

UTHUKELA

**UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY
SERVICE DELIVERY AND**

BUDGET IMPLEMENTATION

PLAN

2019/2020

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1. FOREWORD BY HIS WORSHIP THE MAYOR

The purpose of this document is to present UThukela District Municipality Service Delivery and Budget Implementation Plan (SDBIP) for 2019/2020 financial year. The Municipal Finance Management Act (Act 56 of 2003) requires a municipality to develop, implement and monitor the SDBIP.

The SDBIP is a management plan for implanting the IDP through the approved budget, it's a detailed one year plan of a municipality that gives effect to the IDP and the budget of the municipality. It is a commitment document for UThukela District Municipality to meet specific service delivery and budget spending targets.

The targets contained in this document will specify how UThukela District Municipality will implement the objectives set out in the IDP.

In a nutshell the SDBIP will assist the executive, council and the community in their respective oversight responsibility since it serves as an implementation and monitoring tool.

Cllr AS Mazibuko

Her Worship the Mayor

SUBMISSION TO THE EXECUTIVE MAYOR

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of the Council will be implemented, is herewith submitted in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budget and Reporting Regulation for the necessary approval.

SN Kunene
Municipal Manager

Signature: _____

Date: 26/06/2019

SECTION 53(1)(C)(II) – APPROVAL BY THE EXECUTIVE MAYOR

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA.

Cllr AS Mazibuko
Her Worship Mayor

Signature: _____

Date: 28/06/2019

2. INTRODUCTION BY THE MUNICIPAL MANAGER

The SDBIP is a contract between the Administration, Council and Community where the goals and objectives as set out by the council are quantified and can be implemented by the administration of the municipality. Municipal Managers are encouraged to develop the SDBIP concept further so that it is meaningful and useful to managers.

Whilst the budget sets yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the

Municipal manager must ensure that the budget is built around quarterly and monthly information. Being a start-of-year planning and target tool, the

SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and end-of-year annual reports.

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used. The SDBIP indicates the responsibilities and outputs for each of the senior managers in the top management team, the inputs to be used, and the time deadlines for each output. The SDBIP will therefore determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. The SDBIP should also provide all expenditure information (for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support ward Councilors in service delivery information.

The SDBIP aims to ensure that managers are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible and enables the Council to monitor the performance of the municipality against quarterly targets on service delivery.

Being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by the council. It is however tabled before council and made public for information and for the purpose of monitoring. The SDBIP should be seen as a dynamic document that may (at lower layers of the plan) be continually revised by the municipal manager and other top managers, as actual performance after each month or quarter is taken into account. However, the top-layer of the SDBIP and its targets cannot be revised without notifying the council, and if there is to be changes in service delivery targets

and performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1) (c) of MFMA). This Council approval is necessary to ensure that the Executive Mayor or Municipal Manager do not revise service delivery targets downwards in the event where there is poor performance.

3. VISION, MISSION & CORE VALUES



4. LEGISLATIVE FRAMEWORK

In terms of Section 53 (1) (c) (ii) of the Municipal Finance Management Act, Act No 53 of 2003, the Service Delivery Budget and Implementation Plan is defined as a detailed plan approved by the Mayor of a Municipality for implementing the Municipality's delivery of municipal services and its annual budget, and must indicate 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, and
- (c) Any other matters prescribed.

According to Section 53(c) (ii) of the Municipal Finance Management Act, the Mayor is expected to approve the Service Delivery Budget Implementation Plan within 28 days after the approval of the budget. In addition, the Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the Service Delivery Budget Implementation Plan are made public within 14 days after their approval.

In terms of the provisions of the MFMA the processes for the submission, approval, implementation and revision of the Service Delivery and Budget Implementation Plan (SDBIP) are as follows:

ACTION	LEGISLATION
<i>Municipal Manager submit draft SDBIP to the Mayor within 14 days after the approval of the Budget Section</i>	Section 69 (3) (a)
<i>Mayor to take all reasonable steps to ensure that the Mayor approves the SDBIP within 28 days after the approval of the budget</i>	53 (1) (c) (ii)
<i>Mayor to take all reasonable steps to ensure that the annual performance agreements of the Municipal Manger and all Senior Managers are linked to the SDBIP and Performance Objectives of approved budget.</i>	Section 53 (1) (c) (iii)
<i>Mayor must ensure that the SDBIP be made public within 14 days after the approval of the SDBIP</i>	Section 53 (3) (a)
<i>Mayor must ensure that the Performance Agreements of the Municipal Manager and Senior Managers are made public within 14 days after the approval of the SDBIP and copies submitted to council and MEC for Local Government in the Province</i>	Section 53 (3) (b)
<i>Municipal Manager to implement the Budget and to adjust expenditure if revenue is not in accordance with the Budget of the SDBIP</i>	Section 69 (1) (a)
<i>The Municipal Manager to report within 10 working days of the end of each month to the Mayor an explanation of any material variance from the SDBIP</i>	Section 71 (1) (g) (ii)

The Municipal Manager, by 25 January, to assess the performance of the municipality for the first half of the year taking into account the service delivery targets and performance indicators set in the SDBIP and submit a report on it to the mayor, the National Treasury and the Provincial Treasury. The report must include recommendations as to whether an adjustment budget is necessary, and is necessary, recommendations of revised projections of income and expenditure.

Section 72

The Mayor must, upon receiving the reports listed in section 71 and 72, check whether the budget is implemented in accordance with the SDBIP and make revisions with council's approval for an adjustment budget and changes to the performance indicators in the budget and SDBIP, issue instructions to the Municipal Manager to ensure the Budget is implemented according to the SDBIP, submit the section 72 report to Council by 31 January of each year and make any revision to the SDBIP public promptly.

Section 54

5. SDBIP CYCLE

Planning

During this phase the SDBIP process plan is developed, to be tabled with the IDP process plan. SDBIP related processes eg. Workshop schedules, distribution of circulars and training workshops are also reviewed during this phase.

Strategizing

During this phase the IDP is reviewed and subsequent SDBIP programs and projects for the next five years based on Local, Provincial and National issues. Previous year's performance and current economic and demographic trends etc.

Tabling

SDBIP is tabled with the draft IDP and budget before Council. Consultation with the community and stakeholders of the IDP on the SDBIP is done through budget hearings and formal local, provincial and National inputs or responses are also considered in developing the final document

Adoption

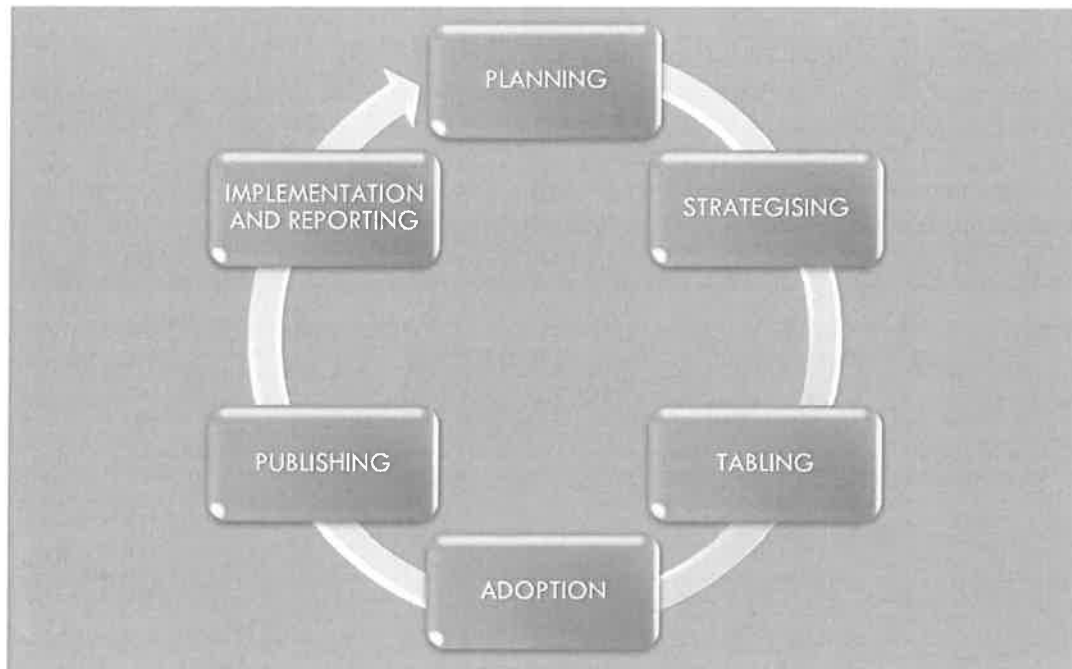
The Mayor approves the SDBIP no later than 28 days after the adoption of the Municipality's budget.

Publishing

The adopted SDBIP is made public and is published in the Municipal website

Implementation, monitoring and reporting

SDBIP projects are implemented and quarterly reporting takes place. Mid-year reporting is done to assess performance on the SDBIP, the document is amended, where applicable and adopted by Council.



6. COMPONENTS OF THE SDBIP

- ✦ Monthly Projections of Revenue to be collected for each Source
- ✦ Monthly Projections of Expenditure and Revenue for each Vote
- ✦ Quarterly projections of Service Delivery Targets and Performance Indicators for each Vote
- ✦ Detailed Capital Budget Broken Down by Ward over 3 Years

Monthly Projections of Revenue to be collected for each Source

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

Monthly Projections of Expenditure and Revenue for each Vote

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

Quarterly Projections of Service Delivery Targets and Performance Indicators for each Vote

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

approach encouraged by National Treasury's MFMA Circular No. 13 is the utilization of scorecards to monitor service delivery.

Detailed Capital Budget over Three Years

Information detailing infrastructural projects containing project description and anticipated capital costs over the three year period. The procurement process is an important component to ensure effective and timely infrastructure / capital service delivery

7. MONTHLY PROJECTIONS OF REVENUE AND EXPENDITURE

7.1 REVENUE

The revenue by source, broken down in projected revenue by month, is included below:

DC23 Uthukela - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	133,216	143,171	151,993	260,645	270,645	231,801	231,801	245,710	258,978	272,963
Service charges - sanitation revenue	2	16,900	15,327	17,253	31,019	25,019	16,287	16,287	17,281	18,214	19,198
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment											
Interest earned - external investments		11,991	7,189	4,192	6,572	5,928	6,493	6,493	6,283	6,623	6,980
Interest earned - outstanding debtors		20,215	43,648	43,393	50,456	50,456	55,369	55,369	67,008	70,626	74,440
Dividends received											
Fines, penalties and forfeits					50	50	50	50	53	56	59
Licences and permits											
Agency services											
Transfers and subsidies		322,989	347,535	368,613	405,533	418,073	438,138	438,138	449,659	476,827	515,509
Other revenue	2	3,567	4,111	12,711	4,098	11,149	11,149	11,149	3,655	3,853	4,061
Gains on disposal of PPE			-	-							
Total Revenue (excluding capital transfers and contributions)		508,879	568,981	598,154	758,374	781,320	759,288	759,286	789,650	835,177	893,210

The projected monthly revenue by vote follows:

DC23 Uthukela - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)											
Vote Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote		1									
105 - MUNICIPAL MANAGER			48,867	53,055	50,694	62,083	62,083	62,083	67,286	72,952	78,911
200 - CORPORATE SERVICES			-	-	-	-	8,540	8,540	-	-	-
300 - BUDGET AND TREASURY			278,444	288,681	308,889	344,385	700,141	700,141	707,071	753,562	805,144
405 - SOCIAL SERVICES(PLANNING&ECONOMIC D			250	1,239	1,451	300	4,300	4,300	550	550	600
408 - WSA& HEALTH SERVICES			-	-	-	50	50	50	53	56	60
500 - 500 - WATER, SANITATION AND TECHNICAL			426,660	492,091	538,079	759,360	351,201	290,034	311,627	450,863	713,215
Total Revenue by Vote		2	754,221	835,066	899,113	1,166,178	1,126,315	1,065,148	1,086,587	1,277,983	1,597,929

The projected monthly revenue in terms of standard classifications follows:

DC23 Uthukela - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		327,311	341,736	359,582	406,468	770,764	770,764	774,357	826,514	884,055
Executive and council		48,867	53,055	50,694	62,083	62,083	62,083	67,286	72,952	78,911
Finance and administration		278,444	288,681	308,889	344,385	708,681	708,681	707,071	753,562	805,144
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	50	50	50	53	56	60
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	50	50	50	53	56	60
<i>Economic and environmental services</i>		250	1,239	1,451	300	4,300	4,300	550	550	600
Planning and development		250	1,239	1,451	300	4,300	4,300	550	550	600
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		426,660	492,091	538,079	759,360	351,201	290,034	311,627	450,863	713,215
Energy sources		-	-	-	-	-	-	-	-	-
Water management		409,760	479,278	520,827	728,340	351,201	290,034	311,627	450,863	713,215
Waste water management		16,900	12,813	17,253	31,019	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	754,221	835,066	899,113	1,166,178	1,126,315	1,065,148	1,086,587	1,277,983	1,597,929
Expenditure - Functional										
<i>Governance and administration</i>		313,751	293,946	314,522	388,824	365,575	365,575	379,809	401,470	423,488
Executive and council		67,845	53,055	56,769	63,551	60,855	60,855	56,978	60,634	64,080
Finance and administration		245,906	240,891	257,753	325,273	304,721	304,721	322,831	340,836	359,408
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		18,714	21,201	22,685	24,993	24,898	24,898	24,597	26,205	27,620
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		18,714	21,201	22,685	24,993	24,898	24,898	24,597	26,205	27,620
<i>Economic and environmental services</i>		30,513	23,765	25,429	22,932	24,407	24,407	22,995	24,468	25,810
Planning and development		30,513	23,765	25,429	22,932	24,407	24,407	22,995	24,468	25,810
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		333,329	442,391	330,292	283,360	302,663	322,727	247,942	252,210	265,494
Energy sources		-	-	-	-	-	-	-	-	-
Water management		332,666	440,575	328,349	282,244	302,663	322,727	247,942	252,210	265,494
Waste water management		643	1,816	1,943	1,116	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	696,307	781,303	692,928	720,109	717,544	737,608	675,342	704,354	742,412
Surplus/(Deficit) for the year		57,913	53,762	206,185	446,069	408,771	327,540	411,245	573,630	855,517

7.2 EXPENDITURE

The monthly projections for operational expenditure by type follows:

DC23 Uthukela - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type											
Employee related costs	2	199,310	218,668	253,203	271,837	271,837	271,837	271,837	291,843	307,603	324,214
Remuneration of councillors		6,381	5,483	6,547	8,156	7,456	7,456	7,456	7,956	8,385	8,838
Debt impairment	3	57,975	94,881	109,459	136,628	136,628	136,628	136,628	168,789	177,904	187,510
Depreciation & asset impairment	2	49,197	62,577	68,222	86,634	64,000	64,000	64,000	58,644	61,811	65,149
Finance charges		1,125	2,555	2,789	561	949	949	949			
Bulk purchases	2	7,698	8,439	3,440	6,586	4,000	4,000	4,000	4,208	4,435	4,675
Other materials	8	37,829	35,636	31,912	16,023	14,384	14,384	14,384	8,950	9,434	9,943
Contracted services		68,623	120,136	88,701	117,869	139,420	159,148	159,148	59,926	55,705	58,736
Transfers and subsidies		60,635	4,776	1,919	1,000	450	450	450	-	-	-
Other expenditure	4, 5	210,302	222,947	122,853	74,815	77,720	78,056	78,056	75,026	79,077	83,347
Loss on disposal of PPE		1,232	5,205	3,884							
Total Expenditure		700,307	781,304	692,928	720,109	716,844	736,908	736,908	675,342	704,354	742,412

The monthly projections for operational expenditure by vote is included below:

DC23 Uthukela - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)											
Vote Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure by Vote to be appropriated		1									
105 - MUNICIPAL MANAGER			67,845	53,055	56,769	63,551	60,855	60,855	56,978	60,634	64,080
200 - CORPORATE SERVICES			63,655	53,112	56,830	48,051	51,712	51,712	43,073	45,748	48,218
300 - BUDGET AND TREASURY			182,251	187,779	200,924	277,222	253,009	253,009	279,758	295,088	311,190
405 - SOCIAL SERVICES(PLANNING&ECONOMIC D			30,513	23,765	25,429	22,932	24,407	24,407	22,995	24,468	25,810
408 - WSA& HEALTH SERVICES			18,714	21,201	22,685	24,993	24,898	24,898	24,597	26,205	27,620
500 - 500 - WATER, SANITATION AND TECHNICAL			337,329	442,392	330,293	283,360	332,437	313,368	247,942	252,210	265,494
Total Expenditure by Vote		2	700,307	781,304	692,928	720,109	747,318	728,250	675,342	704,354	742,412
Surplus/(Deficit) for the year		2	53,913	53,762	206,185	446,069	378,997	336,899	411,245	573,630	855,517

The projected monthly expenditure in terms of standard classifications follows:

DC23 Uthukela - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)											
Functional Classification Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure - Functional											
Municipal governance and administration			313,751	293,946	314,522	388,824	365,575	365,575	379,809	401,470	423,488
Executive and council			67,845	53,055	56,769	63,561	60,855	60,855	56,978	60,634	64,080
Mayor and Council						17,352	15,520	15,520	12,001	12,778	13,640
Municipal Manager, Town Secretary and Chief Executive			67,845	53,055	56,769	46,199	45,334	45,334	44,976	47,856	50,440
Finance and administration			245,906	240,891	257,753	325,273	304,721	304,721	322,831	340,836	359,408
Administrative and Corporate Support			63,655	53,112	56,830	48,051	51,712	51,712	43,073	45,748	48,218
Asset Management											
Finance			182,251	187,779	200,924	277,222	253,009	253,009	279,758	295,088	311,190
Fleet Management											
Human Resources											
Information Technology											
Legal Services											
Marketing, Customer Relations, Publicity and Media Co-Property Services											
Risk Management											
Security Services											
Supply Chain Management											
Valuation Service											
Internal audit			-	-	-	-	-	-	-	-	-
Governance Function											
Community and public safety			18,714	21,201	22,685	24,993	24,898	24,898	24,597	26,205	27,620
Health			18,714	21,201	22,685	24,993	24,898	24,898	24,597	26,205	27,620
Ambulance											
Health Services			18,714	21,201	22,585	24,993	24,898	24,898	24,597	26,205	27,620
Laboratory Services											
Food Control											
Health Surveillance and Prevention of Communicable											
Vector Control											
Chemical Safety											
Economic and environmental services											
Planning and development			30,513	23,765	25,429	22,932	24,407	24,407	22,995	24,468	25,810
Billboards			30,513	23,765	25,429	22,932	24,407	24,407	22,995	24,468	25,810
Corporate Wide Strategic Planning (IDPs, LEDS)											
Central City Improvement District											
Development Facilitation											
Economic Development/Planning			30,513	23,765	25,429	22,932	24,407	24,407	22,995	24,468	25,810
Regional Planning and Development											
Town Planning, Building Regulations and Enforcement, and Project Management Unit											
Provincial Planning											
Support to Local Municipalities											
Road transport			-	-	-	-	-	-	-	-	-
Public Transport											
Road and Traffic Regulation											
Roads											
Taxi Ranks											
Environmental protection			-	-	-	-	-	-	-	-	-
Biodiversity and Landscape											
Coastal Protection											
Indigenous Forests											
Nature Conservation											
Pollution Control											
Soil Conservation											
Trading services			333,329	442,391	330,292	283,360	302,663	322,727	247,942	252,210	265,494
Energy sources			-	-	-	-	-	-	-	-	-
Electricity											
Street Lighting and Signal Systems											
Nonelectric Energy											
Water management			332,686	440,575	328,349	282,244	302,663	322,727	247,942	252,210	265,494
Water Treatment											
Water Distribution			332,686	440,575	328,349	282,244	302,663	322,727	247,942	252,210	265,494
Water Storage											
Waste water management			643	1,816	1,943	1,116	-	-	-	-	-
Public Toilets											
Sewerage			643	1,816	1,943	1,116					
Total Expenditure - Functional			696,307	781,303	692,928	720,109	717,544	737,608	675,342	704,354	742,412
Surplus/(Deficit) for the year			57,913	53,762	206,185	446,069	408,771	327,540	411,245	573,630	855,517

8. MONTHLY PROJECTIONS OF CAPITAL EXPENDITURE FOR EACH VOTE

The monthly projections in terms of standard classification for capital expenditure follow:

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital expenditure - Vote											
Single-year expenditure to be appropriated	2										
105 - MUNICIPAL MANAGER		31	740	119	-	-	-	-	-	-	-
200 - CORPORATE SERVICES		124	1,386	10,156	-	150	150	150	-	-	-
300 - BUDGET AND TREASURY		19	225	-	27	10	10	10	-	-	-
405 - SOCIAL SERVICES/PLANNING&ECONOMIC D		135	38	741	-	-	-	-	-	-	-
408 - WSA& HEALTH SERVICES		718	93	-	-	-	-	-	-	-	-
500 - 500 - WATER, SANITATION AND TECHNICAL		178,402	238,478	249,447	407,804	314,521	314,521	314,521	296,937	442,806	704,719
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		179,429	240,960	260,463	407,831	314,681	314,681	314,681	296,937	442,806	704,719
Total Capital Expenditure - Vote		179,429	240,960	260,463	407,831	314,681	314,681	314,681	296,937	442,806	704,719
Capital Expenditure - Functional											
Governance and administration		50	965	119	27	160	160	160	-	-	-
Executive and council		31	740	119	-	-	-	-	-	-	-
Finance and administration		19	225	-	27	160	160	160	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		217	1,386	10,156	-	-	-	-	-	-	-
Community and social services		124	1,386	10,156	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		93	-	-	-	-	-	-	-	-	-
Economic and environmental services		135	38	741	-	-	-	-	-	-	-
Planning and development		135	38	741	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		178,402	238,478	249,447	407,804	314,521	314,521	314,521	296,937	442,806	704,719
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		178,402	238,478	249,447	407,804	314,521	314,521	314,521	296,937	442,806	704,719
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	178,804	240,867	260,463	407,831	314,681	314,681	314,681	296,937	442,806	704,719
Funded by:											
National Government		177,951	238,478	241,831	407,804	305,521	305,521	305,521	296,937	442,806	704,719
Provincial Government		-	-	-	-	9,000	9,000	9,000	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	177,951	238,478	241,831	407,804	314,521	314,521	314,521	296,937	442,806	704,719
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		853	2,389	18,633	27	160	160	160	-	-	-
Total Capital Funding	7	178,804	240,867	260,463	407,831	314,681	314,681	314,681	296,937	442,806	704,719

9. CASH FLOWS

The monthly projected cash flow (reconciliation between cash receipts by source and cash payments by type) is indicated below. The SDBIP information on revenue and expenditure will be monitored and reported on monthly basis in terms of section 71 of the MFMA.

DC23 Uthukela - Table A7 Budgeted Cash Flows

Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates										-	-	-
Service charges			168,423	81,362	104,940	131,249	128,403	128,403	128,403	105,737	111,446	117,464
Other revenue				1,727	3,751	4,148	11,199	11,199	11,199	3,708	3,909	4,120
Government - operating	1		322,989	374,313	365,369	405,533	418,073	418,073	418,073	449,659	476,827	515,509
Government - capital	1		245,342	300,862	297,715	407,804	314,521	314,521	314,521	296,937	442,806	704,719
Interest			11,991	7,189	4,192	6,572	5,928	5,928	5,928	6,283	6,623	6,980
Dividends										-	-	-
Payments												
Suppliers and employees			(614,767)	(535,859)	(494,125)	(495,286)	(514,817)	(514,817)	(514,817)	(447,909)	(472,096)	(497,589)
Finance charges			(1,125)	(2,555)	(2,789)	(561)	(949)	(949)	(949)	-	-	-
Transfers and Grants	1					(1,000)	(450)	(450)	(450)	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES			132,854	227,040	279,053	458,459	361,907	361,907	361,907	414,415	569,515	851,203
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		44									-	-
Decrease (increase) in non-current debtors										-	-	-
Decrease (increase) other non-current receivables										-	-	-
Decrease (increase) in non-current investments										-	-	-
Payments												
Capital assets			(251,029)	(259,209)	(295,237)	(407,831)	(314,681)	(296,519)	(296,519)	(296,937)	(442,806)	(704,719)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(250,985)	(259,209)	(295,237)	(407,831)	(314,681)	(296,519)	(296,519)	(296,937)	(442,806)	(704,719)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans										-	-	-
Borrowing long term/refinancing			8,602		14,768						-	-
Increase (decrease) in consumer deposits			1,412	1,696	1,454	1,765	1,765	1,765	1,765	1,541	1,624	1,712
Payments												
Repayment of borrowing			(255)	(245)	(25)		(46,381)	(46,381)	(46,381)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES			9,760	1,451	16,197	1,765	(44,616)	(44,616)	(44,616)	1,541	1,624	1,712
NET INCREASE/ (DECREASE) IN CASH HELD			(108,372)	(30,718)	13	52,393	2,610	20,773	20,773	119,019	128,333	148,196
Cash/cash equivalents at the year begin:	2		145,088	36,716	5,998	(51,144)	6,011	6,011	6,011	26,783	145,803	274,135
Cash/cash equivalents at the year end:	2		36,716	5,998	6,011	1,249	8,621	26,783	26,783	145,803	274,135	422,331
References												
1. Local/District municipalities to include transfers from/to District/Local Municipalities												
2. Cash equivalents includes investments with maturities of 3 months or less												
3. The MTREF is populated directly from SA30.												
Total receipts			748,789	765,454	775,967	955,306	878,123	878,123	878,123	862,324	1,041,611	1,348,793
Total payments			(866,920)	(797,622)	(792,151)	(904,678)	(830,897)	(812,735)	(812,735)	(744,846)	(914,902)	(1,202,309)
			(118,131)	(32,169)	(16,184)	50,628	47,226	65,389	65,389	117,478	126,709	146,484
Borrowings & investments & c.deposits			10,015	1,696	16,222	1,765	1,765	1,765	1,765	1,541	1,624	1,712
Repayment of borrowing			(255)	(245)	(25)	-	(46,381)	(46,381)	(46,381)	-	-	-
			(108,372)	(30,718)	13	52,393	2,610	20,773	20,773	119,019	128,333	148,196
			-	-	-	(0)	-	-	-	-	-	-

10. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS 2019/2020

The quarterly targets and quarterly projections of expenditure schedule is attached as **annexure A** to the SDBIP

11. WARD (LOCAL) INFORMATION

UTHUKELA DISTRICT			
UMTSHEZI	INDAKA	UKHAHLAMBA	LADYSMITH
1-9	1-10	1-14	1-27
			1-13