



**WINNIE MADIKIZELA-MANDELA
LOCAL MUNICIPALITY
ADJUSTED BUDGET 2021/22
MTREF**

28 JUNE 2022

Table of Contents

PART 1 – ADJUSTMENTS BUDGET	3
1. Mayor's report	3
2. Resolutions	4
3. Executive summary	4
4. Budget overview	5
5. Summary of operational expenditure by vote	7
PART 2 – SUPPORTING DOCUMENTATION	21
1. Adjustments to budget assumptions	21
2. Adjustments to budget funding	21
3. Adjustments to expenditure on allocations and grant programmes	22
4. Adjustments to allocations or grants made by the municipality	23
5. Adjustments to councillor allowances and employee benefits	24
6. Adjustments to service delivery and budget implementation plan	24
7. Adjustments to capital expenditure	25
8. Adjustments to repairs and maintenance	27
Quality Certificate	28

PART 1 – ADJUSTMENTS BUDGET

1. Mayor's report

The purpose of this budget is to assist the council to revise the approved 2021/22 adjusted budget to address the disaster response demands following the severe weather events and the consequent damage caused in various provinces that was followed by a declaration of a national disaster in terms section 27(1) of the Disaster Management Act, 2002. To report on the engagements of management and council structures post the disaster declaring and assessments thereof. To place the report on the s29 Adjustment Budget before the Municipal Council for approval.

Section 29(1) of the Municipal Finance Management Act, 2003 (MFMA) provides that: -

- (1) The mayor of a municipality may in emergency of other exceptional circumstances authorize unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.
- (2) Any such expenditure
 - a) Must be in accordance with any framework that may be prescribed;
 - b) May not exceed a prescribed percentage of the approved annual budget;
 - c) Must be reported by the mayor to the municipal council at its next meeting;
and
 - d) Must be appropriated in an adjustments budget.
- a) If such adjustments budget is not passed within 60 days after the expenditure was incurred, the expenditure is unauthorized and section 32 applies.

MFMA Circular No 116 requires municipalities to reprioritise their budgets. In doing so, municipalities were advised to adhere to the requirements outlined in section 29 of the MFMA. These requirements provide that municipalities may in emergency or other exceptional circumstances authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.

Municipalities were advised to consider the option to use section 29 of the MFMA to fund the response to the disaster in both the 2021/22 and 2022/23 financial years, noting that assessments on the damage and resources required to address them, may take time to be confirmed.

2. Resolutions

It is recommended that the council approves the following:

- a) The 2021/22 Special Adjustments budget
- b) The adjustments in line with the requirements of s29(1) of the MFMA, as indicated in the mayor's report
- c) That the operating revenue be adjusted.
- d) That the operational expenditure budget be adjusted
- e) That the capital expenditure budget be adjusted
- f) That the shortfall on ongoing projects be funded from the municipality's surplus cash to ensure they are completed by year-end.

3. Executive summary

The Municipal Manager with the assistance and advice of the municipal management recommended that an adjustment budget is necessary to address the short-comings within the existing budget caused by the national disaster that was declared in April 2022.

The municipality's management together with council structures conducted consultation meetings where the needs of each area were identified following assessments of the damages conducted, with the budget principles and approach to be applied. Departments have used the assessments in relation to the effect and the impact of the disaster which served as a motivation towards the adjustment budget.

The criteria utilized for compiling the adjustment budget were determined by the following factors:

- The adjustment budget must be compiled in compliance with the MFMA requirements as set out in Section 28 as specify in the body of the report. This relates to expenditure and income estimates which have been anticipated in the budget but which have not materialized for motivated reasons. It can also relate to unforeseen circumstances which can also be explained and motivated.
- The adjustment budget must be substantiated through alignment with the departmental SDBIP and Council approved IDP
- The original approved budget process and guidelines must be used to compile the 2021/2022 adjustment budget as it is not a new budget

Departments were required to prioritize within their approved operating and capital budget allocations in accordance with guidelines provided.

4. Budget overview

EC443 Winnie Madikizela Mandela - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/06/2022												
Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		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
R thousands	1	A	A1	B	C	D	E	F	G	10 H		
Revenue By Source												
Property rates	2	26,171	21,283	-	-	-	-	-	-	21,283	27,271	28,470
Service charges - electricity revenue	2	38,809	38,809	-	-	-	-	-	-	38,809	41,763	44,980
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4,665	4,671	-	-	-	-	-	-	4,671	4,861	5,075
Rental of facilities and equipment		3,093	3,452	-	-	-	-	570	570	4,022	3,314	3,389
Interest earned - external investments		10,047	10,047	-	-	-	-	-	-	10,047	10,469	10,929
Interest earned - outstanding debtors		5,133	5,133	-	-	-	-	-	-	5,133	5,348	5,584
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		938	938	-	-	-	-	-	-	938	971	1,007
Licences and permits		2,756	1,879	-	-	-	-	-	-	1,879	2,756	2,756
Agency services		1,265	1,337	-	-	-	-	-	-	1,337	1,319	1,377
Transfers and subsidies		295,690	298,973	-	-	-	-	-	-	298,973	306,697	299,293
Other revenue	2	1,466	982	-	-	-	-	-	-	982	1,485	1,506
Gains		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		390,032	387,504	-	-	-	-	570	570	388,074	406,252	404,365
Expenditure By Type												
Employee related costs		126,854	119,529	-	-	(39)	-	-	(39)	119,489	132,216	137,964
Remuneration of councillors		26,007	26,007	-	-	-	-	-	-	26,007	27,099	28,292
Debt impairment		9,600	9,600	-	-	-	-	-	-	9,600	9,600	9,600
Depreciation & asset impairment		52,682	52,682	-	-	15,000	-	-	15,000	67,682	54,894	57,310
Finance charges		150	150	-	-	-	-	-	-	150	156	163
Bulk purchases - electricity		40,777	40,777	-	-	-	-	-	-	40,777	42,490	44,274
Inventory consumed		7,663	7,863	-	-	(499)	-	-	(499)	7,363	7,985	8,336
Contracted services		98,848	102,070	-	-	(3,285)	-	-	(3,285)	98,785	86,461	90,192
Transfers and subsidies		5,907	5,623	-	-	427	-	-	427	6,050	6,155	6,426
Other expenditure		65,042	75,364	-	-	(4,061)	-	-	(4,061)	71,303	67,985	71,478
Losses		-	38,718	-	-	-	-	-	-	38,718	-	-
Total Expenditure		433,529	478,383	-	-	7,542	-	-	7,542	485,925	435,041	454,035
Surplus/(Deficit)		(43,497)	(90,880)	-	-	(7,542)	-	570	(6,972)	(97,852)	(28,789)	(49,669)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		99,296	96,175	-	-	-	-	-	-	96,175	112,858	92,433
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		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764

a. Revenue adjustments

i. Rental from fixed assets

An increase of R570 thousand is proposed as a result of the improved rental agreements on some of the municipality's investment properties. This is informed by the rental amounts already recognised during the year indicating an achievement of more than the projected amount.

b. Operating Expenditure

i. Employee related costs

This has seen a net decrease of R48 thousand with the main contributor being the financial management internship stipends that have been utilised for the past 6 months due to three internship positions that have remained vacant of the period indicated. This has been reallocated to assist with other training needs of the budget and treasury personnel.

ii. Impairment loss

This has seen a R15 million increase in preparation for impairment losses that are expected to be recorded as a result of the flood damages on the municipality's infrastructure. This is a non-cash item which is mainly to account for the unexpected value of our assets.

iii. Inventory Consumed

An amount of R220 thousand has been allocated for disaster relief material and food parcels that were distributed as part of the municipality's humanitarian interventions. There was also a downward adjustment of R800 thousand from COVID-19 protective equipment and cleaning material as a result of anticipated savings to also assist in the maintenance of roads and bridges.

iv. Contracted Services

The downward overall adjustment of R2.1 million adjustment has considered a number of important areas including consulting fees at R1.6 million for the impact assessment of the municipality's roads, additional funding of internal audit co-sourcing to cater for additional assignments allocated for the year amounting to R227 thousand, caseware updates training for the preparation of annual financial statements amounting to R12 thousand, and R200 thousand for vehicle maintenance. An amount of R4.2 million has been reallocated to support rehabilitation of roads and bridges.

v. Other expenditure

An amount of R4.6 million has been reallocated from programs that are expected to have savings based on their current performance and the three months that was lost to procurement processes while state institutions were advised to stop all procurement above R30 thousand. This also included funds allocated to hire bakkies that were used to travel the

municipal villages during the assessment of the impact of the floods which informed the municipality's disaster impact report.

5. Summary of operational expenditure by vote

EC443 Winnie Madikizela Mandela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28/06/2022												
Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
Revenue by Vote	1											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		293	293	-	-	-	-	-	-	293	309	326
Vote 3 - Budget Treasury Office		309,070	309,235	-	-	-	-	570	570	309,805	324,413	317,703
Vote 4 - Community Services		13,743	12,943	-	-	-	-	-	-	12,943	10,501	10,835
Vote 5 - Development Planning		46,467	41,579	-	-	-	-	-	-	41,579	50,569	28,954
Vote 6 - Engineering Services		119,755	119,629	-	-	-	-	-	-	119,629	133,317	138,981
Vote 7 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	489,328	483,678	-	-	-	-	570	570	484,248	519,110	496,798
Expenditure by Vote	1											
Vote 1 - Executive and Council		83,323	82,105	-	-	(986)	-	-	(986)	81,119	86,642	90,890
Vote 2 - Corporate Services		59,154	63,472	-	-	(4,277)	-	-	(4,277)	59,195	61,634	64,342
Vote 3 - Budget Treasury Office		37,982	39,379	-	-	(1,845)	-	-	(1,845)	37,534	39,398	40,682
Vote 4 - Community Services		78,225	76,867	-	-	(1,340)	-	-	(1,340)	75,527	76,388	79,731
Vote 5 - Development Planning		29,061	31,046	-	-	(985)	-	-	(985)	30,061	30,282	31,614
Vote 6 - Engineering Services		145,783	185,513	-	-	16,976	-	-	16,976	202,488	140,697	146,775
Vote 7 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	433,529	478,383	-	-	7,542	-	-	7,542	485,925	435,041	454,035
Surplus/ (Deficit) for the year	2	55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764

a. REVENUE

The table above shows a summary of the adjustments on revenue per department which still relate to the adjustments already dealt with in the report. The table shows upward adjustment of R570 thousand on total revenue for the financial year as a result of this adjustment budget.

b. EXPENDITURE

The table also shows expenditures as adjusted per department with Roads and Engineering showing the biggest upward adjustment as a result of the road maintenance projects that will be implemented to respond to the disaster damages.

Adjustments budget tables

a. Table B1 Adjustments budget summary

EC443 Winnie Madikizela Mandela - Table B1 Adjustments Budget Summary - 28/06/2022

Description	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	26,171	21,283	-	-	-	-	-	-	21,283	27,271	28,470
Service charges	43,474	43,480	-	-	-	-	-	-	43,480	46,623	50,055
Investment revenue	10,047	10,047	-	-	-	-	-	-	10,047	10,469	10,929
Transfers recognised - operational	295,690	298,973	-	-	-	-	-	-	298,973	306,697	299,293
Other own revenue	14,651	13,721	-	-	-	-	570	570	14,291	15,193	15,618
Total Revenue (excluding capital transfers and contributions)	390,032	387,504	-	-	-	-	570	570	388,074	406,252	404,365
Employee costs	126,854	119,529	-	-	(39)	-	-	(39)	119,489	132,216	137,964
Remuneration of councillors	26,007	26,007	-	-	-	-	-	-	26,007	27,099	28,292
Depreciation & asset impairment	52,682	52,682	-	-	15,000	-	-	15,000	67,682	54,894	57,310
Finance charges	150	150	-	-	-	-	-	-	150	156	163
Inventory consumed and bulk purchases	48,440	48,640	-	-	(499)	-	-	(499)	48,141	50,474	52,610
Transfers and grants	5,907	5,623	-	-	427	-	-	427	6,050	6,155	6,426
Other expenditure	173,490	225,752	-	-	(7,346)	-	-	(7,346)	218,406	164,046	171,270
Total Expenditure	433,529	478,383	-	-	7,542	-	-	7,542	485,925	435,041	454,035
Surplus/(Deficit)	(43,497)	(90,880)	-	-	(7,542)	-	570	(6,972)	(97,852)	(28,789)	(49,669)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	99,296	96,175	-	-	-	-	-	-	96,175	112,858	92,433
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	55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Capital expenditure & funds sources											
Capital expenditure	117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708
Transfers recognised - capital	86,399	80,762	-	-	-	-	-	-	80,762	110,104	89,561
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	31,328	107,921	-	-	7,504	-	-	7,504	115,426	29,102	12,146
Total sources of capital funds	117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708
Financial position											
Total current assets	277,032	277,878	-	-	(10,151)	-	-	(10,151)	267,727	300,062	298,016
Total non current assets	789,359	836,767	-	-	(7,496)	-	-	(7,496)	829,272	808,604	768,670
Total current liabilities	49,384	75,113	-	-	(10,674)	-	-	(10,674)	64,439	53,220	46,988
Total non current liabilities	5,495	5,246	-	-	-	-	-	-	5,246	5,495	5,495
Community wealth/Equity	1,011,512	1,034,286	-	-	(7,542)	-	570	(6,972)	1,027,314	1,049,951	1,014,204
Cash flows											
Net cash from (used) operating	129,537	126,155	-	-	6,669	-	570	7,239	133,394	142,465	96,757
Net cash from (used) investing	(119,176)	(182,428)	-	-	(17,889)	-	-	(17,889)	(200,317)	(136,641)	(105,474)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	191,598	201,887	-	-	(11,220)	-	570	(10,650)	191,237	197,422	188,706
Cash backing/surplus reconciliation											
Cash and investments available	191,598	201,887	-	-	(10,650)	-	-	(10,650)	191,237	197,422	188,706
Application of cash and investments	(65,830)	(34,278)	-	-	(10,567)	-	-	(10,567)	(44,845)	(61,065)	(66,165)
Balance - surplus (shortfall)	257,428	236,165	-	-	(83)	-	-	(83)	236,082	258,487	254,870
Asset Management											
Asset register summary (WDV)	682,761	661,231	-	-	(19,720)	-	-	(19,720)	641,511	676,514	676,949
Depreciation	52,682	52,682	-	-	-	-	-	-	52,682	54,894	57,310
Renewal and Upgrading of Existing Assets	40,902	103,405	-	-	5,590	-	-	5,590	108,995	18,016	-
Repairs and Maintenance	34,271	33,664	-	-	(410)	-	-	(410)	33,254	35,224	36,791
Free services											
Cost of Free Basic Services provided	4,166	4,166	-	-	-	-	-	-	4,166	1,202	1,260
Revenue cost of free services provided	-	408	-	-	-	-	-	-	408	425	444
Households below minimum service level											
Water	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewage	-	-	-	-	-	-	-	-	-	-	-
Energy	5	-	-	-	-	-	-	-	5	4	3
Refuse	49	-	-	-	-	-	-	-	49	49	51

b. Table B2 Adjustments budget Financial Performance (Functional Classification)

EC443 Winnie Madikizela Mandela - Table B2 Adjustments Budget Financial Performance (functional classification) - 28/06/2022												
Standard Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		335,534	330,811	-	-	-	-	570	570	331,381	351,993	346,500
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		335,534	330,811	-	-	-	-	570	570	331,381	351,993	346,500
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		5,479	4,673	-	-	-	-	-	-	4,673	5,610	5,728
Community and social services		681	681	-	-	-	-	-	-	681	725	750
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		4,798	3,992	-	-	-	-	-	-	3,992	4,884	4,978
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		71,475	71,348	-	-	-	-	-	-	71,348	78,494	58,073
Planning and development		20,452	20,325	-	-	-	-	-	-	20,325	23,456	640
Road transport		51,023	51,023	-	-	-	-	-	-	51,023	55,038	57,433
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		76,840	76,847	-	-	-	-	-	-	76,847	83,014	86,497
Energy sources		68,576	68,577	-	-	-	-	-	-	68,577	78,123	81,391
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		8,264	8,270	-	-	-	-	-	-	8,270	4,891	5,106
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	489,328	483,680	-	-	-	-	570	570	484,250	519,110	496,798
Expenditure - Functional												
<i>Governance and administration</i>		195,801	200,566	-	-	(7,384)	-	-	(7,384)	193,183	203,654	212,591
Executive and council		62,138	61,135	-	-	(1,073)	-	-	(1,073)	60,062	64,703	68,052
Finance and administration		127,983	134,083	-	-	(6,497)	-	-	(6,497)	127,586	133,165	138,559
Internal audit		5,679	5,348	-	-	187	-	-	187	5,535	5,787	5,979
<i>Community and public safety</i>		31,625	30,707	-	-	(1,387)	-	-	(1,387)	29,320	32,471	33,891
Community and social services		11,967	11,806	-	-	(1,297)	-	-	(1,297)	10,509	11,993	12,518
Sport and recreation		2,853	2,558	-	-	-	-	-	-	2,558	2,972	3,103
Public safety		15,769	15,372	-	-	(90)	-	-	(90)	15,282	16,425	17,142
Housing		1,037	971	-	-	-	-	-	-	971	1,080	1,128
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		105,923	117,631	-	-	15,736	-	-	15,736	133,367	110,462	115,285
Planning and development		31,356	32,901	-	-	846	-	-	846	33,747	32,729	34,125
Road transport		72,029	82,151	-	-	14,890	-	-	14,890	97,041	75,087	78,408
Environmental protection		2,539	2,578	-	-	-	-	-	-	2,578	2,645	2,762
<i>Trading services</i>		96,328	125,216	-	-	490	-	-	490	125,706	84,440	88,066
Energy sources		68,375	98,132	-	-	550	-	-	550	98,682	59,947	62,498
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		27,952	27,084	-	-	(60)	-	-	(60)	27,024	24,493	25,568
<i>Other</i>		3,853	4,263	-	-	87	-	-	87	4,349	4,015	4,192
Total Expenditure - Functional	3	433,529	478,383	-	-	7,542	-	-	7,542	485,925	435,041	454,035
Surplus/ (Deficit) for the year		55,799	5,296	-	-	(7,542)	-	570	(6,972)	(1,676)	84,068	42,764

The table above depicts the municipality's adjusted financial performance per functional classification. This groups departments or votes according to their functional class.

c. Table B3 Adjustments budgets Financial Performance (revenue and expenditure by municipal vote)

EC443 Winnie Madikizela Mandela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28/06/2022												
Vote Description [Insert departmental structure etc]	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		293	293	-	-	-	-	-	-	293	309	326
Vote 3 - Budget Treasury Office		309,070	309,235	-	-	-	-	570	570	309,805	324,413	317,703
Vote 4 - Community Services		13,743	12,943	-	-	-	-	-	-	12,943	10,501	10,835
Vote 5 - Development Planning		46,467	41,579	-	-	-	-	-	-	41,579	50,569	28,954
Vote 6 - Engineering Services		119,755	119,629	-	-	-	-	-	-	119,629	133,317	138,981
Vote 7 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	489,328	483,678	-	-	-	-	570	570	484,248	519,110	496,798
Expenditure by Vote	1											
Vote 1 - Executive and Council		83,323	82,105	-	-	(986)	-	-	(986)	81,119	86,642	90,890
Vote 2 - Corporate Services		59,154	63,472	-	-	(4,277)	-	-	(4,277)	59,195	61,634	64,342
Vote 3 - Budget Treasury Office		37,982	39,379	-	-	(1,845)	-	-	(1,845)	37,534	39,398	40,682
Vote 4 - Community Services		78,225	76,867	-	-	(1,340)	-	-	(1,340)	75,527	76,388	79,731
Vote 5 - Development Planning		29,061	31,046	-	-	(985)	-	-	(985)	30,061	30,282	31,614
Vote 6 - Engineering Services		145,783	185,513	-	-	16,976	-	-	16,976	202,488	140,697	146,775
Vote 7 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	433,529	478,383	-	-	7,542	-	-	7,542	485,925	435,041	454,035
Surplus/ (Deficit) for the year	2	55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764

Executive and Council includes Council general expenses, Mayor's office, Office of the Speaker, and the Office of the Municipal manager.

Budget and Treasury consists of Budgeting and reporting, Supply chain and Asset management, Revenue and expenditure, the office of the Chief Financial Officer.

Corporate services consists of Human resources, Labour relations, Information technology, and Fleet management.

Community Services consists of Community and social services, Environmental management, Refuse removal, Protection services and Licensing.

Development planning consist of Planning and Land use management, and Local economic development.

Engineering services consists of Road works and engineering, and Electricity.

d. Table B4 Adjustments budget Financial Performance (revenue and expenditure)

EC443 Winnie Madikizela Mandela - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/06/2022												
Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		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
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	26,171	21,283	-	-	-	-	-	-	21,283	27,271	28,470
Service charges - electricity revenue	2	38,809	38,809	-	-	-	-	-	-	38,809	41,763	44,980
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4,665	4,671	-	-	-	-	-	-	4,671	4,861	5,075
Rental of facilities and equipment		3,093	3,452	-	-	-	-	570	570	4,022	3,314	3,389
Interest earned - external investments		10,047	10,047	-	-	-	-	-	-	10,047	10,469	10,929
Interest earned - outstanding debtors		5,133	5,133	-	-	-	-	-	-	5,133	5,348	5,584
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		938	938	-	-	-	-	-	-	938	971	1,007
Licences and permits		2,756	1,879	-	-	-	-	-	-	1,879	2,756	2,756
Agency services		1,265	1,337	-	-	-	-	-	-	1,337	1,319	1,377
Transfers and subsidies		295,690	298,973	-	-	-	-	-	-	298,973	306,697	299,293
Other revenue	2	1,466	982	-	-	-	-	-	-	982	1,485	1,506
Gains		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		390,032	387,504	-	-	-	-	570	570	388,074	406,252	404,365
Expenditure By Type												
Employee related costs		126,854	119,529	-	-	(39)	-	-	(39)	119,489	132,216	137,964
Remuneration of councillors		26,007	26,007	-	-	-	-	-	-	26,007	27,099	28,292
Debt impairment		9,600	9,600	-	-	-	-	-	-	9,600	9,600	9,600
Depreciation & asset impairment		52,682	52,682	-	-	15,000	-	-	15,000	67,682	54,894	57,310
Finance charges		150	150	-	-	-	-	-	-	150	156	163
Bulk purchases - electricity		40,777	40,777	-	-	-	-	-	-	40,777	42,490	44,274
Inventory consumed		7,663	7,863	-	-	(499)	-	-	(499)	7,363	7,985	8,336
Contracted services		98,848	102,070	-	-	(3,285)	-	-	(3,285)	98,785	86,461	90,192
Transfers and subsidies		5,907	5,623	-	-	427	-	-	427	6,050	6,155	6,426
Other expenditure		65,042	75,364	-	-	(4,061)	-	-	(4,061)	71,303	67,985	71,478
Losses		-	38,718	-	-	-	-	-	-	38,718	-	-
Total Expenditure		433,529	478,383	-	-	7,542	-	-	7,542	485,925	435,041	454,035
Surplus/(Deficit)		(43,497)	(90,880)	-	-	(7,542)	-	570	(6,972)	(97,852)	(28,789)	(49,669)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		99,296	96,175	-	-	-	-	-	-	96,175	112,858	92,433
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		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		55,799	5,295	-	-	(7,542)	-	570	(6,972)	(1,677)	84,068	42,764

The table above shows adjustments that have been to the 2021/22 budget and can be summarised as follows: -

a. Revenue adjustments

i. Rental from fixed assets

An increase of R570 thousand is proposed as a result of the improved rental agreements on some of the municipality's investment properties. This is informed by the rental amounts already recognised during the year indicating an achievement of more than the projected amount.

b. Operating Expenditure

i. Employee related costs

This has seen a net decrease of R48 thousand with the main contributor being the financial management internship stipends that have been utilised for the past 6 months due to three internship positions that have remained vacant of the period indicated. This has been reallocated to assist with other training needs of the budget and treasury personnel.

ii. Impairment loss

This has seen a R15 million increase in preparation for impairment losses that are expected to be recorded as a result of the flood damages on the municipality's infrastructure. This is a non-cash item which is mainly to account for the unexpected value of our assets.

iii. Inventory Consumed

An amount of R220 thousand has been allocated for disaster relief material and food parcels that were distributed as part of the municipality's humanitarian interventions. There was also a downward adjustment of R800 thousand from COVID-19 protective equipment and cleaning material as a result of anticipated savings to also assist in the maintenance of roads and bridges.

iv. Contracted Services

The downward overall adjustment of R2.1 million adjustment has considered a number of important areas including consulting fees at R1.6 million for the impact assessment of the municipality's roads, additional funding of internal audit co-sourcing to cater for additional assignments allocated for the year amounting to R227 thousand, caseware updates training for the preparation of annual financial statements amounting to R12 thousand, and R200 thousand for vehicle maintenance. An amount of R4.2 million has been reallocated to support rehabilitation of roads and bridges.

v. Other expenditure

An amount of R4.6 million has been reallocated from programs that are expected to have savings based on their current performance and the three months that was lost to procurement processes while state institutions were advised to stop all procurement above R30 thousand. This also included funds allocated to hire bakkies that were used to travel the municipal villages during the assessment of the impact of the floods which informed the municipality's disaster impact report.

e. Table B5 Adjustments Capital Expenditure Budget by vote and funding

EC443 Winnie Madikizela Mandela - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28/06/2022

Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		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
R thousands		A	5	6	7	8	9	10	11	12		
			A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 6 - Engineering Services		40,902	86,505	-	-	(6,034)	-	-	(6,034)	80,471	15,000	-
Capital multi-year expenditure sub-total	3	40,902	86,505	-	-	(6,034)	-	-	(6,034)	80,471	15,000	-
Single-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		7,028	9,298	-	-	(3,320)	-	-	(3,320)	5,978	5,116	6,886
Vote 3 - Budget Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		3,150	4,278	-	-	(1,900)	-	-	(1,900)	2,378	1,900	3,300
Vote 5 - Development Planning		21,420	19,030	-	-	-	-	-	-	19,030	24,320	1,800
Vote 6 - Engineering Services		45,227	69,573	-	-	18,759	-	-	18,759	88,332	92,870	89,721
Capital single-year expenditure sub-total		76,825	102,178	-	-	13,539	-	-	13,539	115,717	124,205	101,708
Total Capital Expenditure - Vote		117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708
Capital Expenditure - Functional												
Governance and administration		7,028	9,498	-	-	(3,320)	-	-	(3,320)	6,178	5,316	7,086
Finance and administration		7,028	9,498	-	-	(3,320)	-	-	(3,320)	6,178	5,316	7,086
Community and public safety		2,450	2,258	-	-	(1,200)	-	-	(1,200)	1,058	1,500	2,200
Community and social services		1,650	1,358	-	-	(1,200)	-	-	(1,200)	158	1,400	2,000
Sport and recreation		-	100	-	-	-	-	-	-	100	-	-
Public safety		800	800	-	-	-	-	-	-	800	100	200
Economic and environmental services		85,891	147,508	-	-	13,574	-	-	13,574	161,083	91,604	56,361
Planning and development		72,822	115,735	-	-	(5,483)	-	-	(5,483)	110,252	39,320	1,800
Road transport		13,070	31,773	-	-	19,057	-	-	19,057	50,830	52,284	54,561
Trading services		22,357	29,420	-	-	(1,550)	-	-	(1,550)	27,870	40,786	36,060
Energy sources		21,657	27,600	-	-	(850)	-	-	(850)	26,750	40,586	35,160
Waste management		700	1,820	-	-	(700)	-	-	(700)	1,120	200	900
Total Capital Expenditure - Functional	3	117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708
Funded by:												
National Government		86,399	80,762	-	-	-	-	-	-	80,762	110,104	89,561
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	86,399	80,762	-	-	-	-	-	-	80,762	110,104	89,561
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		31,328	107,921	-	-	7,504	-	-	7,504	115,426	29,102	12,146
Total Capital Funding		117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708

- The above Table depicts the impact of the adjustments mentioned in earlier sections on the municipality's capital budget and funding of such a budget.
- The municipality's capital increased from R188 million to R196 million as a result of the adjustments to be dealt with in the paragraphs that follow:

a) Capital Expenditure adjustments

Engineering Services

The table below shows adjustments made to the municipality's capital budget as a result of the assessed damages to municipal roads that have become undriveable. All the projects with no budget from the previous adjustment were prioritised from the flood damaged roads based on the municipality's affordability levels and based on the condition and impact of the roads. There were also funds identified from refurbishment projects that have become clear that they will not be completed by the end of the financial year due to delays caused by the floods as well as delays in the supply of required materials from the manufacturers. This has resulted to an increase in the budget by R13,5 million.

PROJECT NAME	1 st ADJUSTED BUDGET	ADJUSTMENT	2 ND ADJUSTED BUDGET
Construction of Mbizana Town Hall	R 21,311,831.00	R 1,607,348.00	R 22,919,179.00
Construction of Tshuze to Philisweni AR	R 1,207,348.00	R 1,207,348.00	R 0
Construction of Tshuze to Philisweni AR(OWN)	R 0	R 1,200,000.00	R 1,200,000.00
Construction of Sidanga Bridge	R 400,000.00	R 400,000.00	R0
Construction of Sidanga Bridge(OWN)	R 0	R 750,000.00	R 750,000.00
Renewal of Dawede AR	R0	R 3,599,500.00	R 3,599,500.00
Renewal of Majuba AR	R 0	R 3,830,648.46	R 3,830,648.46
Renewal of Luthulini AR	R 0	R 512,600.00	R 512,600.00
Renewal of Dlangezwe AR	R 0	R 3,605,351.96	R 3,605,351.96
Renewal of Manzamnyama AR	R 0	R 2,153,000.00	R 2,153,000.00
Renewal of Mpetsheni AR	R 0	R 2,923,375.00	R 2,923,375.00
Rehabilitation of Mbongwana to Dotye to Greenville Hosp AR	R 10,425,000.00	R 5,000,000.00	R 5,425,000.00
TOTAL	R 33,344,179	R 13,574,475.42	R 46,918,654.42

Electricity

The downward adjustment of R850 thousand relates to funds that were set aside for the procurement of a bakkie for the Electricity section that will not be achieved due to shortage of the required bakkies from the manufacturers and the fencing of High Mast lights that will also not be concluded due to the delays caused during the period government was advised to put all procurement above R30 thousand in abeyance.

Corporate Services

The downward adjustment made relates to amounts allocated for procurement vehicles for the offices of the Political Officer Bearers, procurement of a parkhome for office space for IT as well as furniture to replace old furniture.

Community Services

The downward adjustment of R1.2 million relates to savings that are clear will be realised on the fencing of recreational facilities that was also affected by the abeyance communication to government institutions from the office of the Director General of National Treasury.

Refuse Removal

The downward adjustment of R700 thousand relates to savings that are clear will be realised on the procurement of a changeroom container that was also affected by the abeyance communication to government institutions from the office of the Director General of National Treasury.

f. Table B6 Adjustments budget Financial Position

EC443 Winnie Madikizela Mandela - Table B6 Adjustments Budget Financial Position - 28/06/2022												
Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
ASSETS												
Current assets												
Cash		12,892	9,353	–	–	–	–	–	9,353	3,485	522	
Call investment deposits	1	178,706	192,534	–	–	(10,650)	–	–	(10,650)	181,884	193,937	188,184
Consumer debtors	1	46,512	41,771	–	–	–	–	–	41,771	64,321	71,140	
Other debtors		37,398	32,244	–	–	–	–	–	32,244	37,394	37,438	
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–	
Inventory		1,524	1,976	–	–	499	–	–	499	924	732	
Total current assets		277,032	277,878	–	–	(10,151)	–	–	(10,151)	267,727	300,062	298,016
Non current assets												
Long-term receivables		–	–	–	–	–	–	–	–	–	–	
Investments		–	–	–	–	–	–	–	–	–	–	
Investment property		32,436	36,655	–	–	–	–	–	36,655	32,436	32,436	
Investment in Associate		–	–	–	–	–	–	–	–	–	–	
Property, plant and equipment	1	755,509	798,882	–	–	(7,496)	–	–	(7,496)	791,386	774,779	734,871
Biological		–	–	–	–	–	–	–	–	–	–	
Intangible		73	–	–	–	–	–	–	–	48	22	
Other non-current assets		1,341	1,231	–	–	–	–	–	1,231	1,341	1,341	
Total non current assets		789,359	836,767	–	–	(7,496)	–	–	(7,496)	829,272	808,604	768,670
TOTAL ASSETS		1,066,391	1,114,645	–	–	(17,646)	–	–	(17,646)	1,096,998	1,108,666	1,066,686
LIABILITIES												
Current liabilities												
Bank overdraft		–	–	–	–	–	–	–	–	–	–	
Borrowing		–	–	–	–	–	–	–	–	–	–	
Consumer deposits		503	505	–	–	–	–	–	505	503	503	
Trade and other payables		28,928	54,618	–	–	(10,674)	–	–	(10,674)	43,944	32,763	26,532
Provisions		19,953	19,990	–	–	–	–	–	19,990	19,953	19,953	
Total current liabilities		49,384	75,113	–	–	(10,674)	–	–	(10,674)	64,439	53,220	46,988
Non current liabilities												
Borrowing	1	–	–	–	–	–	–	–	–	–	–	
Provisions	1	5,495	5,246	–	–	–	–	–	5,246	5,495	5,495	
Total non current liabilities		5,495	5,246	–	–	–	–	–	5,246	5,495	5,495	
TOTAL LIABILITIES		54,879	80,359	–	–	(10,674)	–	–	(10,674)	69,685	58,715	52,483
NET ASSETS	2	1,011,512	1,034,286	–	–	(6,972)	–	–	(6,972)	1,027,314	1,049,951	1,014,204
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1,011,512	1,034,286	–	–	(7,542)	–	570	(6,972)	1,027,314	1,049,951	1,014,204
Reserves		–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		1,011,512	1,034,286	–	–	(7,542)	–	570	(6,972)	1,027,314	1,049,951	1,014,204

- The above table depicts the municipality's adjustment financial position after considering the proposed adjustments and it is important to mention that this is based on the audited results of the municipality since this was not part of the original budget.

g. Table B7 Adjustments budget Cash Flows

EC443 Winnie Madikizela Mandela - Table B7 Adjustments Budget Cash Flows - 28/06/2022

Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		56,951	56,951	-	-	-	-	-	-	56,951	40,839	36,120
Service charges		29,346	29,346	-	-	-	-	-	-	29,346	32,114	34,880
Other revenue		8,896	7,966	-	-	-	-	570	570	8,536	9,226	9,372
Transfers and Subsidies - Operational	1	295,690	295,853	-	-	-	-	-	-	295,853	306,697	299,293
Transfers and Subsidies - Capital	1	99,296	99,296	-	-	-	-	-	-	99,296	112,859	92,433
Interest		10,047	10,047	-	-	-	-	-	-	10,047	10,469	10,929
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(370,638)	(373,254)	-	-	6,669	-	-	6,669	(366,584)	(369,685)	(386,216)
Finance charges		(50)	(50)	-	-	-	-	-	-	(50)	(52)	(54)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		129,537	126,155	-	-	6,669	-	570	7,239	133,394	142,465	96,757
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(119,176)	(182,428)	-	-	(17,889)	-	-	(17,889)	(200,317)	(136,641)	(105,474)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(119,176)	(182,428)	-	-	(17,889)	-	-	(17,889)	(200,317)	(136,641)	(105,474)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		10,361	(56,273)	-	-	(11,220)	-	570	(10,650)	(66,923)	5,824	(8,716)
Cash/cash equivalents at the year begin:	2	181,236	258,161	-	-	-	-	-	-	258,161	191,598	197,422
Cash/cash equivalents at the year end:	2	191,598	201,887	-	-	(11,220)	-	570	(10,650)	191,237	197,422	188,706

- The above table shows projected cash flows as a result of the adjustments and also considering the audited results as the bases for the estimates.

h. Table B8 Cash backed reserves/accumulated surplus reconciliation

EC443 Winnie Madikizela Mandela - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28/06/2022												
Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		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
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Cash and investments available												
Cash/cash equivalents at the year end	1	191,598	201,887	-	-	(11,220)	-	570	(10,650)	191,237	197,422	188,706
Other current investments > 90 days		(0)	(0)	-	-	570	-	(570)	0	-	0	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		191,598	201,887	-	-	(10,650)	-	-	(10,650)	191,237	197,422	188,706
Applications of cash and investments												
Unspent conditional transfers		0	-	-	-	(0)	-	-	(0)	0	0	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(65,830)	(34,278)	-	-	(10,567)	-	-	(10,567)	(44,845)	(61,065)	(66,165)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(65,830)	(34,278)	-	-	(10,567)	-	-	(10,567)	(44,845)	(61,065)	(66,165)
Surplus(shortfall)		257,428	236,165	-	-	(83)	-	-	(83)	236,082	258,487	254,870

The table tests the municipality's sustainability through funding of the budget by taking the available resourcing and checking how these will be applied to determine whether there will be surplus or shortfall. Where there is an anticipated shortfall the table tests whether the municipality has enough funds in its reserves to ensure full implementation of the current budget. As things stand the municipality cash backing tests indicate a growth in the municipality's surpluses which can be seen on the municipality's audited results that have increased compared to the prior years when it comes to reserves.

i. Table B9 Asset Management

EC443 Winnie Madikizela Mandela - Table B9 Asset Management - 28/06/2022

Description	Ref	Budget Year 2021/22										Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget		Adjusted Budget	Adjusted Budget
		A	7	8	9	10	11	12	13	14			
R thousands													
CAPITAL EXPENDITURE													
Total New Assets to be adjusted	1	76,825	85,278	-	-	1,914	-	-	1,914	87,193	121,189	101,708	
Roads Infrastructure		13,070	14,843	-	-	7,433	-	-	7,433	22,276	52,284	54,561	
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		20,957	26,900	-	-	(150)	-	-	(150)	26,750	37,570	35,160	
Solid Waste Infrastructure		250	158	-	-	-	-	-	-	158	-	-	
Infrastructure		34,277	41,901	-	-	7,283	-	-	7,283	49,184	89,854	89,721	
Community Facilities		13,500	13,000	-	-	(648)	-	-	(648)	12,352	2,900	3,800	
Sport and Recreation Facilities		-	731	-	-	-	-	-	-	731	-	-	
Community Assets		13,500	13,731	-	-	(648)	-	-	(648)	13,083	2,900	3,800	
Operational Buildings		19,820	16,699	-	-	-	-	-	-	16,699	22,820	-	
Other Assets		19,820	16,699	-	-	-	-	-	-	16,699	22,820	-	
Computer Equipment		1,248	5,598	-	-	-	-	-	-	5,598	1,303	1,362	
Furniture and Office Equipment		6,280	2,940	-	-	(1,500)	-	-	(1,500)	1,440	4,013	3,047	
Machinery and Equipment		300	360	-	-	-	-	-	-	360	300	600	
Transport Assets		1,400	4,050	-	-	(3,220)	-	-	(3,220)	830	-	3,178	
Total Renewal of Existing Assets to be adjusted	2	11,000	43,815	-	-	11,073	-	-	11,073	54,888	15,000	-	
Roads Infrastructure		-	16,000	-	-	11,624	-	-	11,624	27,624	-	-	
Infrastructure		-	16,000	-	-	11,624	-	-	11,624	27,624	-	-	
Community Facilities		11,000	27,815	-	-	(552)	-	-	(552)	27,263	15,000	-	
Community Assets		11,000	27,815	-	-	(552)	-	-	(552)	27,263	15,000	-	
Total Upgrading of Existing Assets to be adjusted	2a	29,902	59,590	-	-	(5,483)	-	-	(5,483)	54,108	3,016	-	
Roads Infrastructure		-	900	-	-	-	-	-	-	900	-	-	
Infrastructure		-	900	-	-	-	-	-	-	900	3,016	-	
Community Facilities		28,402	28,402	-	-	(5,483)	-	-	(5,483)	22,919	-	-	
Sport and Recreation Facilities		1,500	30,288	-	-	-	-	-	-	30,288	-	-	
Community Assets		29,902	58,690	-	-	(5,483)	-	-	(5,483)	53,208	-	-	
Total Capital Expenditure to be adjusted	4	117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708	
Roads Infrastructure		13,070	31,743	-	-	19,057	-	-	19,057	50,800	52,284	54,561	
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		20,957	26,900	-	-	(150)	-	-	(150)	26,750	40,586	35,160	
Solid Waste Infrastructure		250	158	-	-	-	-	-	-	158	-	-	
Infrastructure		34,277	58,801	-	-	18,907	-	-	18,907	77,708	92,870	89,721	
Community Facilities		52,902	69,217	-	-	(6,683)	-	-	(6,683)	62,534	17,900	3,800	
Sport and Recreation Facilities		1,500	31,019	-	-	-	-	-	-	31,019	-	-	
Community Assets		54,402	100,236	-	-	(6,683)	-	-	(6,683)	93,553	17,900	3,800	
Operational Buildings		19,820	16,699	-	-	-	-	-	-	16,699	22,820	-	
Other Assets		19,820	16,699	-	-	-	-	-	-	16,699	22,820	-	
Computer Equipment		1,248	5,598	-	-	-	-	-	-	5,598	1,303	1,362	
Furniture and Office Equipment		6,280	2,940	-	-	(1,500)	-	-	(1,500)	1,440	4,013	3,047	
Machinery and Equipment		300	360	-	-	-	-	-	-	360	300	600	
Transport Assets		1,400	4,050	-	-	(3,220)	-	-	(3,220)	830	-	3,178	
TOTAL CAPITAL EXPENDITURE to be adjusted	4	117,727	188,684	-	-	7,504	-	-	7,504	196,188	139,205	101,708	
ASSET REGISTER SUMMARY - PPE (WDV)	5	682,761	661,231	-	-	(19,720)	-	-	(19,720)	641,511	676,514	676,949	
Roads Infrastructure		342,099	352,062	-	-	(15,000)	-	-	(15,000)	337,062	340,464	338,679	
Storm water Infrastructure		(121)	(121)	-	-	-	-	-	-	(121)	(126)	(131)	
Electrical Infrastructure		45,672	27,137	-	-	-	-	-	-	27,137	45,351	45,329	
Solid Waste Infrastructure		1,906	1,901	-	-	-	-	-	-	1,901	1,897	1,887	
Infrastructure		389,556	380,980	-	-	(15,000)	-	-	(15,000)	365,980	367,586	365,764	
Community Assets		191,568	182,941	-	-	-	-	-	-	182,941	191,353	191,526	
Heritage Assets		1,341	1,231	-	-	-	-	-	-	1,231	1,341	1,341	
Investment properties		32,436	36,655	-	-	-	-	-	-	36,655	32,436	32,436	
Other Assets		27,472	22,648	-	-	-	-	-	-	22,648	27,424	27,372	
Intangible Assets		73	-	-	-	-	-	-	-	-	-	-	
Computer Equipment		12,196	13,093	-	-	-	-	-	-	13,093	12,282	12,297	
Furniture and Office Equipment		4,668	828	-	-	(1,500)	-	-	(1,500)	(672)	2,267	1,156	
Machinery and Equipment		10,295	9,711	-	-	-	-	-	-	9,711	10,161	10,316	
Transport Assets		9,603	9,992	-	-	(3,220)	-	-	(3,220)	6,772	8,111	11,188	
Land		3,553	3,153	-	-	-	-	-	-	3,153	3,553	3,553	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	682,761	661,231	-	-	(19,720)	-	-	(19,720)	641,511	676,514	676,949	
EXPENDITURE OTHER ITEMS													
Depreciation & asset impairment		52,682	52,682	-	-	-	-	-	-	52,682	54,894	57,310	
Repairs and Maintenance by asset class	3	34,271	33,664	-	-	(410)	-	-	(410)	33,254	35,224	36,791	
Roads Infrastructure		20,663	20,493	-	-	(350)	-	-	(350)	20,143	21,564	22,531	
Electrical Infrastructure		4,100	4,100	-	-	-	-	-	-	4,100	3,751	3,916	
Infrastructure		24,763	24,593	-	-	(350)	-	-	(350)	24,243	25,316	26,447	
Community Facilities		903	1,090	-	-	-	-	-	-	1,090	941	983	
Community Assets		903	1,090	-	-	-	-	-	-	1,090	941	983	
Operational Buildings		4,439	4,375	-	-	(400)	-	-	(400)	3,975	4,626	4,829	
Other Assets		4,439	4,375	-	-	(400)	-	-	(400)	3,975	4,626	4,829	
Computer Equipment		100	50	-	-	-	-	-	-	50	104	109	
Machinery and Equipment		570	530	-	-	-	-	-	-	530	594	620	
Transport Assets		3,496	3,026	-	-	340	-	-	340	3,366	3,643	3,803	
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		86,953	86,346	-	-	(410)	-	-	(410)	85,936	90,118	94,101	
Renewal and upgrading of Existing Assets as % of total capex		34.7%	54.8%							55.6%	12.9%	0.0%	
Renewal and upgrading of Existing Assets as % of deprecn		77.6%	196.3%							206.9%	32.6%	0.0%	
R&M as a % of PPE		5.0%	5.1%							5.2%	5.2%	5.4%	
Renewal and upgrading and R&M as a % of PPE		11.0%	20.7%							22.2%	7.9%	5.4%	

j. Table B10 Basic Service Delivery Measurement

EC443 Winnie Madikizela Mandela - Table B10 Basic service delivery measurement - 28/06/2022

Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		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		
Household service targets	1											
<u>Water:</u>												
<u>Sanitation/sewerage:</u>												
<u>Energy:</u>												
Electricity (at least min. service level)		290							-	290	325	330
Electricity - prepaid (> min.service level)		23,886							-	23,886	25,531	27,290
Minimum Service Level and Above sub-total		24,176	-	-	-	-	-	-	-	24,176	25,856	27,620
Other energy sources		5,000							-	5,000	4,200	3,150
Below Minimum Service Level sub-total		5,000	-	-	-	-	-	-	-	5,000	4,200	3,150
Total number of households	5	29,176	-	-	-	-	-	-	-	29,176	30,056	30,770
<u>Refuse:</u>												
Removed at least once a week (min.service)		850							-	850	880	900
Minimum Service Level and Above sub-total		850	-	-	-	-	-	-	-	850	880	900
Removed less frequently than once a week		169							-	169	172	180
Using communal refuse dump		260							-	260	280	290
Using own refuse dump		0							-	-	0	0
Other rubbish disposal		3							-	3	3	3
No rubbish disposal		48,480							-	48,480	48,499	50,123
Below Minimum Service Level sub-total		48,912	-	-	-	-	-	-	-	48,912	48,954	50,596
Total number of households	5	49,762	-	-	-	-	-	-	-	49,762	49,834	51,496
Cost of Free Basic Services provided (R'000)	16											
Electricity/other energy (50kwh per indigent household per month)		1,156	1,156	-	-	-	-	-	-	1,156	1,207	1,260
Total cost of FBS provided		1,156	1,156	-	-	-	-	-	-	1,156	1,207	1,260
Revenue cost of free services provided (R'000)	17											
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	408	-	-	-	-	-	-	408	425	444
Total revenue cost of subsidised services provided		-	408	-	-	-	-	-	-	408	425	444

PART 2 – SUPPORTING DOCUMENTATION

1. Adjustments to budget assumptions

The budget assumptions used during the preparation of the approved budget have remained the same. However, collection rates for the following revenue streams have been revised as follows:

Revenue Stream	Forecasted Collection Rate	Revised Collection Rate	Decrease
Property Rates	97%	80%	-17%
Refuse Removal	97%	85%	-12%
Electricity Distribution	97%	90%	-7%
Licenses and Permits	100%	80%	-20%
Fines	50%	40%	-10%

It must be noted though that anticipated revenues from these revenue streams will not be revised as the municipality is still required to account for revenues due, only the collection expectations have been revised.

The above revised collection levels are expected to result in a R6.5 million under collection which will then require a serious balancing act in terms of spending in the remaining months of the financial year coupled with cost reduction strategies

2. Adjustments to budget funding

The municipality has ensured compliance with the following requirements of a budget:

- The budget is funded from realistically anticipated savings and available cash reserves
- The budget is fully funded
- Additional funding utilised to fund disaster relief mechanisms

3. Adjustments to expenditure on allocations and grant programmes

EC443 Winnie Madikizela Mandela - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 28/06/2022										
Description	Ref	Budget Year 2021/22							Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	3	4	5	6	7		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:										
Operating expenditure of Transfers and Grants	1									
National Government:		323,643	326,764	-	-	-	-	326,764	341,152	333,723
Local Government Equitable Share		289,620	289,620	-	-	-	-	289,620	304,052	296,623
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant		3,570	3,570	-	-	-	-	3,570	-	-
Local Government Financial Management Grant		2,000	2,000	-	-	-	-	2,000	2,100	2,100
Integrated National Electrification Programme		28,453	28,453	-	-	-	-	28,453	35,000	35,000
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Municipal Demarcation Transition Grant		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	3,121	-	-	-	-	3,121	-	-
Public Transport Network Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Rehabilitation Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Provincial Government:		500	500	-	-	-	-	500	545	570
Infrastructure		-	-	-	-	-	-	-	-	-
Sport and Recreation		500	500	-	-	-	-	500	545	570
Other		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		324,143	327,264	-	-	-	-	327,264	341,697	334,293
Capital expenditure of Transfers and Grants										
National Government:		70,843	67,722	-	-	-	-	67,722	77,858	57,433
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Municipal Demarcation Transition Grant		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		51,023	51,023	-	-	-	-	51,023	55,038	57,433
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		19,820	16,699	-	-	-	-	16,699	22,820	-
Public Transport Network Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Rehabilitation Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		70,843	67,722	-	-	-	-	67,722	77,858	57,433
Total capital expenditure of Transfers and Grants		394,986	394,986	-	-	-	-	394,986	419,555	391,726

The table above that there has been no adjustment on the anticipated grant expenditures.

4. Adjustments to allocations or grants made by the municipality

EC443 Winnie Madikizela Mandela - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality - 28/06/2022												
Description	Ref	Budget Year 2021/22									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands		A	6	7	8	9	10	11	12	13		
			A1	B	C	D	E	F	G	H		
Cash transfers to other municipalities												
[insert description]	1	-						-	-	-	-	-
[insert description]									-	-	-	-
[insert description]									-	-	-	-
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-
Cash transfers to Entities/Other External Mechanisms												
[insert description]	2	-						-	-	-	-	-
[insert description]									-	-	-	-
[insert description]									-	-	-	-
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-
Cash transfers to other Organs of State												
[insert description]	3	-						-	-	-	-	-
[insert description]								-	-	-	-	-
[insert description]									-	-	-	-
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-
Cash transfers to other Organisations												
[insert description]	4	-						-	-	-	-	-
[insert description]								-	-	-	-	-
[insert description]								-	-	-	-	-
[insert description]								-	-	-	-	-
[insert description]								-	-	-	-	-
[insert description]								-	-	-	-	-
TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:		-	-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS	5	-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other municipalities												
[insert description]	1	-						-	-	-	-	-
[insert description]									-	-	-	-
[insert description]									-	-	-	-
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to Entities/Other External Mechanisms												
[insert description]	2	-						-	-	-	-	-
[insert description]									-	-	-	-
[insert description]									-	-	-	-
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other Organs of State												
[insert description]	3	-						-	-	-	-	-
[insert description]									-	-	-	-
[insert description]									-	-	-	-
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other Organisations												
[insert description]	4	-						-	-	-	-	-
[insert description]								-	-	-	-	-
[insert description]								-	-	-	-	-
Professional Clubs Support		1,300	-					-	-	-	-	-
SMME Support		4,607	5,623			427		-	427	6,050	-	-
[insert description]								-	-	-	-	-
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:		5,907	5,623	-	-	427	-	-	427	6,050	-	-
TOTAL NON-CASH TRANSFERS	5	-	-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS		-	-	-	-	-	-	-	-	-	-	-

The municipality does not give out any financial subsidies to other organs or individuals other than those indicated as free basic services for indigents in the form of electricity, alternative energy sources and billing rebates.

5. Adjustments to councillor allowances and employee benefits

EC443 Winnie Madikizela Mandela - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 28/06/2022

Budget Year 2021/22											
Summary of remuneration	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	% change
R thousands		A	5	6	7	8	9	10	11	12	
		A1	B	C	D	E	F	G	H		
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		13,837	13,837					—	—	13,837	0.0%
Pension and UIF Contributions		1,153	1,153					—	—	1,153	0.0%
Medical Aid Contributions		1,153	1,153					—	—	1,153	0.0%
Motor Vehicle Allowance		5,765	5,765					—	—	5,765	0.0%
Cellphone Allowance		4,098	4,098					—	—	4,098	
Housing Allowances		—	—					—	—	—	
Other benefits and allowances		—	—					—	—	—	
Sub Total - Councillors		26,007	26,007			—		—	—	26,007	0.0%
% increase			—							—	
Senior Managers of the Municipality											
Basic Salaries and Wages		5,261	5,261					—	—	5,261	0.0%
Pension and UIF Contributions		91	93					—	—	93	2.4%
Medical Aid Contributions		441	441					—	—	441	0.0%
Overtime		—	—					—	—	—	
Performance Bonus		—	—					—	—	—	
Motor Vehicle Allowance		1,608	1,608					—	—	1,608	0.0%
Cellphone Allowance		131	131					—	—	131	0.0%
Housing Allowances		456	456					—	—	456	
Other benefits and allowances		—	—					—	—	—	
Payments in lieu of leave		—	—					—	—	—	
Long service awards		—	—					—	—	—	
Post-retirement benefit obligations	5	—	—					—	—	—	
Sub Total - Senior Managers of Municipality		7,987	7,989	—		—		—	—	7,989	0.0%
% increase			0							—	
Other Municipal Staff											
Basic Salaries and Wages		77,216	69,893	—	—	(39)	—	—	(39)	69,853	-9.5%
Pension and UIF Contributions		11,108	11,109	—	—	—	—	—	—	11,109	0.0%
Medical Aid Contributions		5,685	5,685	—	—	—	—	—	—	5,685	0.0%
Overtime		3,048	3,048	—	—	—	—	—	—	3,048	0.0%
Performance Bonus		5,653	5,653	—	—	—	—	—	—	5,653	
Motor Vehicle Allowance		7,469	7,469	—	—	—	—	—	—	7,469	0.0%
Cellphone Allowance		958	953	—	—	—	—	—	—	953	-0.5%
Housing Allowances		4,118	4,118	—	—	—	—	—	—	4,118	
Other benefits and allowances		3,611	3,611	—	—	—	—	—	—	3,611	
Payments in lieu of leave		—	—	—	—	—	—	—	—	—	
Long service awards		—	—	—	—	—	—	—	—	—	
Post-retirement benefit obligations	5	—	—	—	—	—	—	—	—	—	
Sub Total - Other Municipal Staff		118,867	111,539	—	—	(39)	—	—	(39)	111,500	-6.2%
% increase											
Total Parent Municipality		152,861	145,536	—	—	(39)	—	—	(39)	145,496	-4.8%
TOTAL SALARY, ALLOWANCES & BENEFITS		152,861	145,536	—	—	(39)	—	—	(39)	145,496	-4.8%
% increase											
TOTAL MANAGERS AND STAFF		126,854	119,529	—	—	(39)	—	—	(39)	119,489	-5.8%

6. Adjustments to service delivery and budget implementation plan

The adjusted service delivery and budget implementation will be tabled separately from the budget document but considering the adjustments in this document.

7. Adjustments to capital expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 28/06/2022

		Budget Year 2021/22										Budget Year +1 2022/23	Budget Year +2 2023/24
Description	Ref	Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget	
R thousands		A	A1	B	C	D	E	F	G	H			
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>													
<u>Infrastructure</u>		34,277	41,901	–	–	7,283	–	–	7,283	49,184	89,854	89,721	
Roads Infrastructure		13,070	14,843	–	–	7,433	–	–	7,433	22,276	52,284	54,561	
Roads		13,070	14,843	–	–	7,433	–	–	7,433	22,276	52,284	54,561	
Electrical Infrastructure		20,957	26,900	–	–	(150)	–	–	(150)	26,750	37,570	35,160	
HV Substations		–	–	–	–	–	–	–	–	–	–	35,000	
MV Networks		18,107	24,150	–	–	1,650	–	–	1,650	25,800	35,000	–	
LV Networks		2,850	2,750	–	–	(1,800)	–	–	(1,800)	950	2,570	160	
Solid Waste Infrastructure		250	158	–	–	–	–	–	–	158	–	–	
Waste Drop-off Points		250	158	–	–	–	–	–	–	158	–	–	
<u>Community Assets</u>		13,500	13,731	–	–	(648)	–	–	(648)	13,083	2,900	3,800	
Community Facilities		13,500	13,000	–	–	(648)	–	–	(648)	12,352	2,900	3,800	
Halls		8,400	8,200	–	–	(1,200)	–	–	(1,200)	7,000	1,400	2,000	
Crèches		3,500	3,200	–	–	552	–	–	552	3,752	–	–	
Markets		1,600	1,600	–	–	–	–	–	–	1,600	1,500	1,800	
Sport and Recreation Facilities		–	731	–	–	–	–	–	–	731	–	–	
Outdoor Facilities		–	731	–	–	–	–	–	–	731	–	–	
<u>Other assets</u>		19,820	16,699	–	–	–	–	–	–	16,699	22,820	–	
Operational Buildings		19,820	16,699	–	–	–	–	–	–	16,699	22,820	–	
Manufacturing Plant		19,820	16,699	–	–	–	–	–	–	16,699	22,820	–	
<u>Computer Equipment</u>		1,248	5,598	–	–	–	–	–	–	5,598	1,303	1,362	
Computer Equipment		1,248	5,598	–	–	–	–	–	–	5,598	1,303	1,362	
<u>Furniture and Office Equipment</u>		6,280	2,940	–	–	(1,500)	–	–	(1,500)	1,440	4,013	3,047	
Furniture and Office Equipment		6,280	2,940	–	–	(1,500)	–	–	(1,500)	1,440	4,013	3,047	
<u>Machinery and Equipment</u>		300	360	–	–	–	–	–	–	360	300	600	
Machinery and Equipment		300	360	–	–	–	–	–	–	360	300	600	
<u>Transport Assets</u>		1,400	4,050	–	–	(3,220)	–	–	(3,220)	830	–	3,178	
Transport Assets		1,400	4,050	–	–	(3,220)	–	–	(3,220)	830	–	3,178	
Total Capital Expenditure on new assets to be adjusted	1	76,825	85,278	–	–	1,914	–	–	1,914	87,193	121,189	101,708	

EC443 Winnie Madikizela Mandela - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 28/06/2022

Description	Ref	Budget Year 2021/22										Budget Year	Budget Year
												+1 2022/23	+2 2023/24
		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	
R thousands		A	7	8	9	10	11	12	13	14			
		A1	B	C	D	E	F	G	H				
Capital expenditure on renewal of existing assets by Asset Class/Sub-class													
Infrastructure		-	16,000	-	-	11,624	-	-	11,624	27,624	-	-	
Roads Infrastructure		-	16,000	-	-	11,624	-	-	11,624	27,624	-	-	
Roads		-	16,000	-	-	11,624	-	-	11,624	27,624	-	-	
Community Assets		11,000	27,815	-	-	(552)	-	-	(552)	27,263	15,000	-	
Community Facilities		11,000	27,815	-	-	(552)	-	-	(552)	27,263	15,000	-	
Taxi Ranks/Bus Terminals		11,000	27,815	-	-	(552)	-	-	(552)	27,263	15,000	-	
Total Capital Expenditure on renewal of existing assets to be adjusted	1	11,000	43,815	-	-	11,073	-	-	11,073	54,888	15,000	-	

EC443 Winnie Madikizela Mandela - Supporting Table SB18e Adjustments Budget - capital expenditure on upgrading of existing assets by asset class - 28/06/2022

Description	Ref	Budget Year 2021/22									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	+1 2022/23	+2 2023/24
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Adjusted	Adjusted
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class												
Infrastructure		-	900	-	-	-	-	-	-	900	3,016	-
Roads Infrastructure		-	900	-	-	-	-	-	-	900	-	-
Roads		-	900	-	-	-	-	-	-	900	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	3,016	-
LV Networks		-	-	-	-	-	-	-	-	-	3,016	-
Community Assets		29,902	58,690	-	-	(5,483)	-	-	(5,483)	53,208	-	-
Community Facilities		28,402	28,402	-	-	(5,483)	-	-	(5,483)	22,919	-	-
Halls		28,402	28,402	-	-	(5,483)	-	-	(5,483)	22,919	-	-
Sport and Recreation Facilities		1,500	30,288	-	-	-	-	-	-	30,288	-	-
Outdoor Facilities		1,500	30,288	-	-	-	-	-	-	30,288	-	-
Total Capital Expenditure on upgrading of existing assets to be adjusted	1	29,902	58,590	-	-	(5,483)	-	-	(5,483)	54,108	3,016	-

a) Road Infrastructure

The biggest adjustment relates to allocations from the municipality's savings and reserves to the refurbishment of access roads that were damaged by the recent floods that affected the municipality and its communities.

b) Electricity Infrastructure

The downward adjustment relates to the reallocation of funds for fencing of high mast lights as indicated on the paragraphs above to assist with the municipality's response on the refurbishment of flood damaged access roads.

c) Community Assets

The upward adjustment relates to reallocations from fencing of recreational facilities to assist with disaster damage response as well as topping up the budget allocated for the completion of Mphuthumi Mafumbatha Stadium.

d) Furniture and Office Equipment

The downward adjustment of R1.5 million relates to the reallocation made to assist with the municipality's response on the refurbishment of flood damaged access roads.

e) Transport Assets

The downward adjustment relates to reallocations made to assist with the municipality's response on the refurbishment of flood damaged access roads

8. Adjustments to repairs and maintenance

EC443 Winnie Madikizela Mandela - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 28/06/2022

Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		24,763	24,593	-	-	(350)	-	-	(350)	24,243	25,316	26,447
Roads Infrastructure		20,663	20,493	-	-	(350)	-	-	(350)	20,143	21,564	22,531
Roads		616	616	-	-	(300)	-	-	(300)	316	641	670
Road Structures		19,548	19,378	-	-	(50)	-	-	(50)	19,328	20,402	21,317
Road Furniture		500	500	-	-	-	-	-	-	500	521	544
Electrical Infrastructure		4,100	4,100	-	-	-	-	-	-	4,100	3,751	3,916
MV Networks		4,100	4,100	-	-	-	-	-	-	4,100	3,751	3,916
Community Assets		903	1,090	-	-	-	-	-	-	1,090	941	983
Community Facilities		903	1,090	-	-	-	-	-	-	1,090	941	983
Halls		300	400	-	-	-	-	-	-	400	313	326
Libraries		183	270	-	-	-	-	-	-	270	191	199
Purts		420	420	-	-	-	-	-	-	420	438	457
Other assets		4,439	4,375	-	-	(400)	-	-	(400)	3,975	4,626	4,829
Operational Buildings		4,439	4,375	-	-	(400)	-	-	(400)	3,975	4,626	4,829
Municipal Offices		4,231	4,231	-	-	(400)	-	-	(400)	3,831	4,409	4,603
Yards		208	144	-	-	-	-	-	-	144	217	226
Computer Equipment		100	50	-	-	-	-	-	-	50	104	109
Computer Equipment		100	50	-	-	-	-	-	-	50	104	109
Machinery and Equipment		570	530	-	-	-	-	-	-	530	594	620
Machinery and Equipment		570	530	-	-	-	-	-	-	530	594	620
Transport Assets		3,496	3,026	-	-	340	-	-	340	3,366	3,643	3,803
Transport Assets		3,496	3,026	-	-	340	-	-	340	3,366	3,643	3,803
Total Repairs and Maintenance Expenditure to be adjusted	1	34,271	33,664	-	-	(410)	-	-	(410)	33,254	35,224	36,791

Quality Certificate

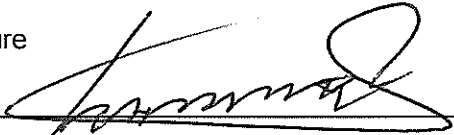
I, Luvuyo Mahlaka, municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print name

Luvuyo Mahlaka

Municipal Manager of Winnie Madikizela-Mandela Local Municipality (EC443)

Signature



Date

28 June 2022