 11 000 000 | 11 000 000 | 10 000 000 | 10 000 000 |
| Decrease (increase) in non-current debtors | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | |
| Capital assets | -145 393 000 | -185 393 178 | -40 000 178 | -142 514 391 | -142 285 000 | -130 442 450 | -124 456 160 | -128 159 843 |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | -134 393 000 | -174 393 178 | -40 000 178 | -131 514 391 | -131 285 000 | -119 442 450 | -114 456 160 | -118 159 843 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | |
| Receipts | | | | | | | | |
| Short term loans | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | - | - | - | 2 000 000 | 2 000 000 | 2 000 000 | 2 000 000 | 2 000 000 |
| Payments | | | | | | | | |
| Repayment of borrowing | -31 884 356 | -31 884 356 | - | -32 105 578 | -34 081 616 | -35 156 170 | -38 525 548 | -41 253 082 |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | -31 884 356 | -31 884 356 | - | -30 105 578 | -32 081 616 | -33 156 170 | -36 525 548 | -39 253 082 |
| NET INCREASE/ (DECREASE) IN CASH HELD | -6 835 249 | -3 319 282 | 3 515 967 | 44 971 456 | 104 245 024 | 5 141 655 | 9 861 252 | 3 284 945 |
| Cash/cash equivalents at the year begin: | 15 985 000 | 9 500 303 | | 6 181 021 | 51 152 477 | 155 397 501 | 160 539 156 | 170 400 408 |
| Cash/cash equivalents at the year end: | 9 149 751 | 6 181 021 | 3 515 967 | 51 152 477 | 155 397 501 | 160 539 156 | 170 400 408 | 173 685 353 |

Table 7 above indicates that the municipality cash during the 2021/22 financial year will be adequate to cover all necessary payments. It is noted however that the cash position of the municipality will steadily improve from R6.1 million in the current year to R173.6 million in five years' time. It is noted that, once the municipality have fully paid its key outstanding creditors, it will then start to realise some reserves that can be utilised to provide for provision and other reserves to be cash-backed.

9. Cash Backed Reserves Plan

Through its five-year plan, the municipality aims to ensure that adequate reserves are generated to cover for any unspent conditional grants, provisions and reserves that are required to be cash backed in terms of GRAP and the municipal policies. By far possible, the municipality has ensured that all provisions and reserves have been reliably and adequately provided for. The municipality will also ensure that its working capital position improves over the planning period. This will be ensured by payment and reduction of trade creditors, especially Eskom debt.

Table 8: Cash-backed Reserves

Financial Impact of the Budget Funding Plan on the Cash backed reserves/accumulated surplus (Table A8/B8)

| Description | Original Budget | Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---------------------|---------------------|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| R thousand | 2021/22 | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Cash and Investments available | | | | | | | | |
| Cash/cash equivalents at the year end | 9 149 751 | 6 181 021 | -2 968 730 | 51 152 477 | 155 397 501 | 160 539 156 | 170 400 408 | 173 685 353 |
| Other current investments > 90 days | - | - | - | - | - | - | - | - |
| Non current assets - investments | - | - | - | - | - | - | - | - |
| Cash and investments available: | 9 149 751 | 6 181 021 | -2 968 730 | 51 152 477 | 155 397 501 | 160 539 156 | 170 400 408 | 173 685 353 |
| Application of cash and Investments | | | | | | | | |
| Unspent conditional transfers | 22 279 330 | 26 776 314 | 4 496 984 | 21 218 409 | 19 289 463 | 19 289 463 | 17 535 875 | 15 941 705 |
| Unspent borrowing | - | - | - | - | - | - | - | - |
| Statutory requirements | 47 605 000 | 45 228 715 | -2 376 285 | 43 489 149 | 41 816 490 | 38 014 991 | 34 559 082 | 31 417 348 |
| Other working capital requirements | 51 074 803 | 41 075 012 | -78 836 631 | 35 732 904 | 29 177 543 | 26 525 039 | 24 113 672 | 21 921 520 |
| Other provisions | 9 752 125 | 9 723 256 | -28 869 | 10 112 186 | 10 516 674 | 10 649 321 | 10 755 814 | 10 863 372 |
| Long term investments committed | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 30 074 259 | 25 841 901 | -4 232 358 | 31 337 378 | 32 716 223 | 32 040 726 | 32 681 541 | 33 335 171 |
| Total Application of cash and Investments: | 160 785 517 | 148 645 198 | -80 977 159 | 141 890 027 | 133 516 392 | 126 519 540 | 119 645 985 | 113 479 116 |
| Surplus(shortfall) | -151 635 766 | -142 464 177 | 78 008 429 | -90 737 550 | 21 881 109 | 34 019 616 | 50 754 423 | 60 206 237 |

Table 8 above shows an improving trend on the surplus at the end of each year. The municipality appears to be currently unfunded until the end of 2022/23 financial year. With effect from 2023/24 and after the Eskom debt is fully paid, the table reflects that the municipality will be fully funded and will be able to provide for any provisions and reserves. It will be critical that this plan is monitored closely so that its objectives are realised.

10. Reporting timeframes

It is imperative that the progress and challenges be reported on a quarterly basis to council, through the Finance Portfolio Committee. Other platforms of reporting will be the Management Committee and the Executive Committee of Council. Reporting on the implementation of the funding plan shall also take place during the tabling of each and every budget and the mid-year assessment over the MTREF period.

11. Conclusion

This plan has been crafted with a view to address specific challenges of the unfunded budget. Over-commitment to the Eskom debt, lower collection rate, loan repayments, and high operating expenditure base are but some of the causes of the situation the municipality finds itself in. The plan therefore aims at addressing most of the challenges and to change business processes and financial culture in the municipality. It is therefore critical that councillors, senior management buy into the plan and that its implementation filters through all the municipal levels. It is also recorded that the Chief Financial Officer will be responsible for driving its implementation.

Lastly, it is also important to mention that the municipality must not easily deviate from the plan. While the municipality might be challenged to amend the plan especially during the preparation of each budget, it is

however very key that the strategies contained therein are not easily altered. This will ensure that the long term objectives of the plan are eventually attained. Council is also encouraged to make use of the quarterly progress reports to guide and monitor implementation of the plan.