

Ulundi Local Municipality

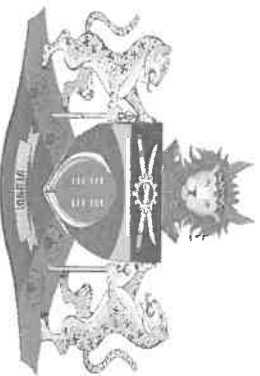
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MAYOR'S REPORT

MAYOR'S REPORT

**TABLING OF FINAL MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2022/2023 2023/2024 AND
2024/2025**

BY HIS WORSHIP THE MAYOR OF ULUNDI, CLLR M.W. NTSHANGASE MEETING ON 30 MARCH 2022



Honourable Speaker, Amakhosi present, Her Worship the Deputy Mayor Chief Whip MPAC Chairperson, Honourable Councillors, Acting Municipal Manager, Heads of Departments and Municipal Administrative staff I greet you all and I would like to thank you for this opportunity I have been offered. Honourable Speaker I am standing here in front of this house to table the Medium-Term Revenue and Expenditure budget for the 2022/2023 as well as two outer years 2023/2024 and 2024/2025 in accordance with Municipal Budgeting Regulations and the latest budget circular number 115.

As we all know that since this Municipality is geographically located in a remote area this hinders our Constitutional mandate to provide essential services to our communities due to minimum percentage of grants allocations.

Honourable Speaker and the house, it is worth mentioning again that the electricity is still a burning issue. No matter what fiscal disciplinary measures we implement to maximise electricity revenue, the NERSA sanctioned disparity in terms of an annual percentage increase granted to Eskom as opposed to a percentage granted to municipalities and that has perpetually reduced the income realised through the sale of electricity, coupled with the Seasonal Charge that Eskom is, for ages charging Ulundi Municipality when the municipality was only granted a permission by NERSA to levy this charge on certain businesses. It is also noted with concern that Eskom has been

Ulundi Local Municipality

continuously charging this Municipality the so-called rural electricity subsidy at an average amount of R600 000.00 per month. As early as February 2020 this Municipality took a resolution to surrender the license for electricity distribution to Eskom but sadly, Eskom is reported to be delaying the process unnecessarily.

- o Our budget has the following highlights:

NO.	ITEM	AMOUNT (R)
1	Property Rates	109 226 000.00
2	Service Charges-Electricity revenue	90 706 000.00
3	Refuse	10 992 000.00
4	Interest on External Investments	1 000 000.00
5	Traffic Fines	150 000.00
6	Learner's Licence & Permits	2 500 000.00
7	Grants & Subsidies	221 883 000.00
	TOTAL	436 457 000.00

EXPENDITURE

NO	ITEM	AMOUNT(R)
1	Employees Related Costs	163 196 000.000
2	Remuneration of Councillors	17 872 000.000
3	Bulk Purchases	115 000 000.000
4	Contracted Service	50 818 000.000
5	General Expenses	46 539 000.000
	TOTAL	393 342 000.000

Honourable Speaker and Colleagues, it must be noted that National Treasury has issued Circular Number 71 which deals with Financial ratios and norms. Municipalities need to budget for repairs and maintenance at a rate of not less than 8% of the Property, Plant and Equipment. National Treasury guidelines for salary increases of 0% for

Ulundi Local Municipality

section 56 and 57 Managers and 4.65% for other employees has been considered when preparing this Draft Budget as per latest Budget Circular Number 115 issued. Honourable Speaker as well as my colleagues, I would like to emphasise that this Draft Budget has been prepared in compliance with Municipal Budget Reporting Regulations and will be submitted to both National and Provincial Treasuries in an electronic copy as well as hard copies in the required format (A Schedule MSCOA Version 6.6).

With those words I wish to thank all of you for this opportunity. May Almighty GOD bless you.

RESOLUTION

BUDGET ADOPTION RESOLUTIONS

“ The City of Heritage “



EXTRACT

FROM THE MINUTES OF THE 3RD 2021/2022 ORDINARY MEETING OF THE ULUNDI MUNICIPAL COUNCIL IN ACCORDANCE WITH SECTION 29 (1) READ WITH SECTION 18 (2) OF THE LOCAL GOVERNMENT MUNICIPAL STRUCTURES ACT NO. 117 OF 1998 HELD BE PHYSICALLY IN THE COUNCIL CHAMBER, ULUNDI CIVIC CENTRE AT BA 81, PRINCE MANGOSUTHU STREET ON **WEDNESDAY, 30 MARCH 2022 AT 9H00**

- A1. APPROVAL OF DRAFT MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) DRAFT BUDGET FOR: 2022/2023, 2023/2024 AND 2024/2025** (A1./5)
5/1/1

RESOLVED:-

- 1. THAT** the 2022/2023, 2023/2024 and 2024/2025 Draft Medium Term Revenue and Expenditure Budget totalling R442 322 000.00; R461 784 000.00 and R482 565 000.00 respectively be approved.
- 2. THAT** the tentative Draft tariff adjustment schedule as attached to the agenda of 30 March 2022 be noted
- 3. THAT** the capital estimates for 2022/2023 be approved as follows:

No	Description	Amount
1.	MIG Funding	R44 888 000.00
Total		R44 888 000.00

- 4. It be noted THAT** the draft budget will be consulted to all relevant stakeholders in terms of the Municipal Finance Management Act.
- 5. THAT** the employee related costs be increased by 4.65% as informed by the latest circular number 115 issued by National Treasury.

6. **THAT** while the CPIX assumptions is 4.8% as outlined by the MFMA budget circular No. 108 from National Treasury the overall packages of Section 55 and Section 56 Managers be provided for at 0 % in accordance with Government Notice No.46062.
7. **THAT** while the CPIX assumptions is 4.8% as outlined by the MFMA budget circular No. 108 from National Treasury the Councillors remunerations be provided for at 0 % .
8. **THAT** the contents of Schedule of Tariffs accompanying the Draft Budget and approved thereto be noted
9. **THAT** Draft Service Delivery Standards for 2022/2023 financial year be approved.

PROTECTION SERVICES

10. **THAT** in so far as Protection Services is concerned the following is obtaining:
 - 10.1 **THAT** the overall income is R2 650 000.00 versus the expenditure of R38 360 304.00
 - 10.2 **THAT** Protection Services continues to operate as a Business Unit in terms of Section 78 of the Systems Act.
 - 10.3 **THAT** the main fiscus of Council is still responsible for salaries and security services expenditure versus income and covering a deficit of R32 485 283.12.

ELECTRICAL SERVICES

11. **THAT** in so far as Technical Services is concerned the following is obtaining:
 - 11.1 **THAT** overall income be R112 123 000.00 versus the overall expenditure R169 487 312.39.00 and a deficit of R57 363 453.82 and that the main fiscus of council is still responsible for such deficit until the business unit is self-sustainable.
 - 11.2 **THAT** the Electrical Division continues to operate as a Business Unit.
 - 11.3 **THAT** Council notes that the electricity tariff issue is still to be finalised Pending the NERSA approval.

CORPORATE SERVICES

12. **THAT** the segment of R4 711 000.00 projected income versus the anticipated overall expenditure of R14 299 305.86 excluding salaries for Council's auxiliary services be endorsed.

COMMUNITY SERVICES

13. THAT the segment of R13 047 616.37 projected income versus the anticipated overall expenditure of R30 047 736.73 excluding salaries be endorsed.

PLANNING AND DEVELOPMENT

14. THAT the segment of R6 885 375.00 projected income versus the anticipated overall expenditure of R8 464 489.37 excluding salaries be endorsed.

15. THAT the contents of the Draft Budget Funding Plan for 2022/2023 be noted.

CERTIFIED A TRUE COPY




**DNS Buthelezi: Acting Director
CORPORATE AND MANAGEMENT SERVICES**

**31-03-2022
ULUNDI**

Province: Ulundi Municipality(KZN266) - Schedule of Service Delivery Standards Table 2022/2023 Final

Standard	Description	Service Level
Solid Waste Removal		
Premise based removal (Residential Frequency)		once a week
Premise based removal (Business Frequency)		daily
Bulk Removal (Frequency)		daily
Removal Bags provided(Yes/No)		yes
Garden refuse removal Included (Yes/No)		yes
Street Cleaning Frequency in CBD		daily
Street Cleaning Frequency in areas excluding CBD		daily
How soon are public areas cleaned after events (24hours/48hours/longer)		24hrs
Clearing of illegal dumping (24hours/48hours/longer)		24hrs
Recycling or environmentally friendly practices(Yes/No)		yes
Licensed landfill site(Yes/No)		yes
Water Service		
Water Quality rating (Blue/Green/Brown/NO drop)		n/a
Is free water available to all? (All/only to the indigent consumers)		n/a
Frequency of meter reading? (per month, per year)		n/a
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)		n/a
On average for how long does the municipality use estimates before reverting back to actual readings? (months)		n/a
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)		n/a
One service connection affected (number of hours)		n/a
Up to 5 service connection affected (number of hours)		n/a
Up to 20 service connection affected (number of hours)		n/a
Feeder pipe larger than 800mm (number of hours)		n/a
What is the average minimum water flow in your municipality?		n/a
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)		n/a
How long does it take to replace faulty water meters? (days)		n/a
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)		n/a
Electricity Service		
What is your electricity availability percentage on average per month?		99 percent
Do your municipality have a ripple control in place that is operational? (Yes/No)		no
How much do you estimate is the cost saving in utilizing the ripple control system?		n/a
What is the frequency of meters being read? (per month, per year)		per month
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)		3 months
On average for how long does the municipality use estimates before reverting back to actual readings? (months)		2 months
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)		immediately
Are accounts normally calculated on actual readings? (Yes/no)		yes
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)		no
How long does it take to replace faulty meters? (days)		5days
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)		yes
How effective is the action plan in curbing line losses? (Good/Bad)		good
How soon does the municipality provide a quotation to a customer upon a written request? (days)		5days
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)		10days
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)		5days
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)		5days
Sewerage Service		
Are your purification system effective enough to put water back in to the system after purification?		n/a
To what extent do you subsidize your indigent consumers?		n/a
How long does it take to restore sewerage breakages on average		n/a
Severe overflow? (hours)		n/a
Sewer blocked pipes: Large pipes? (Hours)		n/a
Sewer blocked pipes: Small pipes? (Hours)		n/a
Spillage clean-up? (hours)		n/a
Replacement of manhole covers? (Hours)		n/a
Road Infrastructure Services		
Time taken to repair a single pothole on a major road? (Hours)		45min
Time taken to repair a single pothole on a minor road? (Hours)		30min
Time taken to repair a road following an open trench service crossing? (Hours)		3hrs
Time taken to repair walkways? (Hours)		2hrs
Property valuations		
How long does it take on average from completion to the first account being issued? (one month/three months or longer)		3 months
Do you have any special rating properties? (Yes/No)		yes
Financial Management		
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)		increased
Are the financial statement outsources? (Yes/No)		no
Are there Council adopted business process restructuring the flow and management of documentation feeding to Trial Balance?		yes
How long does it take for an Tax/Invoice to be paid from the date it has been received?		30 days
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?		yes

Administration	
Reaction time on enquiries and requests?	immediately
Time to respond to a verbal customer enquiry or request? (working days)	1 DAY
Time to respond to a written customer enquiry or request? (working days)	2 DAYS
Time to resolve a customer enquiry or request? (working days)	5 DAYS
What percentage of calls are not answered? (5%, 10% or more)	10
How long does it take to respond to voice mails? (hours)	N/A
Does the municipality have control over locked enquiries? (Yes/No)	YES
Is there a reduction in the number of complaints or not? (Yes/No)	YES
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1DAY
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Monthly
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	n/a
How long does it take to renew a vehicle license? (minutes)	n/a
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	N/A
How long does it take to de-register a vehicle? (minutes)	N/A
How long does it take to renew a drivers license? (minutes)	10-15 MIN
What is the average reaction time of the fire service to an incident? (minutes)	5-7MIN
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	N/A
Economic development	
How many economic development projects does the municipality drive?	3
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	4
What percentage of the projects have created sustainable job security?	20 percent
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	yes
Other Service delivery and communication	
Is a information package handed to the new customer? (Yes/No)	yes
Does the municipality have training or information sessions to inform the community? (Yes/No)	yes
Are customers treated in a professional and humanly manner? (Yes/No)	yes



 04/04/2022

MUNICIPALITY

FUNDING PLAN BUDGET

2022/23

MTREF

Ulundi Local Municipality

BUDGET FUNDING PLAN

1. Purpose

The Budget Funding Plan 2022/23 (BFP) is developed in response to the Municipality's current financial situation and strategies that will be applied to ensure a funded budget for the 2022/23 medium term revenue and expenditure framework (MTREF) and an on-going financially sustainable municipality.

2. Introduction

The Budget 2022/23 MTREF of the Municipality has a shortfall. In order for the municipality 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).

The importance of tabling funded budgets is highlighted in previous circulars however there are cases that may warrant a plan as this is not achievable over one year. As a result, the municipality must, together with their 2022/23 MTREF budget, table a plan in council to show they will move from a budget with shortfall to a funded position (MFMA Circular No. 93).

The municipality budget has a shortfall of R30.2 million for the 2022/23 budget year as per the table below:

ULUNDI MUNICIPALITY											
FINANCIAL IMPACT OF THE BUDGET FUNDING PLAN ON THE CASH BACKED RESERVES/ACCUMULATED SURPLUS TABLE A8											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available											
Cash/cash equivalents at the year end	1	8	23	191 672	5 633	(31)	(31)	369 025	13 681	16 966	20 399
Other current investments > 90 days		4 140	5 519	(181 683)	3 450	11 011	11 011	(322 688)	(0)	(0)	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		4 147	5 542	9 988	9 083	10 980	10 980	46 338	13 681	16 966	20 399
Application of cash and investments											
Unspent conditional transfers		(0)	(0)	(0)	(253)	-	-	7 286	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	167 567	181 646	134 737	49 186	46 003	46 003	(140 014)	26 919	28 105	29 369
Other provisions		13 537	16 038	16 040	17 718	18 299	18 299	(12 355)	16 993	17 740	18 539
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		181 103	197 684	150 777	66 651	64 302	64 302	(145 083)	43 912	45 845	47 908
Surplus(shortfall)		(176 956)	(192 142)	(140 788)	(57 568)	(53 321)	(53 321)	191 421	(30 231)	(28 879)	(27 509)

The table above shows that the municipality is having more debts (which is mostly Eskom) hence there is a shortfall. The municipality is currently experiencing cash flow challenges resulting in insufficient cash to support its current obligations.

A high-level analysis was undertaken to understand the factors contributing to the cash flow challenges experienced by the municipality. The factors contributing to the negative cash flow position were as follow:

- Eskom bill which includes other line items that are not consumption.
- Escalation of outstanding debtors across all customer group.

- Actions and spending that give rise to unplanned cash outflows.
- Limitation in revenue generation due to the level of indigent.

3. Strategic objectives of the Budget Funding Plan 2022/23 (BFP)

The principle objective of the BFP is to ensure financial viability and sustainability of the municipality, a funded budget and to subsequently ensure its ability to meet its obligations in terms of the SDBIP and IDP.

In order to achieve the objective as stated above the municipality will have to develop plans to address all the challenges identified above. The municipality has adopted the Cost Containment regulations and developed a financial recovery plan which is updated by all departments on a monthly basis and reviewed by internal audit on quarterly basis. All staff members have been briefed about implementation of this regulations. Quarterly a report is tabled to Executive and Finance Committee as a mean of monitoring.

The following has been identified as key objectives:

1. Improved Debt Collection by ensuring continuous disconnection for the customers not paying for services and electricity meter auditing.
2. Freezing of all vacant position and those that become vacant during the year (where the municipality may optimally operate without)
3. Cost reduction through reviewed Financial Recovery Plan which is in line with Cost Containment Regulations.
4. Cut out all expenditure incurred on items that are not the mandate or core functions of the local municipality.

4. Budget Funding Plan 2022/23

Programmes have been identified will assist the municipality in achieving the above objectives. The action plan below provides details on the identified programmes:

Programme	Responsible Person/Departme	Outcome	Estimated Revenue	Start Date	End Date
Implementation of the Revenue Enhancement Strategy by increasing the revenue base of the municipality. Handing over of outstanding debtors accounts for possible collection (source: debtors age analysis) Enforcement of Debt & Credit Control Policy (disconnection & reconnection, blocking & unblocking)	All Departments	Increase in the revenue base of the municipality and identification of new sources of revenue	R 14 000 000	Already started	Ongoing
Continuous billing of all new developments through supplementary valuation roll (new sv)	Finance & Planning	Supplementary Valuation roll implementation	R1 000 000	Already started	Ongoing
Replacement of all faulty meters. Continuous meter auditing and accurate billing	Department of Technical services	Increase in revenue Accurate billing	R 1 500 000	Already started	Ongoing.
Review budget related Policies	All Departments	Increase revenue Accurate indigent register	N/A	Done	30 June 2023

5. Municipal Cost Containment measures

The President announced the cost-containment measures in the State of the Nation address, and it was re-emphasised by the Minister of Finance during the Budget Speech. It must further be noted that MFMA Circulars No. 58, 66, 70, 72, 74 and 75 on cost containment measures are still applicable about curbing of non-priority spending. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved as per the financial recovery plan.

The municipality has already embarked on the process of the implementation of cost containment measures. Council resolved that a Financial Recovery Plan should be developed, and that Cost Containment Measures should form part of the plan. On 24 May 2018 the Financial Recovery Plan containing the cost containment measures was tabled in Council. On 25 September 2019 a support plan was adopted by the Council. The cost containment measures involved the following cutting of cost and or elimination of cost on the following items:

1. No catering for all meetings
2. No office beverages and outgoing trips
3. Cut down on overtime and standby
4. Printing cost – centralization of printing and limit colour printing
5. Municipality News
6. No new appointments for all posts as they become vacant
7. Procurement of furniture only budgeted
8. Monitoring of Telephone and Petrol usage

The above austerity measures have been reviewed by analysing cost driving votes, this measure will ensure that all non-priority spending is eliminated.

6. Monitoring of current spending against budget

- Municipality will continue to implement and monitor the Cost Containment Policy as adopted by Council however all the identified cash savings are used to pay Eskom debt.
- The municipality will monitor the implementation of the current year budget through MFMA Section 71 reporting to ensure that current year budget expenditure is not exceeded.

7. Monitoring and reporting

- All decision regarding the implementation of the BFP will be undertaken by the Municipal Manager after approval by Council.
- A Project Manager given the responsibility to monitor the day to day activities of the BFP will report to the office of the Municipal Manager who will then be accountable to Council for the success of the plan.
- Monthly progress reports will be submitted to the Finance and Executive Committee and quarterly to the Council.

8. Eskom repayment plan

- The funding plan has been prepared using a reviewed Eskom Repayment Plan (from three years to five years) which is subject to Eskom approval.

Approval			
Name and Surname	Designation	Signature	Date

Hon. Cllr W. M. Ntshangase	Mayor		
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ANNEXURE B: SCHEDULE OF TARIFFS

" The City of Heritage "



ULUNDI MUNICIPALITY SCHEDULE OF TARIFFS AND CHARGES FOR 2022/2023 FINANCIAL YEAR

DESCRIPTION	New Tariff 01/07/2021 - 30/06/2022	INCREASE 01/07/2022 - 30/06/2023	New Tariff 01/07/2022 - 30/06/2023 (Excl VAT)	New Tariff 01/07/2022 - 30/06/2023(Incl VAT)	New Tariff 01/07/2022 - 30/06/2023 Rounded off
Community Services					
Community Hall where entrance is free	825.53	4.8%	865.15	994.93	995
Community Hall where entrance is free (Per Hour)	165.69	4.8%	173.64	199.69	200
Community Hall where entrance fee is charged	1 095.86	4.8%	1 148.47	1 320.74	1 321
Community Hall where entrance fee is charged (Per Hour)	274.69	4.8%	287.88	331.06	331
Community Hall (Memorial/Funeral Services)	1 744.07	4.8%	1 827.78	2 101.95	2 102
Community Hall (Memorial/Funeral Services) Refundable Deposit	515.95	4.8%	540.71	621.82	622
Sports stadium (Refundable Deposit) (Day or Night Game)	549.38	4.8%	575.75	662.11	662
Sports stadium (Day Game)	59.59	4.8%	62.45	71.81	72
Sports stadium (Night Game)	114.82	4.8%	120.33	138.38	138
Sports stadium (PSL League Game)	7 266.97	4.8%	7 615.79	8 758.16	8 758
Open Space (Next to Multipurpose)	7 266.97	4.8%	7 615.79	8 758.16	8 758
Tournaments (Refundable)	515.95	4.8%	540.71	621.82	622
Tournaments Per Day)	1 031.91	4.8%	1 081.45	1 243.66	1 244
LIBRARY SERVICES					
Examinations	724.15	4.8%	758.91	872.75	873
Library photocopies	1.28	4.8%	1.34	1.54	2
Library photocopies	2.55	4.8%	2.67	3.07	3
Library fax - National (Per Page)	5.49	4.8%	5.75	6.61	7
Library fax - International (Per Page)	8.93	4.8%	9.35	10.76	11
Library activity room (Per Hour)	56.10	4.8%	58.79	67.61	68
Cyber Café Printings	1.28	4.8%	1.34	1.54	2
Scannings	2.55	4.8%	2.67	3.07	3
Laminating	6.37	4.8%	6.67	7.68	8
CEMETERY FEES					
Cemetery - 12 years and older	954.90	4.8%	1 000.74	1 150.85	1 151
Cemetery - under 12 years	574.37	4.8%	601.94	692.23	692
REFUSE REMOVAL/ BUILDING RUBBLE					
Refuse Removal - Domestic	87.45	4.8%	91.64	105.39	105
Refuse Removal - commercial	538.00	4.8%	563.83	648.40	648
Refuse Removal (B&B)	244.17	4.8%	255.88	294.27	294

Refuse Removal - Babanango (Underdeveloped)	224.00	4.8%	224.00	257.60	258
Refuse Removal - commercial bulk	4 490.23	4.8%	4 705.76	5 411.62	5 412
Refuse Removal - Babanango (Developed)	2 234.92	4.8%	2 342.20	2 693.53	2 694
Refuse Removal - commercial bulk more than twice a week	6 425.54	4.8%	6 733.97	7 744.06	7 744
Building Rubble Commercial non-refundable (New building and renovation)	2 500.00	0.0%	2 500.00	2 875.00	2 875
Building Rubble Residential non-refundable (New building and renovation)	1 000.00	0.0%	1 000.00	1 150.00	1 150
Building Rubble - Residential (New Building) - (1 - 50 m2)	1 156.51	4.8%	1 212.02	1 393.83	1 394
Building Rubble - Residential (New Building) - (51- 100 m2)	2 313.01	4.8%	2 424.03	2 787.64	2 788
Building Rubble - Residential (Renovations) - (1 - 10m 2)	1 156.51	4.8%	1 212.02	1 393.83	1 394
Building Rubble - Residential (Renovations) - (11 - 20 m2)	2 313.01	4.8%	2 424.03	2 787.64	2 788
Building Rubble - Commercial (New Building) - (1 - 50 m2)	2 313.01	4.8%	2 424.03	2 787.64	2 788
Building Rubble - Commercial (New Building) - (51 -1000 m2)	4 626.02	4.8%	4 848.07	5 575.28	5 575
Building rubble - Commercial(Renovations) - (1 - 9 m2)	2 313.01	4.8%	2 424.03	2 787.64	2 788
Building Rubble - Commercial(Renovations) - (9 - 18 m2)	4 626.02	4.8%	4 848.07	5 575.28	5 575
CORPORATE SERVICES					
TRADERS					
Permit fees: Annually	127.50	4.8%	133.62	153.66	153.66
Business Licenses (Formal Traders): Annually	637.46	4.8%	668.06	768.26	768.26
Business Licenses (Informal Traders): Annually	127.50	4.8%	133.62	153.66	153.66
Rent (tent): Monthly	63.74	4.8%	66.80	66.80	66.80
Rent (informal traders): Wendy houses	100.00	0.0%	100.00	100.00	100.00
Informal Business - Market stall fee (Monthly)	764.91	4.8%	801.63	801.63	801.63
RENTALS					
RENTAL FOR MUNICIPAL HOUSES	861.84	4.8%	903.21	1 038.69	1 039
STORAGE RENTAL	2 714.39	4.8%	2 844.68	3 271.38	3 271
TAXI / BUS FEES					
Taxi permit fees (Annually)	340.41	3.9%	353.68	406.74	407
Bus permit fee (Annually)	611.95	3.9%	635.82	731.19	731
TECHNICAL SERVICES					
ELECTRICITY METERS / CONNECTIONS					
Pre-paid meter installation (Single Phase)	1 268.77		1 268.77	1 459.09	1 459
Pre-paid meter installation (Three Phase)	3 116.72		3 116.72	3 584.23	3 584
Reconnection fee (RES)	381.65		381.65	438.90	439
Reconnection fee (BUS)	763.29		763.29	877.78	878
Temporary connection	1 197.60		1 197.60	1 377.24	1 377
Meter Tampering (RES) - First Offence	3 414.89		3 414.89	3 927.12	3 927
Meter Tampering (RES) - Second Offence	7 126.72		7 126.72	8 195.73	8 196
Meter Tampering (RES)- Third Offence	New service connection. Payments of all previous penalties and arrears				
Meter Tampering (BUS) - First Offence	7 246.39		7 246.39	8 333.35	8 333
Meter Tampering (BUS) - Second Offence	15 122.91		15 122.91	17 391.35	17 391

Meter Tampering (BUS)- Third Offence	New service connection. Payments of all previous penalties and arrears				
Replacement of broken/removed meter seals	1 113.56		1 113.56	1 280.59	1 281
Replacement of lost/damaged prepayment meter key pad	1 147.29		1 147.29	1 319.38	1 319
Test electricity meters	1 924.56		1 924.56	2 213.24	2 213
ELECTRICITY SUPPLY					
ELECTRICITY SUPPLIED THROUGH A CONVENTIONAL METER					
Domestic electricity consumption (Kwh)	1.5953		1.4659	1.6858	1.6858
Domestic electricity basic charge (Month)	264.9924		264.9924	304.7413	280.0308
Commercial basic charge <40KVA (Month)	1 014.4077		1014.4077	1 166.5689	1 071.9756
Commercial basic charge >40KVA (Month)	1 327.1725		1327.1725	1 526.2484	1 402.4899
Commercial demand kVA charge <40KVA (Low demand)	252.8350		252.8350	290.7603	267.1835
Commercial demand kVA charge >40KVA (High demand)	258.5077		258.5077	297.2839	273.1781
Commercial electricity consumption <40KVA (Low Demand kWh)	1.4340		1.4340	1.6491	1.5153
Commercial electricity consumption <40KVA (High Demand kWh)	1.4810		1.4810	1.7032	1.5650
Commercial electricity consumption >40KVA (Low Demand kWh)	0.7527		0.7527	0.8656	0.7954
Commercial electricity consumption >40KVA (High Demand kWh)	0.9079		0.9079	1.0441	0.9594
PREPAID ELECTRICITY (Per kWh)					
All domestic customers	1.6405		1.6405	1.8866	1.8532
Indigent customers	118.65c/kWh		118.65c/kWh	120.09c/kWh	120.09c/kh
All commercial customers (Low Demand)	1.9191		1.9191	2.2070	2.1680
All commercial customers (High Demand)	1.9759		1.9759	2.2723	2.2321
TOWN PLANNING & REAL ESTATE					
BUILDING PLANS & BUILDING OCCUPATION					
Application fee: Residential development (Per Squar Meter)	17.08	4.8%	17.90	20.59	21
Application fee: Commercial development (Per Squar Meter)	22.34	4.8%	23.41	26.92	27
Application fee: As-Built Building Plans (Per Squar Meter)	54.18	4.8%	56.78	65.30	65
Occupation Certificate for all developments (Excluding As-Built)	225.88	4.8%	236.72	272.23	272
ALL OTHER BUILDING WORK (PLANS)					
0 - 500m (Fixed Fee)	990.67	4.8%	1 038.22	1 193.95	1 194
0 - 500m (Per square meter)	18.30	4.8%	19.18	22.05	22
500m - 2000m (Fixed Fee)	3 305.00	4.8%	3 463.64	3 983.18	3 983
500m - 2000m (Per square meter)	18.30	4.8%	19.18	22.05	22
2000m - 5000m (Fixed Fee)	5 508.34	4.8%	5 772.74	6 638.65	6 639
2000m - 5000m (Per square meter)	18.30	4.8%	19.18	22.05	22
Above 5000m (Fixed Fee)	8 812.11	4.8%	9 235.09	10 620.36	10 620
Above 5000m (Per square meter)	20.74	4.8%	21.73	24.99	25
Fences (Fixed Fee)	175.68	4.8%	184.12	211.73	212
Fences (Per meter)	17.66	4.8%	18.51	21.29	21
OUTDOOR ADVERTISING					
Billboard monthly rental including LED (Per square meter)	81.04	4.8%	84.93	97.67	98

Banners (each banner per day)	90.39	4.8%	94.73	108.94	109
Event Posters: Application per day	45.09	4.8%	47.26	54.35	54
Event Posters: Refundable Deposit					
Business Advertisement on road reserve (Annual fee per board)	903.41	4.8%	946.77	1 088.79	1 089
On premises Business Advertisement (Annual fee)	451.71	4.8%	473.39	544.40	544
Election Posters: Application fee (per political party)	5 420.88	4.8%	5 681.08	6 533.24	6 533
Election Posters: Refundable Deposit)					
Mobile Billboard / Transit Advertising (per day)	180.79	4.8%	189.46	217.88	218
MAPPING					
Basic search fee	18.08	4.8%	18.95	21.79	22
A0 Map photocopy	62.96	4.8%	65.99	75.88	76
A1 Map photocopy	54.03	4.8%	56.62	65.11	65
A2 Map photocopy	45.17	4.8%	47.33	54.43	54
A3 Map photocopy	36.05	4.8%	37.78	43.45	43
A4 Map photocopy	27.01	4.8%	28.31	32.56	33
DEVELOPMENT APPLICATIONS					
Consent in terms of a Scheme: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
Subdivision of Land up to 5 pieces land: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
: Plus per subdivision and remainder	180.79	4.8%	189.46	217.88	218
Subdivision of Land over 5 pieces land: Basic fee	3 613.64	4.8%	3 787.10	4 355.16	4 355
: Plus per subdivision and remainder	108.06	4.8%	113.24	130.23	130
Subdivision of Government-subsidized Townships for Low-Income Housing Projects: Basic fee	144.42	4.8%	151.35	174.06	174
: Plus per subdivision and remainder	17.81	4.8%	18.66	21.46	21
Consolidation of Land simultaneously: Basic fee	451.55	4.8%	473.22	544.21	544
: Plus per component	45.20	4.8%	47.37	54.47	54
Subdivision and Consolidation of Land Simultaneously: Basic fee	3 162.09	4.8%	3 313.87	3 810.95	3 811
: Plus per component and remainder	225.88	4.8%	236.72	272.23	272
Cancellation of Approved Layout Plan: Basic fee	903.41	4.8%	946.77	1 088.79	1 089
Relaxation of Building Line: Basic fee per side	1 111.21	4.8%	1 164.55	1 339.23	1 339
Relaxation of Municipal Omnibus Servitudes: Basic fee	180.79	4.8%	189.46	217.88	218
Preparation of Service Agreements: Basic fee	903.41	4.8%	946.77	1 088.79	1 089
Alteration, Suspension and Deletion of Conditions of Title relating to Land: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
Alteration, Suspension and Deletion of Conditions of Approval relating to Land: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
Development Situated Outside the area of the Scheme: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
Closure of Municipal Road: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
Closure of Public Place: Basic fee	2 710.23	4.8%	2 840.32	3 266.37	3 266
Application for Rezoning: Less than 1ha	2 710.23	4.8%	2 840.32	3 266.37	3 266
: 1ha - 5ha	7 227.80	4.8%	7 574.74	8 710.95	8 711
: 5ha - 10ha	14 455.61	4.8%	15 149.48	17 421.90	17 422
: 10ha and above	18 069.56	4.8%	18 936.90	21 777.43	21 777
Issuing of Zoning Certificate	67.74	4.8%	70.99	81.64	82

WAYLEAVE APPLICATIONS					
Processing of Wayleave applications: Basic fee (up to 1km service installation)	443.50	4.8%	464.79	534.51	535
Additional fee (per extra km or part thereof)	443.50	4.8%	464.79	534.51	535
Processing of application of temporary closure of the road for construction purposes	499.10	4.8%	523.06	601.52	602
PROTECTION SERVICES					
LEARNERS LICENSE TESTING CENTRE					
Learners License Application	150.00	0.0%	150.00	150.00	150
Learners License Issued	60.00	0.0%	60.00	60.00	60
Duplicate Learners License	80.00	0.0%	80.00	80.00	80
Driving License Issued and Renewals	250.00	0.0%	250.00	250.00	250
PRDP Application	150.00	0.0%	150.00	150.00	150
Temporal Drivers License	90.00	0.0%	90.00	90.00	90
Drivers License Application CODE C1, EC	300.00	0.0%	300.00	300.00	300
PRDP Fingerprint	70.00	0.0%	70.00	70.00	70
Drivers License Application CODE B and EB	250.00	0.0%	250.00	250.00	250
FINANCIAL SERVICES					
RATES RANDAGES					
Residential (RES)	0.01811	4.8%	0.01898	0.01898	0.01898
Residential: Impermissible Rebates	15 000.00	0.0%	15 000.00	15 000.00	15 000.00
Residential: Additional Rebates	45 000.00	0.0%	45 000.00	45 000.00	45 000.00
Residential - Owned by organ of state: Additional Rebates	-	0.0%	-	-	0.00
Industrial Properties	0.03623	4.8%	0.03797	0.03797	0.03797
Business and Commercial Properties	0.03623	4.8%	0.03797	0.03797	0.03797
Agricultural Properties	0.00454	4.8%	0.00476	0.00476	0.00476
Mining Properties	0.03623	4.8%	0.03797	0.03797	0.03797
Properties owned by an organ of state and used for Public Service Purposes (PSP)	0.03623	4.8%	0.03797	0.03797	0.03797
Public Service Infrastructure (PSI)	-	-	0.00000	0.00000	0.00000
Public Benefit Organisation Property	0.00454	4.8%	0.00454	0.00454	0.00454
Vacant Land (BUS+RES)	0.03623	4.8%	0.03797	0.03797	0.03797
INDIGENT CUSTOMERS					
Customers that qualify for indigent support will receive alleviation as per Council approved Indigent Policy. The alleviation can include property rates, refuse removal and electricity.					
ADMINISTRATION CHARGES					
SCM TENDER DOCUMENTS < R 1million	468.30	4.8%	490.78	564.40	564
SCM TENDER DOCUMENTS > R 1million	669.80	4.8%	701.95	807.24	807
Rates Clearance Certificates PSP	2 173.91	0%	2 173.91	2 500.00	2 500
Rates Clearance Certificates Residential	1 304.34	0%	1 304.34	1 499.99	1 500
Rates Clearance Certificates Vacant Land (Business)	2 173.91	0%	2 173.91	2 500.00	2 500
Rates Clearance Certificates Vacant Land (Residential)	1 304.34	0%	1 304.34	1 499.99	1 500
Rates Clearance Certificates Agriculture	3 478.26	0%	3 478.26	4 000.00	4 000
Deed search report	260.53	0%	260.53	299.61	300
Valuation certificate report Residential	217.10	0%	217.10	249.67	250

Valuation certificate report Business	434.41	0%	434.41	499.57	500
Re-printing of Consumer Statements	8.69	0%	8.69	9.99	10
RD CHEQUES	130.26	0%	130.26	149.80	150

NB: ALL TARIFFS WILL BE ROUNDED OFF TO THE NEAREST RAND(R1) WITH THE EXCEPTION OF RATES, ELETRICITY

ALL SERVICES PROVIDED BY THE ULUNDI LOCAL MUNICIPALITY ARE SUBJECT TO A VAT CHARGE

RATES CHARGES ARE NOT SUBJECT TO VAT CHARGES

NB: ELECTRICITY TARIFFS SUBJECT TO NERSA APPROVAL AND FURTHER INCREASE DUE TO ADDITIONAL INCREASE TO BE GRANTED TO ESKOM

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were received as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high priority programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items. The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

The budget process occurred according to the budget timetable approved by Council in August 2021. This ensured compliance with the MFMA and subsequent circulars in the preparation and approval of the multi-year budget. The Budget and Medium-Term Revenue and Expenditure Framework (MTREF) was also prepared taking cognizance of the contents of the Municipal Finance Management Act No 56 of 2003, Circular No. 115 and the MFMA Budget Formats Guide received from National Treasury (Version 6.6).

The main challenges experienced during the compilation of the 2022/2023 Final Budget and MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Ageing roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource given the cash flow realities and declining cash position of the municipality.
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents.
- Continuous high tariff increases are not sustainable – as there will be a point where services will no longer be affordable;
- Wage increases for municipal staff that continues to exceed consumer inflation, as well as the need to fill critical vacancies.
- The alignment of A schedule cashflow to data strings.
- COVID-19 pandemic effects

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The following budget principles and guidelines directly informed the compilation of the 2022/2023 Final Budget and MTRF:

- The 2021/2022 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2022/2023 Final Budget;
- Tariff increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2022/2023 Final Budget and Medium-term Revenue and Expenditure Framework:

Description	2022/2023	2023/2024	2024/2025
Revenue	R 442 322 000	R 461 784 000	R 482 565 000
Expenditure	R 455 909 000	R 475 969 000	R 497 387 000
Surplus(deficit)	R 13 587 000	R 14 185 000	R 14 822 000

**PART 2:
SUPPORTING
DOCUMENTS**

PART 2

OVERVIEW OF ANNUAL BUDGET PROCESS

- Process to prepare the budget

The budget and IDP process occurred according to the budget timetable approved by Council in August 2021.

TIME SCHEDULE OF KEY DEADLINES

Mayor to Table in Council 10 Months Prior to Start of Budget Year

Month	Ulundi Local Municipality –KZN 266	Budget Year __2022/2023
	Mayor and Council / Entity Board	Administration - Municipality and Entity
31 July 2021	Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process MFMA s 53	Accounting officers and senior officials of municipality and entities begin planning for next three-year budget MFMA s 66, 77
	Planning includes review of the previous year's budget process and completion of the Budget Evaluation Checklist	Accounting officers and senior officials of municipality and entities review options and contracts for service delivery MSA s 76-81

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<p>31 August 2021</p>	<p>Mayor tables in Council the schedule of key deadlines setting the time table for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year.</p> <p>MIFMA s 21,22, 23;</p> <p>MSA s 34, Ch 4 as amended</p> <p>Mayor establishes committees and consultation forums for the budget process</p>	<p>Accounting Officer to assist Mayor to prepare the schedule of key deadlines and align the IDP and Budget process</p>
<p>30September2021 /30October 2021</p>	<p>Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans</p> <p>Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality</p>	<p>Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives</p> <p>Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc)</p>
<p>13November2021/ 10December 2021</p>	<p>Council finalises tariff (rates and service charges) policies for next financial year</p> <p>MSA s 74, 75</p> <p>Mayor tables municipality budget, budgets of entities, resolutions, plans, and proposed revisions to IDP</p>	<p>Accounting officer submits draft budget and plans for next financial year to the Mayor for tabling</p> <p>Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others</p>
<p>29 January 2022 05 February 2022</p>	<p>Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc</p>	<p>Accounting officer to notify relevant municipalities of projected allocations for next three budget years</p> <p>Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the final budget.</p> <p>Accounting officer incorporates the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report</p>

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25 January 2022	Mayor tables in the municipal council Mid-year report for the year MFMA se c72	Budget offices of municipality reviews actual against the budget for the first 6 months of the financial year 25 January 2017 submission to NT and PT
28 February 2022	Mayor tables in the municipal council adjustment budget for the year	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year
30 March 2022	Mayor tables in the municipal council draft budget for the year and draft annual report	Accounting officer incorporates any changes in prices for bulk resources as communicated by 15 March MFMA s 42
29 April 2022	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year
31 May 2022	Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality MFMA s 87	Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature
31 May 2022	Council must approve annual budget and Final Annual Report by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year	Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. MFMA s 69; MSA s 57

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<p>30 June 2022</p>	<p>MFMA s 16, 24, 26, 53</p> <p>Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval.</p> <p>MFMA s 53; MSA s 38-45, 57(2)</p> <p>Council must finalise a system of delegations.</p> <p>MFMA s 59, 79, 82; MSA s 59-65</p>	<p>Accounting officers of municipality and entities publishes adopted budget an plans and Annual report</p> <p>MFMA s 75, 87</p>
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The Budget and MTREF was also prepared taking cognizance of the contents of the LG: MFMA, Act No. 56 of 2003, Circular No.89 and the MFMA Budget Formats Guide received from National Treasury.

Service Delivery and Budget Implementation Plan

Section 1 of the Local Government: Municipal Finance Management Act (No.56 of 2003) defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53 (1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:

- (a) Projections for each month of-
 - (i) Revenue to be collected, by source; and
 - (ii) Operational and capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter”.

The municipal manager is responsible for the preparation of the SDBIP, which must be legally submitted to the mayor for approval once the budget has been approved by the council (around end-May or early-June). However, the municipal manager should start the process to prepare the top layer of the SDBIP no later

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than the tabling of the budget (around March or earlier) and preferably submit a Final SDBIP to the mayor by 1 May (for initial approval). Once the budget is approved by the Council, the municipal manager should merely revise the approved Final SDBIP and submit for final approval within 14 days after the approval of the budget.

The mayor should therefore approve the final SDBIP and performance agreements simultaneously, and then make the SDBIP and performance agreement of the municipal manager public within 14 days, preferably before 1 July. Note that it is only the top layer (of high-level) detail of the SDBIP that is required to be made public. It is the output and goals made public in the SDBIP that will be used to measure performance on a quarterly basis during the financial year. Note that such in-year monitoring is meant to be a light form of monitoring. The council should reserve its oversight role over performance at the end of the financial year, when the mayor tables the annual report of the municipality.

The in-year monitoring is designed to pick up major problems only and aimed at ensuring that the mayor and municipal manager are taking corrective steps when any unanticipated problems arise. The SDBIP serves a critical role to focus both the administration and council on outputs by providing clarity of service delivery expectations, expenditure and revenue requirements, service delivery targets and performance indicators.

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality.

The SDBIP should therefore determine (and be consistent with) the performance agreements between the mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnerships, service contracts and the like.

OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTERGRATED DEVELOPMENT PLAN

All budgeted projects are in the IDP and will be included in the Final Service Delivery and Budget Implementation Plan for 2022/2023

OVERVIEW OF BUDGET ASSUMPTIONS

- In January 2010, Cabinet adopted 12 outcomes within which to frame public service delivery priorities and targets. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets and responsibilities to national and provincial departments, agencies and municipalities. The municipality is expected to take the 12 outcomes into consideration when reviewing the IDP and developing the annual Budget for the 2021/2022 MTREF.

Hereunder follows the 12 outcomes, together with examples of areas where the municipality have a role to play in either contributing directly to the realization of the outcomes or facilitating the work of national and provincial departments in realizing them.

Outcomes of Government-role of Local Government

No Description Role of Local Government

Improve the quality of basic education • Facilitate the building of new schools by:

- Participating in needs assessments
- Identifying appropriate land
- Facilitating zoning and planning processes
- Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections

Improve health and life expectancy many Municipalities perform health functions on behalf of provinces:

- Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments.
- Municipalities must continue to improve Community Health Service infrastructure by providing clean water, sanitation and waste removal services.

All people in South Africa protected and feel safe:

- Facilitate the development of safer communities through better planning and enforcement of municipal by laws.
- Direct the traffic control function towards policing high risk violations-rather than revenue collection
- Metro police services should contribute by:
- Increasing police personnel
- Improving collaboration with SAPS
- Ensuring rapid response to reported crimes

Decent employment through inclusive economic growth:

- Create an enabling environment for investment by streamlining planning application processes.
- Ensure proper maintenance and rehabilitation of essential services infrastructure.

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- Ensure proper implementation of the EPWP at municipal level
- Design service delivery processes to be labour intensive
- Improve procurement systems to eliminate corruption and ensure value for money
- Utilize community structures to provide services

A skilled and capable workforce to support inclusive growth:

- Develop and extend intern and work experience programmes in municipalities.
- Link municipal procurement to skills development initiatives

An efficient, competitive and responsive economic infrastructure network:

- Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services
- Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport
- Maintain and expand water purification works and wastewater treatment works in line with growing demand
- Cities to prepare to receive the devolved public transport function
- Improve maintenance of municipal road networks.

Vibrant, equitable and sustainable rural communities and food security:

- Facilitate the development of local markets for agricultural produce
- Improve transport links with urban centres so as to ensure better economic integration
- Promote home production to enhance food security
- Ensure effective spending of grants for funding extension of access to basic services.

Sustainable human settlements and improved quality of household life:

- Cities must prepare to be accredited for the housing function.
- Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements
- Participate in the identification of suitable land for social housing.
- Ensure capital budgets are appropriately prioritized to maintain existing services and extend services.

A response and, accountable, effective and efficient local government system:

- Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality
- Implement the community work programme
- Ensure ward committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues.
- Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption.

Protection and enhancement of environmental assets and natural resources:

- Develop and implement water management plans to reduce water losses.
- Ensure effective maintenance and rehabilitation of infrastructure
- Run water and electricity saving awareness campaigns
- Ensure proper management of municipal commonage and urban open spaces
- Ensure development does not take place on wetlands.

A better South Africa, a better and safer Africa and world

- Role of Local Government is fairly limited in this area. Must concentrate on:
- Ensuring basic infrastructure is in place and properly maintained.
- Creating an enabling environment for investment.

A development-orientated public service and inclusive citizenship

- Continue to develop performance monitoring and management systems.
- Comply with legal financial reporting requirements
- Review municipal expenditures to eliminate wastage
- Ensure councils behave in ways to restore community trust in Local Government.

a. The following budget assumptions have a major influence on the annual budget:

- It will take some time for the economic upturn to flow through to increased municipal revenues and better cash flows.
- The increased high cost to move waste from the refuse transfer stations, to the regional refuse site.
- The excessive increases in the tariffs of bulk electricity purchases in the next three budget years, are putting pressure on the Council's Final operating expenditure budget.
- The increases in property rates and other tariffs are likely to be counter-productive, resulting in higher levels of non-payment and increased bad debts.
- VAT increase from 14% to 15% of which most of our citizens are not happy with.

Overview of Budget funding

Medium term outlook: operating revenue

The following table is a breakdown of the operating revenue and operating expenditure 2022/2023:

Revenue - Grants	Amount 'R	Own revenue	Amount 'R
Equitable Share	196 348 000.00	Property rates	109 226 000.00
Financial Management Grant	2 100 000.00	Electricity revenue	90 706 000.00
Extended Public Work Programme	4 711 000.00	Refuse revenue	10 992 000.00
Provincialisation Of Libraries	981 000.00	Licences and permits	
Community Library	1 023 000.00	Fines, penalties and forfeits	150 000.00
Integrated National Electrification Programme.	10 000 000.00	Other	2 201 000.00
TOTAL	215 163 000.00	TOTAL	213 275 000.00

Council approved budget is mainly funded by government grants which amounts to R215 163 000,00 & own revenue from service charges of R213 275 000,00. This table exclude the MIG capital expenditure of R44 888 000

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as electricity, and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges such as building plan fees, licenses and permits etc.

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a **90** per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirement;
- The Property Rates Policy in terms of the Municipal Property Rates Act,2004 (Act 6 of 2004) (MPRA), and
- The ability to extend new services and obtain cost recovery levels.

Ufundi Local Municipality

- The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2022/2023 MTREF on the different revenue categories are:

Ulundi Local Municipality

Description	MFMA section	Ref	2018/19		2019/20		2020/21		Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25			
Funding measures																
Cash/cash equivalents at the year end - R'000	18(1)b	1	8	23	191 672	5 633	(31)	(31)	369 025	13 681	16 966	20 399				
Cash + investments at the yr end less applications - R'000	18(1)b	2	(176 956)	(192 142)	(140 788)	(57 568)	(53 321)	(53 321)	191 421	(30 231)	(28 879)	(27 509)				
Cash year end/monthly employee/supplier payments	18(1)b	3	0.0	0.0	6.8	0.2	(0.0)	(0.0)	16.2	0.4	0.5	0.6				
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(20 076)	166 422	87 387	17 064	14 899	14 899	88 523	31 301	32 679	34 149				
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	34.2%	(7.2%)	(1.4%)	(6.0%)	(6.0%)	(32.6%)	(3.8%)	(1.6%)	(1.5%)				
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	86.7%	90.7%	90.7%	0.0%	96.6%	96.6%	96.6%				
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	4.1%	4.1%	3.1%	3.4%	0.0%	0.0%	0.5%	8.0%	8.0%	8.0%				
Capital payments % of capital expenditure	18(1)c,19	8	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%				
Borrowing receipts % of capital expenditure (ex cl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Grants % of Govt. legislated/gazetted allocations	18(1)a	10														
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	46.2%	16.3%	18.1%	(27.6%)	0.0%	48.2%	(3.9%)	4.4%	4.5%				
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.5%	0.0%	0.3%	0.9%	0.0%	0.0%	0.2%	0.8%	0.8%	0.8%				
Asset renewal % of capital budget	20(1)(vi)	14	(31.1%)	9.9%	6.9%	1.5%	1.5%	1.5%	0.0%	0.0%	0.0%	0.0%				

Expenditure on allocations and grant programmes

Programme	Funding	Allocations
Sports fields	MIG	R3,186,000.00
Roads	MIG	R3,411,000.00
Community halls	MIG	R36,915,000.00
TOTAL CAPITAL EXPENDITURE		R45 512 000.00

The capital projects for 2022/2023 is funded through national allocations as gazetted in the DORA issued during February 2021

ALLOCATIONS MADE BY THE MUNICIPALITY

- No allocation will be transferred by the municipality for the 2022/2023 financial year.

EMPLOYEE RELATED COSTS

- Employees related costs as per supporting budget table SA22 consider guideline of 0% on Section 56 & 57 Managers and 4.65% on other employees as per MFMA circular No. 115

Summary of Employee and Councilor remuneration	Ref	2018/19			2019/20			2020/21			Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	B	Audited Outcome	C	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25				
1																
Councillors (Political Office Bearers plus Other)																
Basic Salaries and Wages		8 977	9 768	9 477	9 086	4 836	4 836	4 836	5 054	5 276	5 514					
Pension and UIF Contributions		1 445	1 171	1 362	1 363	877	877	877	917	957	1 000					
Medical Aid Contributions		481	449	410	812	-	-	-	-	-	-					
Motor Vehicle Allowance		3 541	3 629	3 758	3 754	215	215	215	225	235	245					
Cellphone Allowance		2 090	2 083	2 087	2 087	9 086	9 086	9 086	9 495	9 913	10 359					
Housing Allowances		-	-	-	-	2 087	2 087	2 087	2 181	2 277	2 379					

Ulundi Local Municipality

Total Parent Municipality	150584	163503	164361	169976	173270	173270	181067	189034	197541
Board Members of Entities									
Basic Salaries and Wages		8.6%	0.5%	3.4%	1.9%	-	4.5%	4.4%	4.5%
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance	3								
Cellphone Allowance	3								
Housing Allowances	3								
Other benefits and allowances	3								
Board Fees									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations	6								
Sub Total - Board Members of Entities									
% increase	4								
Senior Managers of Entities									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance	3								
Cellphone Allowance	3								
Housing Allowances	3								
Other benefits and allowances	3								
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations	6								
Sub Total - Senior Managers of Entities									
% increase	4								
Other Staff of Entities									
Basic Salaries and Wages									
Pension and UIF Contributions									

MONTHLY TARGETS FOR REVENUE AND CASHFLOW

Ulundu Local Municipality

Choose name from list - Table A7 Budgeted Cash Flows															
R thousand	Description	Ref	2018/19		2019/20		2020/21		Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25		
	CASH FLOW FROM OPERATING ACTIVITIES														
	Receipts														
	Property rates		-	-	-	92 749	99 002	-	99 002	-	103 754	108 319	113 193		
	Service charges		-	-	-	82 756	87 043	-	87 043	-	88 975	92 890	97 070		
	Other revenue		-	-	-	12 723	11 536	-	11 536	-	19 260	20 108	21 013		
	Transfers and Subsidies - Operational	1	8	23	191 672	192 855	192 855	369 021	192 855	369 021	221 883	231 646	242 070		
	Transfers and Subsidies - Capital	1	-	-	-	32 489	32 489	-	32 489	-	44 888	46 863	48 972		
	Interest		-	-	-	-	-	-	-	-	-	-	-		
	Dividends		-	-	-	-	-	-	-	-	-	-	-		
	Payments														
	Suppliers and employees		-	-	-	(380 384)	(400 547)	4	(400 547)	-	(432 079)	(451 091)	(471 390)		
	Finance charges		-	-	-	-	-	-	-	-	-	-	-		
	Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-	-		
	NET CASH FROM/(USED) OPERATING ACTIVITIES		8	23	191 672	33 188	22 378	369 025	22 378	22 378	46 681	48 735	50 928		
	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		-	-	-	(33 577)	(32 877)	-	(32 877)	(32 877)	(43 512)	(45 426)	(47 471)		
	NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	(33 577)	(32 877)	-	(32 877)	(32 877)	(43 512)	(45 426)	(47 471)		
	CASH FLOWS FROM FINANCING ACTIVITIES														
	Receipts														
	Short term loans		-	-	-	-	-	-	-	-	-	-	-		
	Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-		
	Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	(87)	(23)	(25)		
	Payments														
	Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-		
	NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	(87)	(23)	(25)		
	NET INCREASE/ (DECREASE) IN CASH HELD		8	23	191 672	(389)	(10 499)	369 025	(10 499)	(10 499)	3 082	3 285	3 432		
	Cash/cash equivalents at the year begin:	2	-	-	-	6 022	10 469	-	10 469	10 469	10 599	13 681	16 966		
	Cash/cash equivalents at the year end:	2	8	23	191 672	5 633	(31)	369 025	(31)	(31)	13 681	16 966	20 399		

Ulundi Local Municipality

Service charges were projected at a collection rate of 90% for refuse, 80% on rates and 80% on electricity for year 2022/23.

Regarding the collection rate for the refuse removal, the municipality has amended its policy on refuse whereby accounts will be no longer be opened for tenants but instead landlords will be billed directly.

Monthly targets for revenue, expenditure and cash flow

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and t Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24
Cash Receipts By Source															
Property rates	8 646	8 646	8 646	8 646	8 646	8 646	8 646	8 646	8 646	8 646	8 646	8 646	8 646	103 754	108 319
Service charges - electricity revenue	6 590	6 590	6 590	6 590	6 590	6 590	6 590	6 590	6 590	6 590	6 590	6 590	6 590	79 082	82 561
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	824	824	824	824	824	824	824	824	824	824	824	824	824	9 893	10 328
Rental of facilities and equipment	1	1	1	1	1	1	1	1	1	1	1	1	1	-	-
Interest earned - external investments	380	380	380	380	380	380	380	380	380	380	380	380	380	16 555	17 284
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	17	17	17	17	17	17	17	17	17	17	17	17	17	205	214
Licences and permits	208	208	208	208	208	208	208	208	208	208	208	208	208	2 500	2 610
Agency services	18	18	18	18	18	18	18	18	18	18	18	18	18	-	-
Transfers and Subsidies - Operational	490	490	490	490	490	490	490	490	490	490	490	490	490	221 883	231 646
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Receipts by Source	36 156	36 156	36 156	36 156	36 156	36 156	36 156	36 156	36 156	36 156	36 156	36 156	36 156	433 872	452 962

ANNUAL BUDGET AND SERVICE AGREEMENTS - MUNICIPAL ENTITIES AND OTHER EXTERNAL MECHANISM

- This municipality has no entities.

Contract having future budgets implications

A municipality may enter into a contract which will impose financial obligations on the municipality beyond a financial year, but if the contract will impose financial obligations on the municipality beyond the three years covered in the annual budget for that financial year. It must comply with MFMA Sec 33. Ulundi municipality does not have contracts having future budgetary implications.

CAPITAL EXPENDITURE DETAILS

A budget of R44 888 000 has been allocated for Municipal Infrastructure Grant for this financial year under budget, this will be spent in accordance with the grant conditions as outlined in the Division of Revenue issued on the 5th February 2022.

Capital projects are 100% funded by National allocations (grants) for the year 2022/2023

LEGISLATION COMPLIANCE STATUS

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) became effective on 1 July 2004. Elements of the act have been phased in according to capacity of each municipality – high, medium and low. The Act has introduced significant changes to the financial management of local government. One of the main changes in budget preparation is that the single year, line item budgeting – which was a common feature of the previous practices – has been replaced by multi-year budgeting at a more strategic level.

Ulundi Local Municipality

The MFMA aims to modernize budget and financial practices at all spheres of government, thereby facilitating effective service delivery. The general public plays an important role in ensuring a budget is set to reflect targeted service delivery. For example, during the budget preparation process, Section 21 of the MFMA requires communities and residents within the municipal jurisdiction to be part of the Budget and Integrated Development Planning (IDP) processes.

Communities can also monitor the performance of the approved budget through regular reporting of the Service Delivery & Budget Implementation Plan (SDBIP) and the performance contracts of senior manager. These are prepared at the same time as the budget, thus ensuring alignment at the start of the financial year.

Some of the key budget reforms encapsulated within the Local Government: MFMA, that KZN 266 has applied, are:

- Forward looking, multi-year budgets with strategic focus;
- Clear links between budget allocations and agreed policies;
- Improved integration of budget and planning processes;
- New budget process timetable with earlier adoption of budgets by council and earlier audits of Annual Financial Statements;
- Improved in-year reporting according to vote/function;
- Improved financial management information;
- Service Delivery and Budget Implementation Plans (SDBIP) developed and approved with budgets;
- New accounting norms and standards;
- Improvements to procurement and Supply Chain Management policies and processes;
- Focus on performance measurement,

The MFMA implementation is monitored through regular reporting including:

- Quarterly reviews of LG: MFMA implementation plans and 12 urgent implementation priorities checklist;
- Monthly returns to National Treasury and monthly reports to Mayor and Council, as required by Section 71;
- Publication of information on the municipality's website (www.ulundi.gov.za) and
- Mid-year budget and performance assessment as required by Section 72.

The Budget and Medium-Term Revenue and Expenditure Framework (MTREF) was prepared taking cognizance of the contents of the Municipal budget and reporting regulations, Local Government: Municipal Finance Management Act No 56 of 2003, Circular No. 89 and the MFMA Budget Formats Guide received from National Treasury.

The objective of the regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities and municipal entities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes of those institutions and other relevant matters as required by the Act.

OTHER LEGISLATION

The other important pieces of legislation when considering the budget processes are:

The Division of Revenue Bill 2021 and the Municipal Systems Act (Act no. 32 of 2000), together with the Municipal Systems Amendment Act (Act No. 44 of 2003)

Division of Revenue Bill 2022

This Bill issued in February 2022, provides the three-year allocations from national government to local government. It sets out all the reporting requirements and conditions relating to the grants. Alongside this Provincial Departments allocate funding to local government by means of a provincial gazette.

These allocations are used when preparing the three-year budget in order to comply with Section 18 of the MFMA (relating to reasonably anticipated revenues to be collected). Additional allocations – both nationally and provincially – are sometimes made to municipalities. However, these are not included in the original budget as the allocations are not certain. When confirmed they will be included in an adjustments budget in accordance with Section 28 of the MFMA.

The Municipal Systems Act (Act no. 32 of 2000) and the Municipal Systems Amendment Act (Act No. 44 of 2003)

These acts form the basis of the links between the budget and the Integrated Development Plan (IDP). In particular, the aspects that have been considered in preparing the budget are:

- Community participation (Chapters 4 & 5);
- Performance management (Chapter 6) providing also the basis for measurable performance objectives in the Service
- Delivery and Budget Implementation Plan (SDBIP); and Tariff Policy (Chapter 8).

Municipal manager's quality certificate

**UMASIPALA
WASOLUNDI**

Private Bag X17
Ulundi
3838

" The City of Heritage "



**ULUNDI
MUNICIPALITY**

Tel: 035 - 8745100
Fax: 035 - 8745174
E-mail: tmagwaza@ulundi.gov.za

I, ZG Dhlamini ,Acting Municipal Manager of Ulundi Municipal, hereby certify that

the annual budget statement

quarterly report on the implementation of the budget and financial state affairs of the municipality

mid-year budget and performance assessment for the month of December of 2022/2023

has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: ZG Dhlamini

Acting Municipal Manager of Ulundi Municipality (KZN266)

Signature: _____

Date: 30 March 2022

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be "ZG Dhlamini".

**UMASIPALA
WASOLUNDI**

Private Bag X17
Ulundi
3838

" The City of Heritage "



**ULUNDI
MUNICIPALITY**

Tel: 035 - 8745100
Fax: 035 - 8745174

Website: <http://www.ulundi.local.gov.za>

Certification that the adopted Final budget for 2022/23 is correctly captured and locked on the municipality's financial management system

(as requested by National Treasury in terms of section 74 of the MFMA, with reference to paragraph 6.3 of MFMA Budget Circular 59 dated 16 March 2012)

I, ZG Dhlamini..., in my capacity as Acting accounting officer of the municipality, hereby certify that:

- The adopted annual budget has been captured on the municipality's financial system;
- There is 100 per cent reconciliation between the budget on the system and the budget adopted by council;
- The adopted annual budget on the municipality's financial system is locked and will not be changed as it serves as the baseline against which to monitor and measure performance; and
- The relevant budget return forms have been submitted to the local government database.

I, further certify that the municipality has in place controls to ensure that any changes to the adopted budget will be captured separately and only in accordance with:

- a virement authorised by the municipal manager, or duly delegate official, in terms of a council approved virements policy; and
- an adjustments budget approved by council.

Print Name

Z. G. DHLAMINI

Acting Municipal manager of Ulundi Local Municipality (KZN266)

Signature

Date

30 March 2022



Public notice for 2022/2023

Draft Budgett for 2022/2023 financial year:

Notice is hereby given in terms of Section 18 of the Local Government Municipal Systems Act, 32 of 2000, read together with Section 22 of the Local Government Municipal Finance Management Act, 56 of 2003, that the Ulundi Municipality has finalised tabling the Draft Budget For 2022/2023 Financial Year.

The documents can be viewed from the following venues:

Venue	Time
Municipal offices	08:00 – 16:00
Customer care	08:00 – 16:00
Library	08:00 – 16:00
Municipal Webiste	08:00 – 16:00
Ward councillors	08:00 – 16:00

ISAZISO SOMPHAKATHI

Umphakathi uyamenywa ukuba ubeke imibono yawo kusomqulu woHlahlozimali ngokulawula kwesigaba 18 soMthetho oLawulwa ngeNqubo yoHulumeni Base khaya no 32 ka 2000 nesigaba 22 Somthetho olawula ukuphathwa kweZimali zikaMasipala unombolo 56 ka 2003.

Ongathanda ukwenza iziphakamiso angabheka usomqulu obekwe kulezi zindawo ezilandelayo:

Indawo	Isikhathi
Emahhovisi oMkhandlu	08:00 – 16:00
Customer care	08:00 – 16:00
Umtapo wolwazi	08:00 – 16:00
Ikhansela leWadi	08:00 – 16:00
Nakwi Website yoMkhandlu	08:00 – 16:00


Z.G. Dhlamini

ACTING MUNICIPAL MANAGER

Notice date: 01 April 2022