



UMDONI MUNICIPALITY

THE J.E.W.E.L OF THE SOUTH COAST

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK BUDGET

2025 / 26 FINANCIAL YEAR

TABLED AS FINAL

27th MAY 2025





TABLE OF CONTENTS

No.	Description	Annexure	Page
	PART 1: ANNUAL BUDGET		
1.1	Mayors Report		4-6
1.2.	Resolutions for the Tabling of the budget		11
1.3.	Organizational Budget Structure		12
1.4	Executive Summary	CORRECT	14
1.5	Capital Budget Overview	CORRECT	15
	Budgeted Financial Performance Summary by Revenue Source and Expenditure Category for all Departments	CORRECT	18
	Budgeted Financial Performance - revenue and expenditure by municipal vote	1	
	Budgeted Financial Performance - revenue and expenditure by functional classification	1	
	Budgeted Capital Expenditure by Department, functional classification and funding	2	
1.6	Tariff of Charges – 2025/26	3	26
1.7	Property Rates Randages and Rebates – 2025/26		42
	PART 2: SUPPORTING DOCUMENTATION		
2.1	Overview of the annual budget process		43-44
2.2	Overview of the alignment of the budget with the IDP		44
2.3	Overview of Measurable Performance Objectives and Indicators		44
2.4	Overview of the budget related policies		46
2.5	Overview of Budget Assumptions		47
2.6	Overview of Medium Term Outlook : Operating Revenue		50
2.7	Annual Budget and SDBIP's – Internal Departments		59
2.8	Capital Expenditure Details		60
2.9	Legislation Compliance Status		61
2.10	Other Supporting Documents		62
2.11	Municipal Manager's Quality Certificate		64
	PART 2(a): SUPPORTING FINANCIAL REPORTS		
	SDBIP_ monthly projections	4	
	Grants Schedule as at 30 th April 2025	5	



UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Investment Schedule as at 30 th April 2025	6	
Debtors Age Analysis as at 30 th April 2025	7	
Creditors Age Analysis as at 30 th	8	
Depreciation 2025	9	
Bank reconciliation	10	
Depreciation calculations	11	
Schedule of Service Standards	12	
MFMA Circulars and Treasury correspondence	13	

1.1 MAYORS REPORT

The Honourable Speaker of Council, Cllr ME Mbutho

Amakhosi aseNdlunkulu

The Deputy Mayor, Cllr PE Thabethe

Members of the Executive Council

All Councillors

**Senior Management led by the Acting Municipal Manager,
Mrs AN Dlamini**

Members of the Extended Management Committee

All Officials

**Members of the public joining this Council through live
streaming on our Facebook Page and Ugu Youth Radio**

Members of the media

Distinguished guests

All protocol observed...

Sanibonani, Good morning, Goeie More...

Mr Speaker, I am mandated to present to this Council and the Umdoni community at large, the Annual budget for the 2025/26 financial year in line with Section 24 the Municipal Finance Management Act.

- (1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.
- (2) An annual budget—
 - (a) must be approved before the start of the budget year;
 - (b) is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and
 - (c) must be approved together with the adoption of resolutions as may be necessary—
 - (i) imposing any municipal tax for the budget year;
 - (ii) setting any municipal tariffs for the budget year;
 - (iii) approving measurable performance objectives for revenue from each source and for each vote in the budget;
 - (iv) approving any changes to the municipality's integrated development plan; and
 - (v) approving any changes to the municipality's budget-related policies.
- (3) The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.

Mr Speaker, before one gets to the specifics of this annual budget, it is imperative that I highlight that the presentation of this Annual budget for approval is conducted under a different political dynamic in our government, the Government of National Unity brought to life a year ago this month because of the outcomes of the National

and Provincial elections in May 2024. This significant change in government has dictated a new political posture, a formation of a multi-party government that will work cohesively to govern nationally, provincially and locally.

The newly formed GNU then put forward its strategic priorities to drive inclusive growth, reduce poverty and build a capable state. With this said, the formulation of the Umdoni budget therefore aims to support these priorities through ensuring economic progress benefits in all segments of Umdoni, not just a selected few. Also, create short-term and long-term job opportunities and improve service delivery amongst other features of community development.

SERVICE DELIVERY ACHIEVEMENTS SUMMARY:

Mr Speaker, it is imperative that one makes known to the public that we serve that prior to the Government of National Unity, this municipality had achieved various service delivery milestones which must be mentioned and appreciated as they have been progress benefits to the people of Umdoni.

INFRASTRUCTURE PROJECTS:

The municipality successfully implemented numerous infrastructure projects in various wards of Umdoni which were implemented in line with the communities' requests and needs as embedded in the 2024/25 Integrated Development Plan.

These projects include:

- 1. The Construction of KwaMpondi Sport field in Ward 1**
- 2. Construction of Mandlalathi Community Hall in Ward 2**
- 3. Additions and Repairs of Umzinto Sport field Phase 2 in Ward 13**
- 4. Construction of Mgangeni Community Hall in Ward 04 which was recently handed over.**
- 5. Urban Roads refurbishment**

Whilst we highlight the completion of the above projects, we also have ongoing projects for the same financial year and these include:

- 1. Refurbishment of Dumisa Skills Centre and Community Hall in Ward 5**
- 2. Upgrade of Nsongeni and Mafithini Roads in Ward 16 and 9 respectively**
- 3. Reconnection of Electricity Scottburgh Market**
- 4. Umzinto Bus Rank & Traditional Healers Market**

Mr Speaker, there is a well-known quote that says ***"Give a man a fish, and you feed him for a day. Teach a man to fish, and you feed him for a lifetime."*** This resonates with the municipality's social development initiatives aimed at equipping our youth. Umdoni has offered assistance in the following disciplines for the 2024/25 fiscal year:

- 1. Registration fee assistance to 60 students**
- 2. Sewing Machine Handover to 10 female youth**
- 3. Plumbing Training 81 and conducting this final year**
- 4. Carpentry Training**

CURRENT STATUS QUO:

Mr Speaker, Umdoni has faced a complex mix of challenges in the current financial year and some positive developments. The community and labour unrests brought a lot of discomfort for both the municipality and the Umdoni community causing intermittent delivery of the municipality's core mandated services. I am pleased to announce that we have passed this hurdle and have worked tirelessly to put our house in order and ensure the continuation of services and instill stability within the institution.

We have reached an agreement with our labour component, putting to rest the thorny issue of salary equalization. We have also ensured the filling of critical senior management posts with the appointment of the CFO, General Managers Community and Corporate Services. We are confident that these senior managers are equal to the task and will be able to advance service delivery. Furthermore, the municipality operates under the strategic guidance of Mrs AN Dlamini who was appointed as the Acting Municipal Manager whilst official processes of employing a suitable candidate for this post are underway. Mr Speaker, I request for all components of labour and this Council to work hand-in glove to ensure we do not revert to a period of service delivery frustration but unite towards building a well-functioning Umdoni.

BUDGET OVERVIEW:

Members of Council, the people of Umdoni have spoken and we have listened, taking into consideration their views and suggestions shared with us during the IDP and Draft Budget Road Shows that were recently concluded.

MUNICIPAL BUDGET:

Fellow Councillors, this sum is made up of Operational Budget allocation of **Four Hundred and Forty-Eight Million, Nine Hundred and Fifty-Two Thousand and Five Hundred and Ninety Rand (R448 952 590.00)** and Capital Budget Allocation of **Eighty Million, Nine Hundred and Eighteen Thousand, Seven Hundred and Eighty four Rand (R80 918 784.00)**

Revenue

Taking into cognisance the country is bearing the brunt of unfavourable economic conditions coupled with the inputs of the tariff paying communities of Umdoni, the municipality tariffs has been increased by 5% and during the draft budget we had proposed 100% and we have revised the proposed tariff increase for refuse collection and resolved to implement an increase of 33.3% over the next three-year financial years.

Revenue Source	Budget
Non-Exchange Revenue	
Property Rates	R137 802 839,00
Grants & Subsidies- Operational	R200 570 400,00
Interest earned - Outstanding Debtors	R12 657 715,00
License & Permits	R3 272 130,00
Fines, Penalties & Forfeits	R1 602 799,00
Exchange Revenue	
Service Charges: Refuse	R14 135 769,00
Rental from Fixed Assets	R 7 643 823,00
Sales of Goods and Rendering of Services	R 7 761 243,00
Agency services	R 2 247 000,00
Interest earned - Outstanding Debtors	R 1 836 924,00
Interest earned - External Investments	R13 000 000,00
Operational Revenue	R500 565,00
Licence and permits	R10 000,00
TOTAL REVENUE	R403 041 207,00

Mr Speaker, because we are a sphere of government closest to the people and we witness their struggles due to the snail-pace growing economy, we have put forward a rates amnesty programme in line with the municipal rates policy where all residents and businesses that have accumulated interest on their debt will be offered a discount on the outstanding debt if they settle their debt amount owed to the municipality.

Full and final settlement of debt in 1 instalment	100 % write off on penalty
Full and final settlement of debt in 2 instalments	50% write off on penalty
Full and final settlement of debt in 3 instalments	35% write off on penalty
Full and final settlement of debt in 4 instalments	30% write off on penalty
Full and final settlement of debt in 5 instalments	20% write off on penalty
Full and final settlement of debt in 6 instalments	15% write off on penalty

Mr Speaker, this is subject to approval by this Council.

GRANTS ALLOCATION

- 1. EQUITABLE SHARE** has been allocated an amount of **(One Hundred and Eighty-Two Million, Seven Hundred and Sixty-Five Thousand Rand)** (R182 765 000.00)
- 2. FINANCE MANAGEMENT GRANT: (Two Million Rand)**
(R2 000 000.)
- 3. MIG OPEX** an allocation of **(One Million, Eight Hundred and Sixty-Six Thousand, Four Hundred Rand)** (R1 866 400.00)
- 4. EPWP** at an amount of **(One Million, Three Hundred and Eighty-Five Thousand Rand)** (R1 385 000.00)
- 5. INEP** at an amount of **(Four Million, Four Hundred and Fifty-One Thousand Rand)** (R4 451 000.00)
- 6. Libraries** have been allocated **(Eleven Million, Five Hundred and Fifty-Four Thousand Rand)** (R11 554 000.00)
- 7. Umdoni SMME and Co-operative Support Programme (One Million Rand)** (R1000 000.00)
- 8. MIG CAPEX (Thirty Million, Eight Hundred and Thirty-Six Thousand One Hundred and Seventy-Four Rand)**
(R30 836 174.00)
- 9. Informal Trader Infrastructure (Eight Hundred and Sixty-Four Thousand, Five Hundred and Sixty-five Rand)**
(R864 565.00)

OPERATIONAL EXPENDITURE

Classification	BUDGET
Employee Related Costs	R177 967 718,00
Remuneration of Councillors	R18 539 447,00
Contracted Services	R120 965 244,00
Finance Cost	R2 367 460,00
Other Materials	R7 500 400,00
Other Expenditure	R 66 636 714,00
Transfers & Subsidies	R4 768 681,00
Depreciation	R42 916 928,00
Debt Impairment	R7 280 000,00
TOTAL EXPENDITURE	R448 942 592,00

MAINTENANCE OF URBAN AND RURAL ROAD PROJECTS:

While we are faced with a predicament of aging infrastructure, our province is experiencing noticeable changes in climatic trends consistent with climate change. KZN has the highest flood hazards in the country and the South Coast is particularly vulnerable. As a result of these extreme weather conditions, our infrastructure has further been destroyed. We have made budget provisions for Rural and Urban Roads Rehabilitation as follows:

1. Rehabilitation of Urban Roads Infrastructure: (Eight Million Rand) R8 000 000.00

2. Rehabilitation of Rural Roads Infrastructure: (Eighteen Million Rand) R18 000 000.00

The plan is to ensure that a majority of the dilapidated urban and rural road network will be in an improved state.

While we work on improving our roads, streetlight will also be improved to ensure visibility on our streets. A budget of (Two Million, Five Hundred Thousand Rand) (R2 500 000.00) has been set aside.

Verge Maintenance Services will also be accelerated utilising both internal and external services. A budget of (Four Million and Fifty Thousand Road) (R4 050 000.00) has been allocated for this function.

Mr Speaker, municipal refuse collection services have been ineffective due to recurring labour disturbances. We understand the inconveniences that this has caused to residents and the business community. In light of the recent developments between the employer and employees in resolving the lasting labour issues, we are confident that a positive change in the rendering of refuse collections services will be witnessed soon.

Roads and verge maintenance services together with refuse collection work in tandem with vehicle and plant equipment maintenance. It is therefore commanding that resources to aid the successful execution of this services are maintained. We have therefore carefully allocated a fleet maintenance budget as follows:

1. Municipal Plant: (One Million, Four Hundred and Eighty Fife Thousand, Seven Hundred and Two Rand) (R1 485 702.00)
2. Vehicle Maintenance: (Once Million, Six Hundred and Twenty Thousand Rand) (R 1 620 000.00)
3. Refuse Trucks: (Seven Hundred Thousand Rand) (R700 000.00)
4. Landfill Site Maintenance: (Thirteen Million Rand)
(R13 000 000.00)
5. Maintenance of Skips: (Four Hundred Thousand Rand) (R400 000.00)

BUDGET ALLOCATED FOR ALL SPECIAL PROGRAMMES:

- | | |
|--|---------------|
| 1. Amakhosi | R531 000.00 |
| 2. Youth development including bursaries | R1 487 000.00 |
| 3. Youth Council | R300 000.00 |
| 4. Gender Programmes | R165 000.00 |
| 5. Disability | R400 000.00 |
| 6. HIV and Aids | R170 000.00 |
| 7. Children | R250 000.00 |
| 8. Elderly | R300 000.00 |

9.	Umkhosi Womhlanga	R819 000.00
10.	Indigent Families' Support	R500 000.00
11.	Sport and Recreation	R1 225 000.00
12.	Golden Games	R309 000.00
13.	Operation Sukuma Sakhe	R30 000.00

LOCAL ECONOMIC DEVELOPMENT:

Fellow Councillors, Umdoni municipality receives financial funding to drive the municipality's economic development initiatives. This includes the aiding of the informal economy, improvement of the township and rural economies and the roll-out of economic empowerment strategies.

The municipality's extensive LED programmes also aid small business developments and co-operative developments by providing integrated business support services to small enterprises, both existing and start-ups, to improve their capacity to contribute to economic growth and job creation in Umdoni. Therefore, the budget provision for Local Economic Development is as follows:

1. SMMEs and Cooperative Support Programme: (One Million Rand) R1 000 000.00
2. Communal Garden Support Programme: (Three Hundred Thousand Rand) (R300 000.00)

3. Agriculture Tractor Programme: (Three Hundred Thousand Rand) (R300 000.00)

CAPITAL BUDGET

Capital Budget allocation of Eighty Million, Nine Hundred and Eighteen Thousand, Seven Hundred and Eighty four Rand (80 918 784.00) is a follow

PROJECTS	BUDGET
Grant Funded	R31 705 739
HALLS & SKILL CENTRE (MIG)	R14 535 016
ROADS (MIG)	R16 301 158
DEPORTS (EDTEA)	R869 565,00
Municipal Funded	R49 213 045
URBAN ROADS	R22 608 696
TRANSPORT ASSETS	R18 956 522
MACHINERY AND EQUIPMENT	R5 282 610,00
FURNITURE AND OFFICE EQUIPMENT	R1 791 304,00
COMPUTER EQUIPMENT	R391 304,00
MUNICIPAL OFFICES	R182 609,00
TOTAL CAPEX	R80 918 784,00

INFRASTRUCTURE:

Mr Speaker, infrastructure preservation and development has a positive contribution to the economy. It is therefore important that when we formulate a budget, the bulk of it is allocated to infrastructure development.

Fellow Councillors, the Municipal Infrastructure Grant will aid infrastructure projects within a budget of **(Thirty-Five Million, Four Hundred and Sixty-One Thousand and Six Hundred Rand)** (R35 461 600). Projects to be fulfilled as per the municipality's infrastructure development plan include the following:

- ✚ **Continuation of the refurbishment of Dumisa Skills Centre and Community Hall in Ward 5**
- ✚ **Continuation of the upgrades of Nsongeni and Mafithini Roads in Ward 16 and 9 respectively**
- ✚ **Construction of Oswanini Community Hall in Ward 7 which is a new project.**

R26 million of municipal own revenue has been allocated for road and storm water upgrade in our urban areas in ward 10, 11, 12 and 15.

ELECTRIFICATION PROJECT:

Mr Speaker, electricity is crucial as it improves the quality of life for citizens. Access to electricity is positively correlated with increased household income, employment and improved educational outcomes. That is why as Umdoni, we strive to accomplish the mission of having every household within Umdoni to have access to electricity and also fight the increasing pandemic of illegal connections. In the current financial year, the Umdoni commenced with an electrification project for Kiss-Kiss and Mbetheni areas in Ward 11. Connections were conducted in 269 households and currently waiting to be switched on by ESKOM.

Mr Speaker, Umdoni made a promise to the Ward 11 community when it conducted a sod turning ceremony for the implementation of the long-awaited electrification project in this area. Sama phambi kwabantu sabathembisa ukuthi ingxenye yemizi engahlomulanga, izobhekelelwa ngonyaka omusha wezimali ka 2025/26.

Kuyangijabulisa ke njengomholi ukuthi siyakufezekisa lokho. Impela kuhamba ngokwamazwi enkehli njengoba sikwazile ukubeka imali yokuqhuba lomsebenzi ukuthi lephrojekthi iphele.

Somlomo, for the continuation of the Ward 11 electrification project, the INEP grant allocation of **(Four Million, Four Hundred and Fifty-One Thousand)** (R4 451 000.00) has been set aside to further electrifying 154 households in Alexander and Mbetheni areas combined in Ward 11.

Before I conclude, Mr Speaker, allow me to announce that Umdoni will be hosting an ***Investment Seminar on the 4th to the 5th of June 2025*** in collaboration with the South Coast Tourism and Investment Enterprise. Mr Speaker, the rationale behind this event is to unleash prospective investment opportunities, showcase what Umdoni has to offer and attract investments from a local to an international scale to develop Umdoni. We call upon investors of the highest caliber to see the great potential Umdoni must become a town that is investment worthy.

Mr Speaker, fellow Councillors and the entire Umdoni community, the budget presented to you this morning may not respond to all service delivery needs however, it addresses a considerable portion of the vision board of our communities.

I therefore wish to place on every person's conscious that we must embrace a culture of collaborative efforts and work towards the achievement of defeating poverty, creating endless job opportunities for future generations and improve the lives of the



people of Umdoni guided by a vision and mission that brings hope for a brighter future for us all.

Mr Speaker, Councillors and the Umdoni community, I therefore present the 2025/26 financial year Annual budget for approval to the Umdoni Council.

I thank you,
Cllr MJ Cele-Luthuli
The Mayor

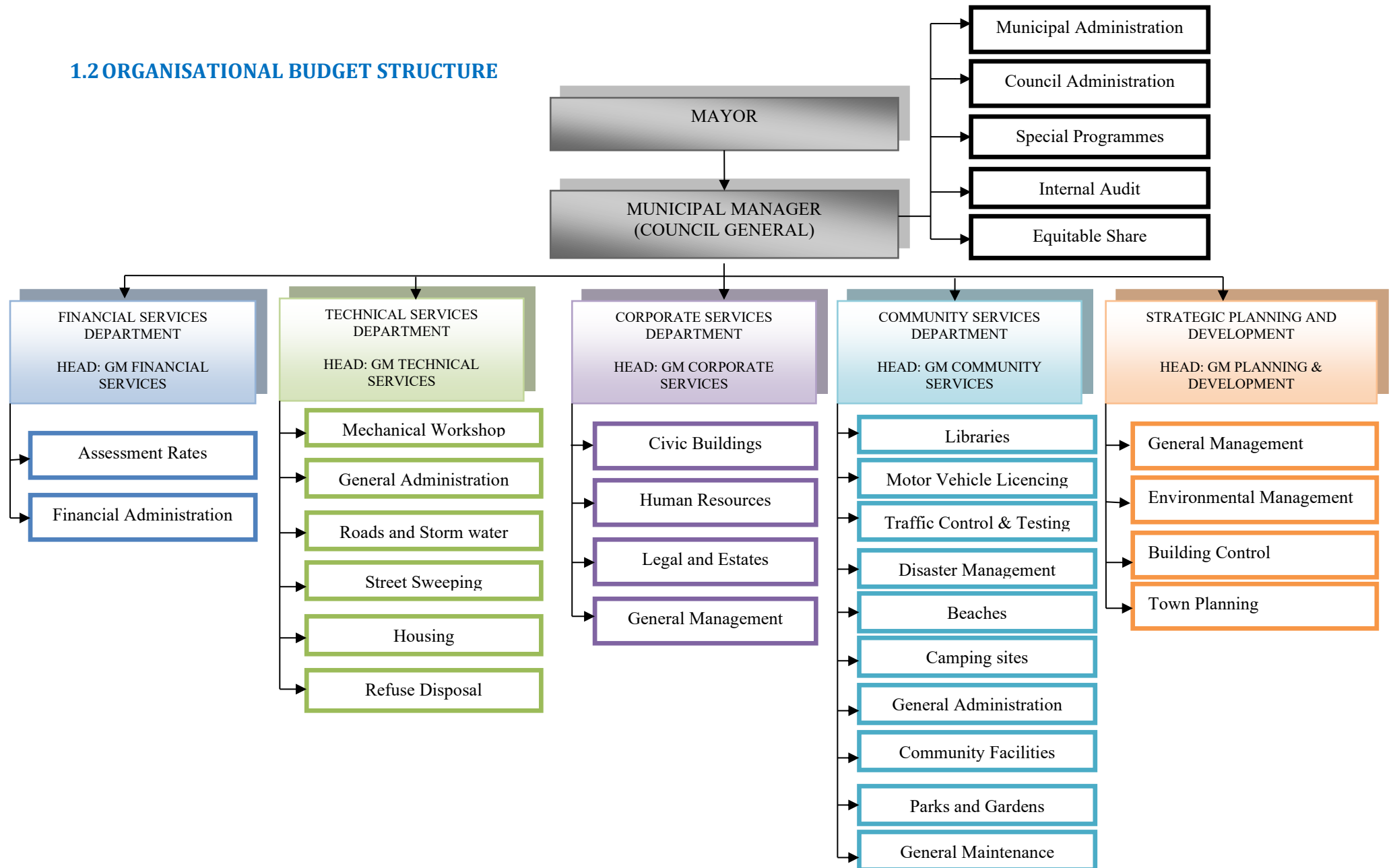
1.2 RESOLUTIONS

As required in terms of Section 16(2) of the Municipal Finance Management Act, No.56 of 2003, the Mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

The following resolutions are tabled for consideration as resolutions for final budget which is subject to public consultation with the stakeholders;

- 1.1 That the annual capital and operating budgets of the municipality for the financial year 2024/25 are hereby tabled as set out in the following schedules:
 - a) Budgeted Financial Performance Summary by Revenue Source and Expenditure by Category as reflected in Annexure 1;
 - b) Budgeted Financial Performance - revenue and expenditure by municipal vote as reflected in Annexure 2;
 - c) Budgeted Financial Performance - revenue and expenditure by GFS as reflected in Annexure 3;
 - d) Budgeted Capital Expenditure by vote, GFS classification and funding as reflected in Annexure 4; and
- 1.2 That the Tariff of Charges reflected in Annexure 3 is tabled for public consultation for the 2025/26 financial year.
- 1.3 That the property rates randages and rebates have been reviewed; are tabled as for the 2025/26 financial year.
- 1.4 That the A1 budget tables as presented are tabled.
- 1.5 That the budget related policies are tabled.
- 1.6 That the budget be sent to National and Provincial Treasury for further processing
- 1.7 That Council note the reduction in the operating deficit from the 2024-2025 financial year and commitment to further elimination of the reduced deficit in the 2025-2026 budget.

1.2 ORGANISATIONAL BUDGET STRUCTURE



1.3 EXECUTIVE SUMMARY OF THE FINAL 2025/26 BUDGET

1.4.1 VISION, MISSION AND OBJECTIVES OF THE UMDONI MUNICIPALITY

VISION

MISSION STATEMENT

“BY 2030 UMDONI WILL BE THE **JEWEL** OF THE SOUTH COAST.”

PRINCIPALS OF UMDONI MUNICIPALITY

- **J**OB CREATION
- **E**CONOMIC VIABILITY
- **W**ELLBEING OF THE COMMUNITY
- **E**NVIRONMENTALLY FRIENDLY ENVIRONMENT

“WORKING TOGETHER IN CONTRIBUTING TO **J**OB CREATION, **E**CONOMIC VIABILITY THROUGH SUSTAINED LOCAL ECONOMIC DEVELOPMENT TO ENSURE THE **W**ELL BEING OF OUR COMMUNITY IN **E**CO FRIENDLY ENVIRONMENT.”

- **L**OCAL ECONOMIC DEVELOPMENT

1.4.2 EXECUTIVE SUMMARY

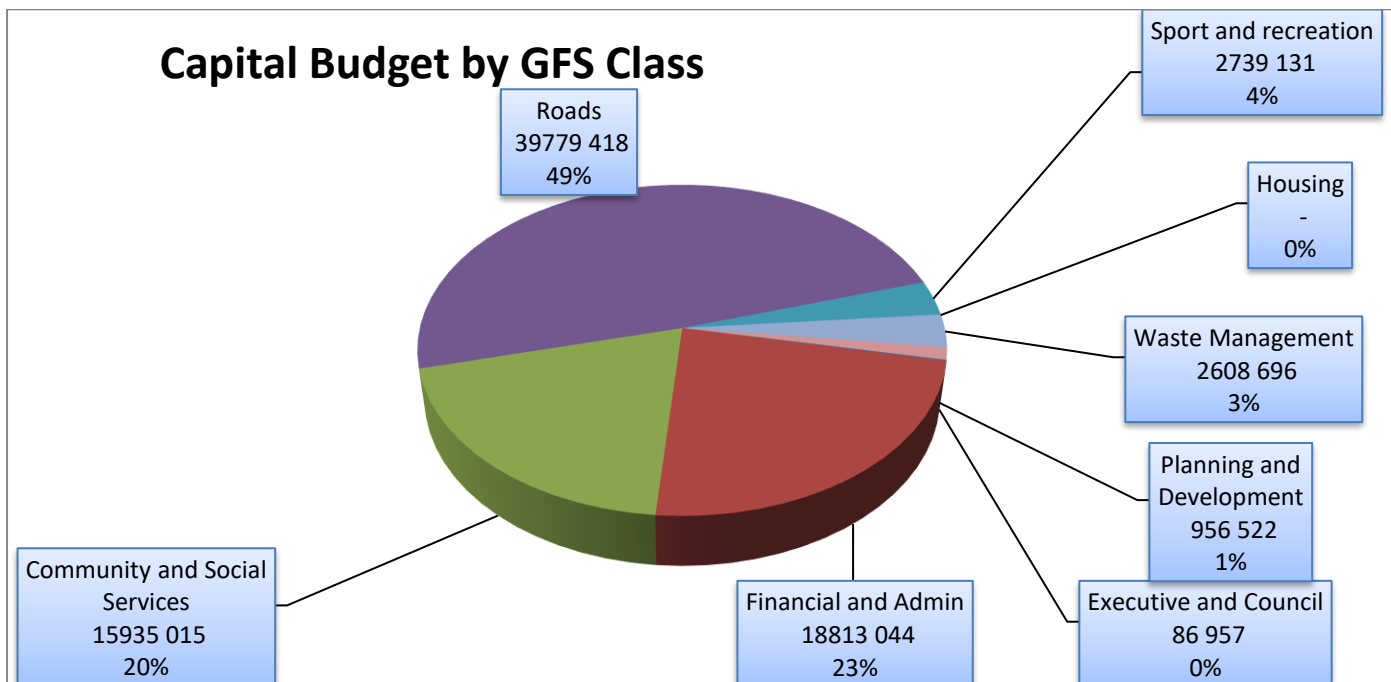
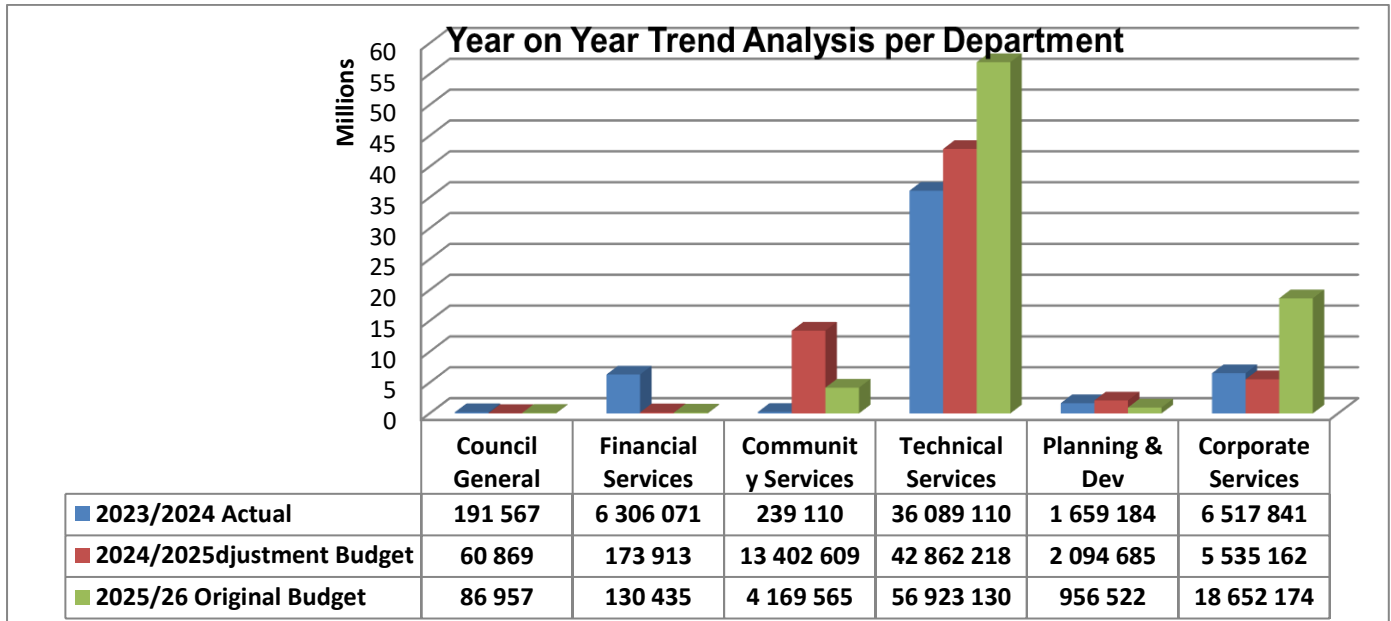
The Municipality has maintained strict financial discipline during the course of 2024-2025 financial year. A review was undertaken of expenditures on non-core items. The draft budget has seen reduced expenditure limits in lieu of the service delivery programs. Cost containment measures will continue to be implemented to contain spending. There is also focus to aggressively chase arrear debtors and reduce the debtors in arrear and improve cash flow and liquidity of the municipality. The challenge is to remain financially viable and remain a going concern going forward in order to continue service delivery. This draft budget was challenging in eliminating the operating deficit from which has been the case in the previous budget cycles. Efforts to totally eliminate the deficit in the 2025/2026 MTREF has proven to be challenging and as a result the deficit has been reduced by R3, 596 million from the current original budget. The Municipality has used operating revenue to fund operating expenditure and non-cash items such as depreciation and contribution for debtor's provision. The municipality is totally committed to eliminating the deficit in future budget cycles. In terms of the capital budget, it is envisaged that grant funds will be spent during the 2025-2026 financial year, which will improve service delivery, where projects will be completed. Another challenge is that allocations from National and Provincial departments are on the decline and the Municipality has to implement new and innovative methods of generating additional revenue through new revenue streams and improved debt collection processes.

In view of the aforementioned, the Revenue and Expenditure Framework for 2025/2026 MTREF is detailed below.

1.4 2025/26 CAPITAL BUDGET OVERVIEW

KZN212 Umdoni - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - COUNCIL GENERAL		-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - TECHNICAL SERVICES		20 406	8 134	(6 243)	87	87	87	-	1 647	33 969	35 399
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	12 968	12 968	-	3 083	-	-
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	870	-	-
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 multi-year expenditure sub-total		20 406	8 134	(6 243)	87	13 055	13 055	-	5 599	33 969	35 399
Single-year expenditure - to be appropriated	2										
Vote 1 - COUNCIL GENERAL		518	-	192	-	61	61	-	87	-	-
Vote 2 - FINANCIAL SERVICES		(21 280)	(53 751)	(43 082)	174	174	174	145	130	-	-
Vote 3 - TECHNICAL SERVICES		21 500	41 129	42 332	44 410	42 775	42 775	34 233	55 277	15 660	16 449
Vote 4 - CORPORATE SERVICES		2 168	232	6 518	4 666	5 535	5 535	4 245	14 304	-	-
Vote 5 - COMMUNITY SERVICES		(577)	271	239	-	435	435	-	1 087	-	-
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		4 174	328	1 659	704	2 095	2 095	1 257	87	87	-
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		6 501	(11 790)	7 858	49 954	51 075	51 075	39 880	70 972	15 747	16 449
Total Capital Expenditure - Vote	3,7	26 907	(3 656)	1 615	50 041	64 129	64 129	39 880	76 571	49 716	51 848
Capital Expenditure - Functional											
Governance and administration		2 764	929	7 792	4 840	5 770	5 770	4 390	18 900	-	-
Executive and council		518	-	192	-	61	61	-	87	-	-
Finance and administration		2 247	929	7 600	4 840	5 709	5 709	4 390	18 813	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		9 781	(17 460)	11 398	20 291	26 999	26 999	9 750	18 674	7 830	7 750
Community and social services		11 060	(15 039)	13 302	17 682	11 475	11 475	7 141	15 935	7 830	7 750
Sport and recreation		(1 278)	(2 421)	(1 904)	2 609	2 608	2 608	2 608	2 739	-	-
Public safety		-	-	-	-	12 916	12 916	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		12 827	4 730	(18 271)	22 302	29 300	29 300	25 740	40 736	41 886	44 098
Planning and development		4 174	328	1 659	704	2 095	2 095	1 257	957	87	-
Road transport		8 653	4 402	(19 930)	21 597	27 205	27 205	24 483	39 779	41 799	44 098
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		1 534	8 146	696	2 609	2 061	2 061	-	2 609	-	-
Energy sources		-	-	-	2 609	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		1 534	8 146	696	-	2 061	2 061	-	2 609	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3,7	26 907	(3 656)	1 615	50 041	64 129	64 129	39 880	80 919	49 716	51 848
Funded by:											
National Government		35 220	37 290	25 269	34 654	44 961	44 961	26 893	30 836	49 629	51 848
Provincial Government		1 459	3 475	1 659	652	1 819	1 819	1 257	870	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	36 679	40 765	26 929	35 307	46 780	46 780	28 150	31 706	49 629	51 848
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		12 627	9 487	22 905	14 734	17 349	17 349	11 730	49 213	87	-
Total Capital Funding	7	49 306	50 251	49 834	50 041	64 129	64 129	39 880	80 919	49 716	51 848

The 2025/26 Capital Budget has been estimated at R88 056 million incl of vat; and R80 919 million excl of vat . the following graphical representation of the capital budget of the municipality is as follows:



- As depicted from the the first above graph, the capital budget has increased from 64,129 million in the adjustment budget to R80 919 million vat exclusive for the upcoming financial year. The capital budget, is geared towards upgrading of rural as well as urban roads; construction of community facilities and sportsfields. The funding of the capital budget is as follows; R30, 836 million from National grants MIG, from Provincial grants R 869 565 and R49 213 million from internal funding. The grants listed above are reflected exclusive of vat and the operational portion of MIG funding operational expenditure is not included in the capital funding.

The majority of the capital budget is allocated under Technical Services Department. As Technical Services is a service delivery department, this shows Umdoni's commitment to providing infrastructure for sustainable continuity of municipal operations. Focus has been on the road networks, Community halls and Sports fields.

The above graph categorises the capital budget by GFS classification, with roads and stormwater receiving 49%; Sport & Recreation 4%; Housing at 0%, Waste management at 3%, Planning and development 1%, Executive and Council 0%, Financial and Admin 20%, Community and Social 4%. Major functions delivering services to the communities have been allocated with higher proportions of the slice.

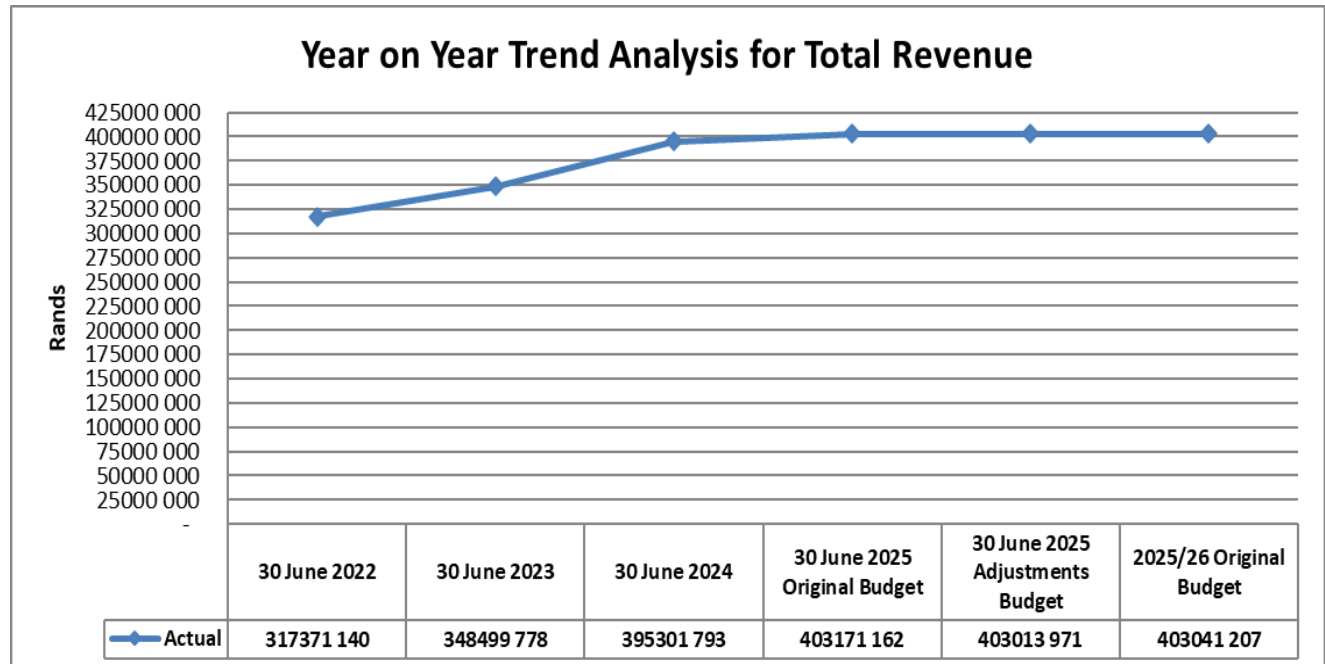
1.6 2025/26 OPERATIONAL BUDGET OVERVIEW

KZN212 Umdoni - Table A4 Budgeted Financial Performance (revenue and expenditure)

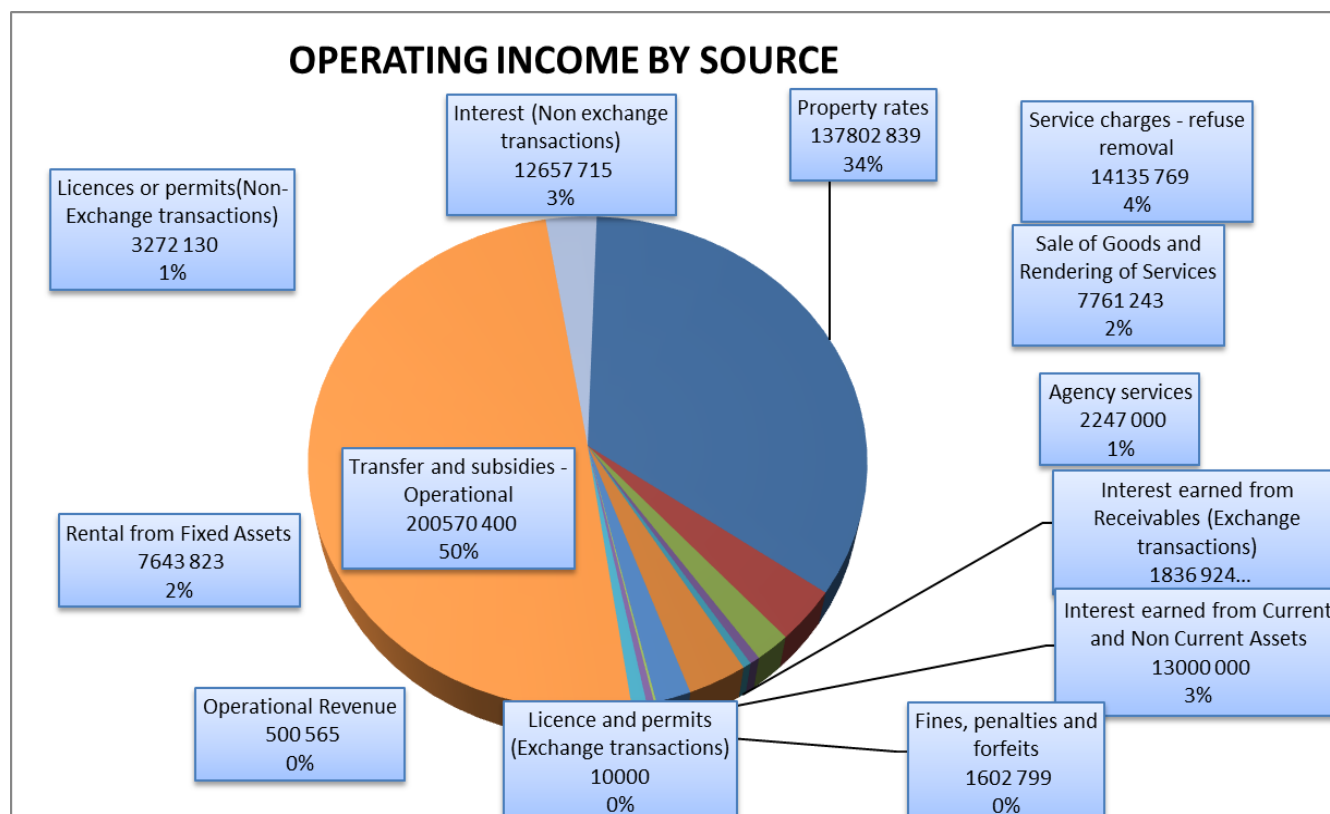
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	1	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	10 222	10 575	11 151	13 833	13 422	13 422	10 724	14 136	20 976	21 501
Sale of Goods and Rendering of Services		3 429	3 326	3 572	13 098	13 141	13 141	11 747	7 761	10 463	10 865
Agency services		2 384	2 087	2 589	2 487	1 479	1 479	1 555	2 247	2 350	2 409
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		949	1 528	1 877	229	1 749	1 749	1 699	1 837	1 921	1 969
Interest earned from Current and Non Current Assets		7 151	13 513	14 608	12 500	12 500	12 500	10 641	13 000	13 598	13 938
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		6 737	7 176	6 828	7 504	7 185	7 185	6 022	7 644	7 995	8 195
Licence and permits		5	17	2	2	7	7	7	10	10	11
Special rating levies		-	-	-	-	-	-	-	-	-	-
Operational Revenue		517	1 352	533	382	476	476	453	501	524	537
Non-Exchange Revenue											
Property rates	2	103 814	110 977	130 946	130 005	131 127	131 127	102 345	137 803	143 644	147 235
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 298	2 753	1 198	1 663	1 526	1 526	872	1 603	1 677	1 718
Licences or permits		6 710	6 846	2 951	6 473	2 695	2 695	2 561	3 272	3 423	3 507
Transfer and subsidies - Operational		167 033	178 131	195 692	203 785	205 651	205 651	201 058	200 570	202 308	207 272
Interest		6 030	8 053	21 633	11 210	12 055	12 055	2 354	12 658	13 240	13 571
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	262	-	-	-	-	-	-	-	-
Other Gains		1 091	1 902	1 722	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		317 371	348 500	395 302	403 171	403 014	403 014	352 038	403 041	422 129	432 729
Expenditure											
Employee related costs	2	136 787	145 634	149 861	180 736	164 620	164 620	128 454	177 968	184 456	189 172
Remuneration of councillors		14 687	15 271	16 330	17 631	17 631	17 631	14 073	18 539	19 392	19 877
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	4 098	4 712	7 056	12 076	7 543	7 543	3 372	7 500	7 950	8 149
Debt impairment	3	(1 875)	18 434	24 747	7 000	7 000	7 000	-	7 280	7 615	7 805
Depreciation and amortisation		102 369	(8 085)	46 058	40 873	40 873	40 873	35 017	42 917	44 891	45 907
Interest		16	588	1 764	2	2 276	2 276	-	2 367	2 476	2 538
Contracted services		69 892	122 880	107 545	124 356	134 158	134 158	82 542	120 965	146 418	141 607
Transfers and subsidies		1 868	650	3 021	3 505	4 255	4 255	1 585	4 769	2 980	3 054
Irrecoverable debts written off		-	9 056	-	-	-	-	-	-	-	-
Operational costs		56 751	53 845	55 252	66 535	71 634	71 634	51 021	66 637	70 737	72 259
Losses on disposal of Assets		1	4 119	1 901	-	-	-	-	-	-	-
Other Losses		129	-	-	-	-	-	-	-	-	-
Total Expenditure		384 723	367 105	413 536	452 715	449 990	449 990	316 064	448 943	486 915	490 368
Surplus/(Deficit)		(67 352)	(18 605)	(18 234)	(49 544)	(46 976)	(46 976)	35 974	(45 901)	(64 786)	(57 639)
Transfers and subsidies - capital (monetary allocations)	6	42 473	46 705	38 879	40 603	53 797	53 797	26 973	36 462	38 303	39 950
Transfers and subsidies - capital (in-kind)	6	259	258	3 670	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(24 620)	28 358	24 315	(8 941)	6 821	6 821	62 948	(9 440)	(26 483)	(17 689)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(24 620)	28 358	24 315	(8 941)	6 821	6 821	62 948	(9 440)	(26 483)	(17 689)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(24 620)	28 358	24 315	(8 941)	6 821	6 821	62 948	(9 440)	(26 483)	(17 689)
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(24 620)	28 358	24 315	(8 941)	6 821	6 821	62 948	(9 440)	(26 483)	(17 689)

OPERATING REVENUE

The estimated operating income has been projected at R 403, 041 million. An analysis of prior year trend levels of income is reflected below:



Income levels have been projected based on current actual collection levels and the 2025/26 budget indicates income levels which are realistic and attainable by the municipality. The collection rate is estimated at 85% due to the interventions of handing over debtors for collection. The impact of the global economic crisis, economic conditions in the Republic of South Africa as well as current inflation rates have been considered extensively during the establishment of these income levels, as a substantial amount of consumers will not be able to afford increases above the inflation.



Total Revenue overall has slightly increased by R 27 236,00 when compared to the 2024/2025 financial year. This is mainly caused by the 5% increase in operational revenue, decrease in grants to be received from government departments and the additional revenue from own revenue of property rate, interest on debtors being the main contributors.

Property Rates

As indicated in the graph above, 34% of the income anticipated to be recognized by the municipality relates to property rates. The increase in property rates income from the 2024/2025 year, because of the supplementary valuation rolls, and maintenance of the valuation roll which corrected valuations in the roll which affecting rates billed. Property rates tariff has a 5% increase in the 2025/2026 financial year which is within the limit of CPI.

Grants and Subsidies

Included in the grants and subsidies is the equitable share allocation which has been calculated at R182,765 million on, followed by R2.0 million allocated for the Finance Management Grant, as well as R 11,554 million from the Departments of Arts and Culture (DSRAC) for library services. In addition, R 1.385 million has been allocated for the EPWP grant. The municipality has also been allocated an amount of R1.866 million for MIG (Operational portion) and R1 Million for the Umdoni SMME and Co-operative support program. Grants and subsidies consist of 50% of the total revenue budget compared to 52% in the 2024/2025 budget indicated a slight decrease on dependency grants. There are reductions in certain grants from National and Provincial departments as compared to previous allocations, a clear indication that the economy is not performing well, limiting growth.

Service Charges

The service charges approximate 4% of the total revenue budget. Tariffs have increased by 13%. These charges relate only to the refuse service. The refuse service is currently operating a loss of R 35,186 million and R 18,026 and 17,447 million per the audited annual financial statements 2023-2024 and 2022-2023 respectively. The concept of cost reflective tariffs per MFMA circular 129 and 130 as well as MFMA circular issued in prior year advise of the implementation of cost reflective tariffs for the service to be sustainable. The municipality is still going to operating at a loss in the coming financial year for this service.

Sale goods and operational revenue

This revenue source comprises of Scholar patrol revenue, sub-divisions fees, cemetery fees etc. Other revenues approximate 2% of the total revenue budget. A tariff Increase of 5% has been applied to this category of revenue. This also includes the income in respect of INEP grant for electrification which has decreased by R5.537 million compared to 2024/25.

Rental of Facilities

The rental of facilities approximates 2% of the total revenue budget. It has increased by 5% when compared to the current year budget. The performance of the current year has been satisfactory hence the increment. The rentals from municipal properties and hall hire are budgeted under this revenue source.

Fines & Penalty Income

Fines and Penalty Income amounts to a 0, % of the total revenue budget. The overall increase equates to 5%. Traffic fines issued by traffic department and library fines are budgeted under this revenue source.

License and Permits

License and Permits approximates 1% of the total revenue budget. They have increased by 5%. Driver's license and learner's license income is budgeted under this category.

Interest Earned- External Investments

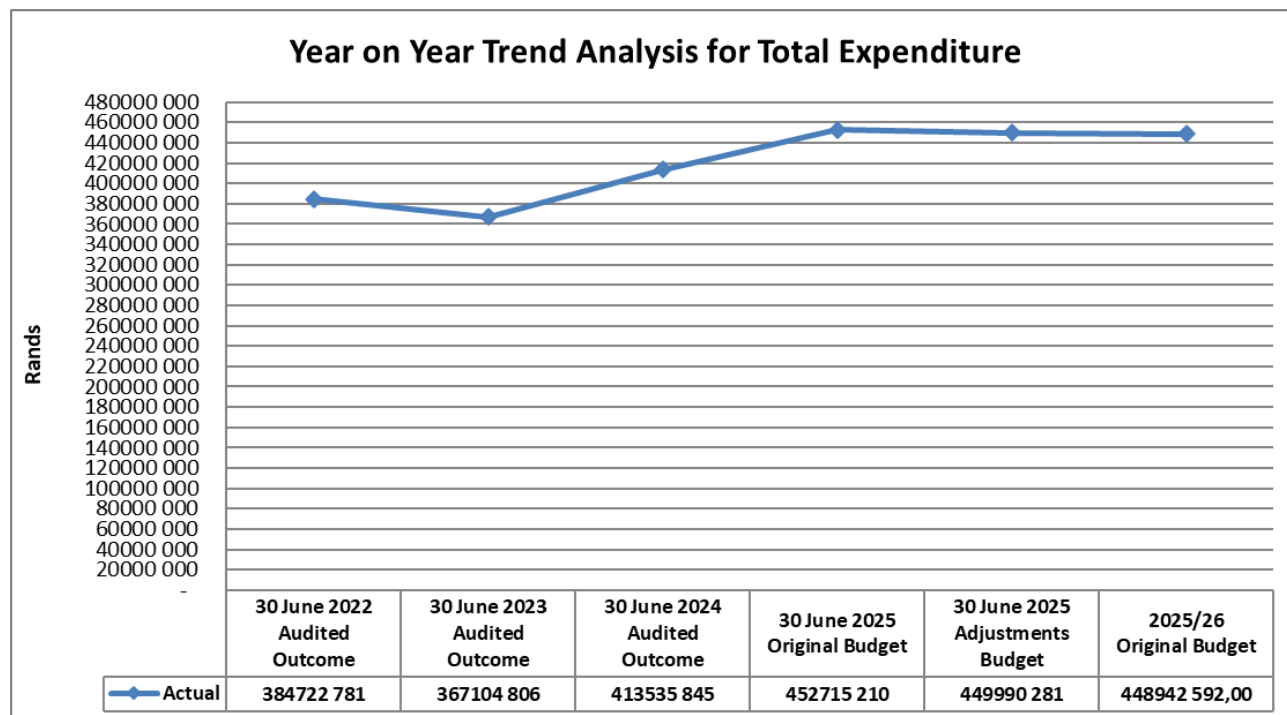
Interest Earned on External Investments equates to 3% of the total revenue budget. It has increased by 4%, considering the fluctuations of balances in our investment accounts during the year and versatile investment portfolio.

Interest Earned- Outstanding Debtors

Interest Earned on Outstanding Debtors consists of 3% of the total revenue budget. As the debtor's books are increasing, the projection for the next year has increased by 5% when compared to the current year since debtors whose accounts are in arrear for longer than 30 days will attract interest on their respective accounts. There has been an increasing trend this regard during the last budget and adjustment budget cycle.

OPERATING EXPENDITURE

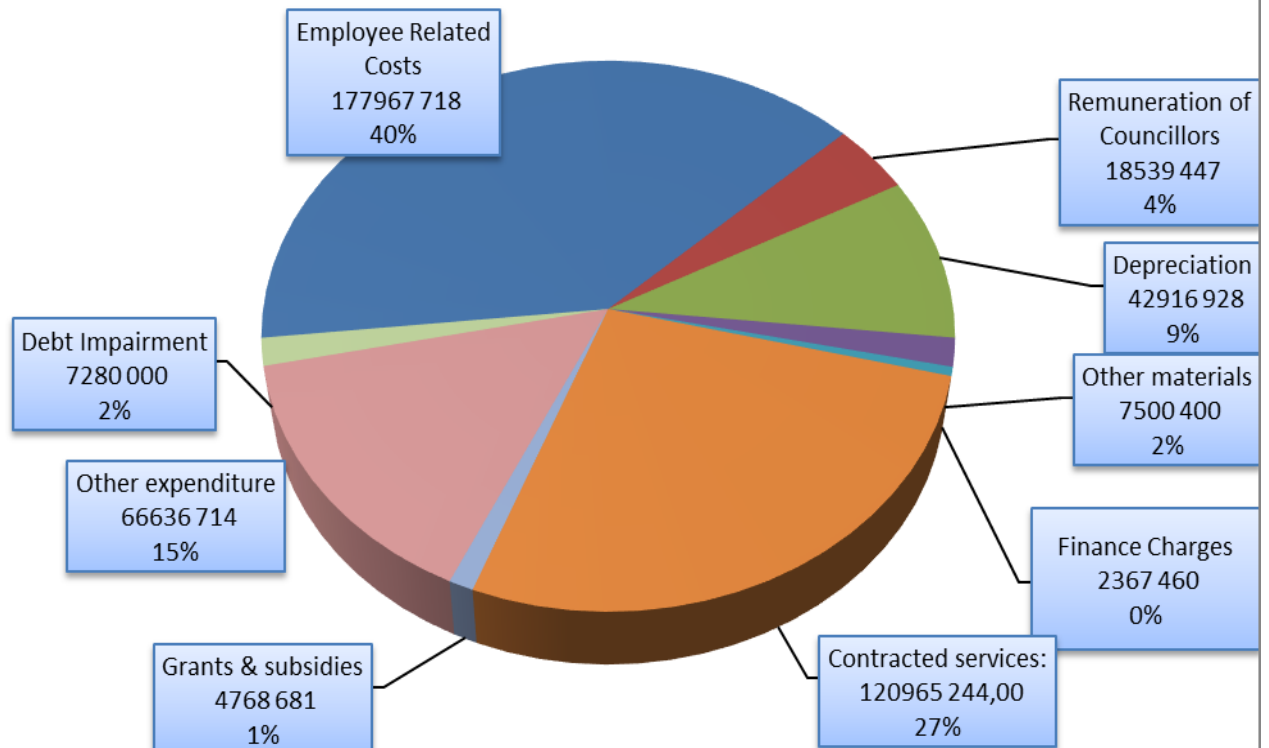
The total operating expenditure has been estimated at R448 942 million. This amount is slightly below than that of the adjustment budget expenditure to reduce the operating deficit and accommodate those expenditures that we cannot avoid its increase like employee related cost and non-cash items. The graph below reflects the trend of expenditure levels as follows:



Whilst our income base has been limited due to the current economic times and limits on tariff increases, the day-to-day operational expenditure is increasing, which is attributable to inflationary increases and increased service delivery expectations. Operating expenditure has been reduced to a minimum to accommodate service delivery needs. The focus is to spend the limited income that we have on expenditure that matters and improve the lives of the communities that we serve. In this vein Council has also considered cost containment measures and its policy to limit expenditure to only service delivery expenditure. Due to the operating deficit of R46,976 million which is reflected in the adjustment budget for 2024-2025, all expenditure levels were reviewed by Management and the Budget steering committee and where appropriately kept expenditure levels were kept at the same or reduced by 10% in some cases taking into account fixed term contractual obligations of the Municipality. Strict financial control and discipline is required, together with strict implementation of the cost containment regulations.

Expenditure on the Original 2025/26 budget has been allocated as follows:

Operating Expenditure by Category



Employee Related costs

The graph above shows that 40% of budgeted expenditure will be spent on Employee Related Costs. The total remuneration when combined with councillors' remuneration exceeds the norm of 25%-40% by 4%. It should be noted that service delivery departments are short-staffed and as a result they tend to spend more on overtime to cover the staff shortages. There is also an EPWP program to be funded internally which is aimed at boosting the capacity of the service delivery departments. This category of expenditure has increased by 5.15%, as per circular 6 of Salary & wage collective agreement.

Remuneration of Councillors

Councillors Allowance has also increased by 5.15%.

Other Expenditure

Other expenditure has been reduced to accommodate service delivery needs. In line with the cost containment measures and numerous circulars, various expenditure items have been reduced such as travelling, advertising, printing and stationery and consultants. The overall decrease equates to 7% when compared to the 2024/2025 adjustment budget. Budgeted under this category is electricity and water usage (R 15.999 million), telephone bills (R1,2 million), audit fees (R2,8 million), fuel (R7 million), protective clothing (R4.150 million), ward

committee stipends (R2.225 million), expenditure incurred towards indigent households (R1,6 million), Software licenses (5.471 million) etc. Insurance is also budgeted at R3,4 million. Operating lease of equipment (R 3,6 million). This category takes up about 15% of the total operating expenditure.

Contracted Services

The contracted services are 27% of total expenditure. Included in the contracted services is R 2,1 million for Shark Nets; R2,8 million for swimming supervision; R900 000 for Accounting, Auditing and Valuation Roll Services. A further appropriation has been made for the UGU Entities which amounts to R1,5 million. The municipality has further, appropriated under the contracted services category; R450 thousand for the internal audit services and another R450 thousand for MPAC . Furthermore, R1.2 million has been aside for Sport and Recreation projects. The municipality has also budgeted for; under this category, R18,4 million towards security services; R5,7 million for legal costs and litigation under Council. Funds to repair refuse trucks have been set aside at R700 thousand; R13 million for the landfill site operation has been provided for. R4,050 million has been appropriated for verge maintenance for the whole municipal area.

Repairs and Maintenance expenditure has been classified under contracted services as per the classification from the MSCOA Charts. A portion of the budget (R31.6 million) has been appropriated for repairs and maintenance of infrastructure. Included in the R120,9 million for contracted services; R1,4 million has been allocated for the repairs and Maintenance of the plant; R1.6 million for fleet repairs. The municipality has noted that the budget for repairs and maintenance is below the norm of 8% of PPE as it is currently sitting at 6.2%. In the current year. A provision of R31.6 million has been made to conduct the maintenance of infrastructure.

Grants and Subsidies

The municipality has set aside funds; under the Grants and Subsidies category; R 4.7 million. This expenditure item is broken down as follows;

Row Labels	Sum of TOTAL
Bursaries (Non-Employee)	250 000,00
Grant In Aid	2 560 000,00
Municipal Demarcation Board	-
Municipal Entities	-
Section 20 Schools	400 000,00
Skill Development and Training	1 000 000,00
Social Relief	558 681,00
Grand Total	4 768 681,00

Depreciation and Asset Impairment

In compliance with the MFMA and budget circulars, the municipality has budgeted for the Depreciation and Asset Impairment at R 42,9 million. Budget for this item has been estimated after considering GRAP requirements and possible impairment losses and reversals there off.

Debt Impairment

As part of the operating budget, the municipality has provided for debt impairment at R 7.2 million. The provision has been made to accommodate contributions to provisions of doubtful debtors. The provision for the new year has been slightly increased due to an increase in the debt book.

Other Materials

The municipality has under this item budgeted for stationery, cleaning material, refuse bags and material for repair of roads (Inventory consumed) as required by MSCOA classification requirements. This category takes up about 2% of the total operating expenditure.

Row Labels	Sum of TOTAL
Materials and Supplies	5 841 000,00
Standard Rated	1 659 400,00
Grand Total	7 500 400,00

1.5 2025/26 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK TABLES

Umdoni Municipality has tabled the 2025/26 annual budget in the format that is in accordance with the budget regulations, where possible, as follows:

- Budgeted Financial Performance Summary by Revenue Source and Expenditure Category for all Departments as reflected in Annexure 1.
- Budgeted Financial Performance - revenue and expenditure by municipal vote as reflected in Annexure 2.
- Budgeted Financial Performance - revenue and expenditure by GFS as reflected in Annexure 3.
- Budgeted Capital Expenditure by vote, GFS classification and funding as reflected in Annexure 4; and
- Budgeted Capital Expenditure by line item as reflected in Annexure 5
- A1 Schedule

The above, and all other budget related documents including policies shall be submitted to Provincial and National Treasury.

1.6 TARIFF OF CHARGES – 2025/26 FINANCIAL YEAR

The tariff of charges for 2025/2026 financial year have been reviewed on an individual basis by all respective departments to be cost reflective in the case of refuse and is 33%. Property rates tariffs will be increased by 5%. The revised tariff of charges has been included in Annexure 5 for comment.

1.7 PROPERTY RATES AND REFUSE TARRIF OF CHARGES – 2025/26 FINANCIAL YEAR

The Municipality is aware that current economic conditions may affect the ability of some ratepayers to pay their rate bill according to the new valuation attached to individual properties and has therefore proposed a 5 % increase in the rate randage for 2025/2026 financial year. An additional 5% rebate will also be passed to ratepayers in the categories of residential, sectional title, commercial and industrial. Therefore, for 2025/26 financial year, property rates will increase by 5% and an additional rebate of 5% as contained in the 2024/2025 budget to be continued in the 2025/2026 budget cycle.



UMDONI MUNICIPALITY

TARIFF OF CHARGES 2025/2026 FINAL

CONTENTS			
No.	Description		
1	PENALTIES AND COLLECTION CHARGES		
2	ADVERTISING SIGNS		
3	ENCROACHMENTS		
4	BUILDING PLAN FEES		
5	TOWN PLANNING		
6	CAMPING		
7	SKI BOAT FEES		
8	CEMETERY		
9	HIRE OF COMMUNITY HALL		
10	REFUSE SERVICES		
11	LIBRARIES		
12	FIRE BRIGADE SERVICES		
13	TAXI/BUS RANKS		
14	JOBGING		
15	HIRE OF MUNICIPAL GROUNDS		
16	CRAFT MARKET		
17	DOG LICENCES		
18	TRAFFIC CONTROL, VEHICLE LICENCING AND TESTING		
19	GOODS IN CUSTODY		
20	SMME CO-OPERATIVES		
21	MISCELLANEOUS		
22	HUMAN SETTLEMENT		



UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR



UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

1. PENALTIES AND COLLECTION CHARGES

PROPERTY RATES AND SERVICES:

Penalties:

Penalties for the late payment of all rates and services shall be raised in respect of any capital remaining unpaid after the final date, and shall be added to each month during which the default continues. Penalties shall be calculated in terms of the Municipal Property Rates Act.

HOUSING:

Interest on housing accounts shall be levied at 1% per month on outstanding capital payable in arrears.

Any arrears for part of a month shall be deemed, for the purpose of raising penalties and collection charges, to be equivalent to a month.

ALL TARIFFS ARE ANNUAL UNLESS SPECIFIED

VALUE ADDED TAX

Tariffs may change with the finalisation of any VAT implications, and are in Rand value, unless indicated otherwise. The Tariffs reflected in this schedule supercede all previously

2. ADVERTISING SIGNS

2025 / 2026

2024 / 2025

It is hereby notified that the Umdoni Municipality has amended its Determination of Charges for Advertising Signs and Hoardings with effect from 1 July 2024 as set forth hereunder. All amounts indicated below are VAT inclusive.

2,1	In terms of clause 2: (i) Application fee	R 609,00		R 580,00	
2,2	In terms of clause 18.(3): (i) Banner permit fee (ii) Banner bulk deposit	R 911,00 R 850,00		R 867,00 R 809,00	
2,3	In terms of clause 20.(2)(a): (i) Application fee (ii) For sale permit (iii) For sale bulk deposit	R 611,00 R 132,00 R 1 544,00	per board per 90 days	R 581,00 R 125,00 R 1 470,00	per board per 90 days
2,4	In terms of clause 20.(2)(c): (i) Application fee (ii) On show permit (iii) On show bulk deposit	R 611,00 R 125,00 R 1 698,00	per property per show day	R 581,00 R 119,00 R 1 617,00	per property per show day
2,5	In terms of clause 20.(2)(b): (i) Application fee (ii) Large temporary permit (iii) On show bulk deposit	R 611,00 R 933,00 R 1 698,00	per board per 30 days thereof	R 581,00 R 888,00 R 1 617,00	per board per 30 days thereof
2,6	In terms of clause 21.(3): (i) Annual encroachment fee	R 1 521,00	per sign face	R 1 448,00	per sign face
2,7	In terms of clause 24 (i.e. posters): (i) Application fee (ii) A poster display fee to permit the display of posters of non-profit bodies only. These posters have to display the fundraising numbers of bodies or a formal constitution has to be submitted to Council. No commercial advertising and logos of sponsors will appear on posters; (iii) A poster display fee to permit the display of posters for religious, sporting, social and cultural events, with commercial advertising and logos of sponsors. The commercial advertising shall not exceed 30% of the area of the poster, nor is any lettering to be larger than any other lettering; (iv) A bulk deposit (fully refundable on removal) for a National, Provincial or Municipal election; (v) A bulk deposit (fully refundable on removal) for a Parliamentary, Provincial or Municipal referendum/election; (vi) A bulk deposit (fully refundable on removal) for non-profit, religious, sporting, social and cultural bodies.	R 611,00 R 15,00 R 32,00 R 1 544,00 R 7 720,00 R 1 544,00	per poster per poster with a minimum fee of R396.01 per candidate per political party per applicant	R 581,00 R 14,00 R 30,00 R 1 470,00 R 7 352,00 R 1 470,00	per poster per poster with a minimum fee of R396.01 per candidate per political party per applicant
2,8	In terms of clause 22 (i.e. billboards): (i) Application fee (ii) Annual fee (Private land) (iii) Annual encroachment fee (Council land)	R 2 765,00 R 12 293,00 R 29 122,00		R 2 633,00 R 11 707,00 R 27 735,00	
2,9	In terms of clause 25 (i.e. sandwich boards): (i) Application fee (ii) Monthly rental	R 611,00 R 164,00		R 581,00 R 156,00	
2,10	(i) Illuminated Street Name Indicators (Council owned) - In terms of Resolution A.3.2 Mar-09 (ii) 3rd party Illuminated Street Name Indicators (Council land) Annual Fee per signface (iii) 3rd Party Illuminated Street Name Indicators (Private land) Annual fee per signface	R 1 784,00 R 1 521,00 R 1 521,00	per annum per sign face per sign face	R 1 699,00 R 1 448,00 R 1 448,00	per annum per sign face per sign face
2,11	(i) 3rd party Litter Bins (Council land) Annual Fee per signface (ii) 3rd Party Litter Bins (Private land) Annual fee per signface	R 798,00 R 798,00	per annum per annum	R 760,00 R 760,00	per annum per annum
2,12	Pole Mounted Litter Bins - In terms of Council approved policy on Advertising Street Furniture	R 550,00	per annum	R 523,00	per annum
2,13	Advertising Seating Benches - In terms of Council approved policy on Advertising Street Furniture	R 798,00	per annum	R 760,00	per annum
2,14	Mobile (Trailer) Signs – In terms of Council approved policy on Trailer Advertising	R 3 148,00	per annum	R 2 998,00	per annum
2,15	Street Pole Permanent Poster Placeholders – In terms of Council approved policy on Permanent Poster Placeholders	R 723,00	per sign face per annum	R 688,00	per sign face per annum

3. ENCROACHMENTS

2025 / 2026

2024 / 2025

3. ENCROACHMENTS		2025 / 2026		2024 / 2025	
3,1	Application fee	R 639,00		R 608,00	
3,2	Annual permit – Overhangs and Awnings	R 1 062,00		R 1 011,00	
3,3	Charge per square metre or part thereof for the use of verge or pavements, available and approved by Council, <i>per annum (residential)</i>	R 86,00		R 81,00	
3,4	Charge per square metre or part thereof for the use of verge or pavements, available and approved by Council, <i>per annum (Business)</i>	R 145,00		R 138,00	
3,5	Per pedestrian gate within the Admiralty Reserve, Amenity reserve, Public Open Space, or Conservation Zone	R 1 514,00		R 1 441,00	
3,6	Charge per square metre for use of the Admiralty Reserve, Amenity reserve, Public Open Space, or Conservation Zone.	R 109,00		R 103,00	
3,7	Per boardwalk within the Admiralty or Amenity reserve	R 2 177,00		R 2 073,00	
4. BUILDING PLAN FEES		2025 / 2026		2024 / 2025	
4,1	New buildings per square meter of floor space or part thereof > 60m ² Minimum fee up to 60m ²	R 18,00 R 2 792,00		R 17,00 R 2 659,00	
4,2	Alterations to a building where no increase in floor area is involved	R 1 065,00		R 1 014,00	
4,3	Minor works in terms of the National Building Regulations or other work not listed Incl 1 inspection	R 1 497,00		R 1 425,00	
4,4	Amended plans where increase in floor area is involved	R 1 065,00	plus R14.72 PER M ²	R 1 014,00	plus R14.02 PER M ²
4,5	Amended plans with no increase in floor area	R 1 065,00		R 1 014,00	
4,6	Preliminary plan scrutinising fees: In respect of every preliminary plan of any building intended to be erected, or any other form of construction which may be deposited for scrutiny, consideration and comment prior to the submission of the plans together with application forms, the fee payable shall be as follows:	R 448,00		R 426,00	
4,7	Temporary Buildings: For each six monthly period or part thereof in respect of every temporary building or structure for the erection of which the Council's approval has been obtained for on site use during the construction of a building or dwelling	R 640,00		R 609,00	
4,8	With every application for approval of plans the property owner or his agent shall lodge the said amount to be utilized by the town Council in part of full payment for the re-instatement of the Council's property, such as tarred roads, verges, kerbing, paving etc damaged during operations, if necessary (refer to 4.14 - building deposit - construction)				
4,9	For the use of a road verge abutting the property concerned for storage of building materials, per 6 month period or part thereof for each 20m ² of verge or part thereof	R 40,00	per m ²	R 38,00	per m ²
4,10	If a plan is withdrawn or rejected and application is made thereafter to the Council, in writing, stating that it is not intended to amend and re-submit such plan, the Council may refund the verge deposit and site inspection fee only.				
4,11	For re-inspection through work not being ready for inspection or through defects, per visit, payable in advance	R 642,00		R 611,00	
4,12	Boundary/Retaining wall plan fees on application for the approval of a boundary wall constructed of brick, cement or pre-cast cement fences: (a) For the first 140 linear metre or part thereof (b) For every 10 linear metre or part thereof in excess of 140 linear metres	R 1 065,00 R 61,00		R 1 014,00 R 58,00	
4,13	Drainage/Foundation/Slab/Completion inspections	R 432,00		R 411,00	
4,14	Building Deposit - Construction	R 4 701,00 R 3 490,00 R 1 792,00	greater than 120 m ² greater than 60m ² but than and equal to 60m ²	R 4 477,00 R 3 323,00 R 1 706,00	than 120 m ² than 60m ² but less than than and equal to 60m ²

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

4,15	Fee for obtaining a demolition permit	R 642,00		R 611,00	
4,16	Refundable verge deposit for demolition	R 1 880,00		R 1 790,00	
4,17	Plan printing fees				
	A0	R 41,00		R 39,00	
	A1	R 27,00		R 25,00	
	A2	R 18,00		R 17,00	
	A3	R 15,00		R 14,00	
	A4	R 12,00		R 11,00	
5. TOWN PLANNING		2025 / 2026		2024 / 2025	
5.1.	Town Planning Scheme Clauses, per copy	R 11,00	per page	R 10,00	per page
	Fee payable in respect of rezoning application in terms of the Planning and Development Act 6 of 2008.	R 618,00		R 588,00	
	Area of land to be zoned:				
	(1) 0 ha- 5ha (including minor inconsequential)				
	(2) <5000m ²	R 4 863,00		R 4 631,00	
	(3) ≥5000m ² - 5Ha	R 13 617,00		R 12 968,00	
	(4) >5ha – 10 ha	R 22 695,00		R 21 614,00	
	(5) >10ha	R 23 158,00	hectare/part thereof in	R 22 055,00	hectare/part thereof in
	Material change/cancellation to an application				
	Appeals in terms of Planning By-Law	R 1 897,00		R 1 806,00	
	Advertisement is the responsibility of the applicant				
	No tariffs applicable for the applications of the state				
	Provided that the foregoing fees may be adapted or waived by the Council in respect of applications brought by a charitable institution				
	Special Consent Application/Consent Application/Relaxation of space about buildings				
	LAND DEVELOPMENT APPLICATION: Special Consent				
	Fee payable in respect of special consent application in terms of Section 67 bis of the Ordinance 27 of 1949 as amended	R 8 105,00		R 7 719,00	
	CONSENT				
	Relaxations to building height (non residential without letters of consent)				
	Bed and Breakfast (max 6 bedrooms)	R 8 105,00		R 7 719,00	
	Guest House	R 11 579,00	basic fee plus R665.70 per bedroom	R 11 027,00	basic fee plus R634.00 per bedroom
	Tuck shops	R 1 134,00		R 1 080,00	
	Home Business	R 1 134,00		R 1 080,00	
	RELAXATION OF SPACE ABOUT BUILDINGS, BUILDING LINES, HEIGHTS				
	Relaxation of all building lines, space about buildings, heights (only where applicable in terms of the Schemes)				
	a) For Residential sites	R 1 683,00		R 1 602,00	
	b) Non-residential sites	R 11 349,00		R 10 808,00	
	c) Relaxation of height of boundary walls in excess of 3m (Residential & Non residential sites)	R 1 683,00		R 1 602,00	
	Material change/cancellation to an application	development application fee as indicated above			development application fee as indicated above

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

	Appeals in terms of Planning By-Law	R 1 897,00		R 1 806,00	
	Appeal (Municipal Structures Act Section 62)	R 1 897,00		R 1 806,00	
	Advertising at the cost of the applicant				
	No tariffs applicable for the applications of the state				
	Provided that the foregoing fees may be adapted or waived by the Council in respect of applications brought by a charitable institution				
	Front building line and/or rear space and /or side space (with letters of consent)	R 1 683,00		R 1 602,00	
	Approval of sub divisional plans, examination and approval of Street Plans and Stormwater Drainage Services:				
	(i) Application fee for approval of Sub divisional plans:				
	Basic fee	R 4 863,00		R 4 631,00	
	Fee for additional subdivision	R 4 631,00	plus R507.15/portion	R 4 410,00	plus R483/portion
	(ii) Amendment of existing sub divisional plan	R 4 631,00	plus R507.15/portion	R 4 410,00	plus R483/portion
	LAND DEVELOPMENT APPLICATION: Removal/Amendment or Alteration of Conditions of Title or Application				
5,4	All instances where the conditions are removed automatically by law	Free		Free	
	All instances where the conditions are amended/alterd or removed	R 3 062,00		R 2 916,00	
	Material change/cancellation to an application		50% of the land development application fee as indicated above		50% of the land development application fee as indicated above
	Advertising at the cost of the applicant				
	No tariffs applicable for the applications of the state				
	Provided that the foregoing fees may be adapted or waived by the Council in respect of applications brought by a charitable institution				
5,5	Removal of restrictive Condition of title	R 3 062,00		R 2 916,00	
5,6	Sectional Title application:				
	The fee generally or specifically prescribed in terms of Section 40 of the Sectional Titles Act, 1971 (Act 66 of 1971) as amended from time to time				
	Appeal:				
	(i) Minimum fee by aggrieved applicants or other persons appealing Council decision	R 1 897,00		R 1 806,00	
	(ii) Should the objection be repudiated, all costs incurred to be borne by the applicant				
	Development Levy	2025 / 2026		2024 / 2025	
5,7	Consolidations in terms of the Planning and Development Act	R 1 847,00		R 1 759,00	
5,8	Road Closure and Open Space	R 2 113,00		R 2 012,00	
5,9	Zoning Certificates	R 153,00		R 145,00	

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

5,10	Enforcement:	R 1 789,00		R 1 703,00	
	i) Guilty of contravening the Town Planning Scheme and/ or bylaws	R 7 720,00	additional R66. per day	R 7 352,00	additional R63 per day
	Development of Land Outside the Scheme				
	Residential Development:				
	Unit1-4	R 2 784,00		R 2 651,00	
	Units 5-30	R 3 710,00		R 3 533,00	
	Units 31 or more	R 4 640,00		R 4 419,00	
5,11	Non Residential:				
	Commercial	R 7 423,00		R 7 069,00	
	Infrastructure	R 3 710,00		R 3 533,00	
	Agricultural	R 1 856,00		R 1 767,00	
	Religious				
	50m² or smaller				
	Municipal Projects				
5,12	GIS Printing (Aerials and Schemes)				
	A4	R 65,00		R 61,00	
	A3	R 83,00		R 79,00	
	GIS Printing (Cadastral)				
	A4	R 33,00		R 31,00	
	A3	R 41,00		R 39,00	
6. CAMPING AND/OR CARAVAN PARKS (VAT INCLUSIVE)		2025 / 2026		2024 / 2025	
6,1	Park Rynie Campsite:				
	(i) Parking a car (Mon-Fri) per day excl public holidays	R 45,00		R 42,00	
	(ii) Parking a car / Picnic weekends and public holidays	R 104,00		R 99,00	
	(iii) Parking a car / Picnic (in season)	R 133,00		R 126,00	
	(iv) Parking – Bus per day		No Buses Allowed		No Buses Allowed
	(v) Site Fees – out of season	R 309,00		R 294,00	
	(vi) Site Fees – in season	R 367,00		R 349,00	
	(vii) 1 Pole marquee 6 x 6m per pole maximum size – Out of Season		N/A		N/A
	(viii) 1 Pole marquee 6 x 6m per pole maximum size – In Season		N/A		N/A
6,2	Scottburgh Picnic Site/Beach Parking:				
	(i) Per car (out of season)	R 37,00		R 35,00	
	(ii) Per car (in season)	R 60,00		R 57,00	
6,3	Parking Permit for residents – valid for 12 months from date of issue	R 147,00		R 140,00	
6,4	Parking in season at Preston and Rocky Bay – per day	R 45,00		R 42,00	

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

7. SKI BOAT FEES		2025 / 2026		2024 / 2025	
7,1	Licence fees, payable once every five years		As per the memorandum of agreement		As per the memorandum of agreement
7,2	Tariff for launching of a ski boat – per annum		As per the memorandum of agreement		As per the memorandum of agreement
8. CEMETERY / BURIAL FEES		2025 / 2026		2024 / 2025	
Residents:					
8,1	(i) Child (under 12 years of age, including stillborn)	R 1 210,00		R 1 152,00	
	(ii) Adult	R 2 567,00		R 2 444,00	
8,2	Non resident	R 5 253,00		R 5 002,00	
8,3	Ashes internment	R 532,00		R 506,00	
8,4	Exhumations	R 3 084,00		R 2 937,00	
8,5	Erection of tombstone (Permit fee)	R 466,00		R 443,00	
9. HIRE OF COMMUNITY HALLS		2025 / 2026		2024 / 2025	
ALL TARIFFS WILL BE PER SESSION:					
9,1	Promotion of culture and education (book discussions, art evaluation, educational film shows etc):				
	(i) Scottburgh Town Hall :	R 1 103,00		R 1 050,00	
	(ii) Community Hall :	R 890,00		R 847,00	
	(iii) Umzinto Town Hall:	R 1 223,00		R 1 164,00	
	(iv) Umzinto Dining Hall:	R 958,00		R 912,00	
	(v) Umzinto Dining and Town Hall:	R 1 623,00		R 1 545,00	
9,2	Political meetings or meetings of a similar nature:				
	(i) Scottburgh Town Hall	R 2 756,00		R 2 624,00	
	(ii) Community Hall	R 1 117,00		R 1 063,00	
	(iii) Umzinto Town Hall	R 4 628,00		R 4 407,00	
	(iv) Umzinto Dining Hall	R 2 195,00		R 2 090,00	
	(v) Umzinto Town and Dining Hall	R 5 093,00		R 4 850,00	
9,3	Special functions (Weddings, birthdays, anniversaries, parties etc) – Weekday events (Mon-Fri until 4pm):				
	(i) Scottburgh Town Hall	R 2 939,00		R 2 799,00	
	(ii) Community Hall	R 1 158,00		R 1 102,00	
	(iii) Umzinto Town Hall	R 4 335,00		R 4 128,00	
	(iv) Umzinto Dining Hall	R 2 195,00		R 2 090,00	
	(v) Umzinto Dining and Town Hall	R 4 933,00		R 4 698,00	
9,4	Religious services and charitable institutions (Mon-Fri until 4pm):				
	(i) Scottburgh Town Hall	R 1 543,00		R 1 469,00	
	(ii) Community Hall	R 891,00		R 848,00	
	(iii) Umzinto Town Hall	R 2 009,00		R 1 913,00	
	(vi) Umzinto Dining Hall	R 1 251,00		R 1 191,00	
	(vii) Umzinto Dining and Town Hall	R 2 275,00		R 2 166,00	

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

9,5	Used by commercial undertakings(Mon – Fri until 4pm):				
	(i) Scottburgh Town Hall	R 5 093,00		R 4 850,00	
	(ii) Community Hall	R 1 396,00		R 1 329,00	
	(iii) Umzinto Town Hall	R 5 253,00		R 5 002,00	
	(iv) Umzinto Dining Hall	R 1 543,00		R 1 469,00	
9,6	Weekends and Public Holidays:				
	(i) Scottburgh Town Hall	R 5 291,00		R 5 039,00	
	Additional time per hour charge	R 325,00		R 309,00	
	(ii) Community Hall	R 1 609,00		R 1 532,00	
	(iii) Umzinto Town Hall	R 5 957,00		R 5 673,00	
	Additional time per hour charge	R 396,00		R 377,00	
	(iv) Umzinto Dining Hall	R 3 084,00		R 2 937,00	
	Additional time per hour charge	R 251,00		R 239,00	
	(v) Umzinto Dining and Town Hall	R 7 208,00		R 6 864,00	
	Additional time per hour charge	R 473,00		R 450,00	
9,7	Booking fees (Deposits) payable in advance and refundable provided no damage is caused to the premises:				
	(i) Scottburgh Town Hall	R 1 591,00		R 1 515,00	
	(ii) Community Hall	R 810,00		R 771,00	
	(iii) Umzinto Town Hall	R 2 645,00		R 2 519,00	
	(iv) Umzinto Dining Hall	R 810,00		R 771,00	
	Used by Government Departments (Provincial, National, SAPS, Dept of Health, SASSA, Dept of Social Development, Home Affairs, etc (Mon-Fri until 4pm) (for official government work excl, farewells, parties, social gatherings etc)				
	(i) Scottburgh Town Hall	No Cost		No Cost	
	(ii) Community Hall	No Cost		No Cost	
	(iii) Umzinto Town Hall	No Cost		No Cost	
	(iv) Umzinto Dining Hall	No Cost		No Cost	
	Senior Citizens Organisations (Mon-Fri until 4pm)				
	(i) Scottburgh Town Hall	R 199,00		R 189,00	
	(ii) Community Hall	R 66,00		R 62,00	
	(iii) Umzinto Town Hall	R 265,00		R 252,00	
	(iv) Umzinto Dining Hall	R 133,00		R 126,00	
	50% of Hire Fee on cancellation excluding non-profit and state organisations (should one month's notice be tendered then the above will not apply)				
9,8	Hire of (per session – 8 hours):				
	(i) Hire of PA system (per session)				
	(ii) Hire of air conditioner				
	(iii) Hire of video projector and screen				
9,9	Excessive cleaning after functions	R 544,00	PER HOUR	R 518,00	PER HOUR

	Capacity Per Hall:				
	Amahlongwa - 300				
	Amandawe - 300				
	Malangeni - 200				
	Shayamoya - 200				
	Umzinto (town) - 500				
	Umzinto (dining) - 200				
	Scottburgh - 300				
	10. REFUSE SERVICES: (VAT EXCLUDED)	2025 / 2026		2024 / 2025	
	The owner of the property shall be liable for all outstanding refuse.				
	Developed Properties:				
10.1.	Domestic: (Per single family dwelling, including farms, flats, sectional titles, and residential complexes):				
	(i) Over R 75,000	R 1 274,14		R 958,00	
	(ii) Under R 75,000	R 409,64		R 308,00	
10.2	Bed and Breakfasts:				
	(i) Basic	R 1 274,14		R 958,00	
	(ii) Per room	R 312,44		R 292,00	
10.5	Business Industries: (includes boarding and old age establishments with central facilities)				
	(i) Micro (0 - 4 bags per week)	R 2 050,00		R 1 915,00	
	(ii) Small (5 - 12 bags per week)	R 6 101,00		R 5 701,00	
	(iii) Medium (13 - 25 bags per week)	R 12 200,00		R 11 401,00	
	(iv) Large (26 - 45 bags per week)	R 17 667,00		R 16 511,00	
	(v) Macro 1 (46 - 85 bags per week)	R 31 151,00		R 29 113,00	
	(vi) Macro 2 (86 - 140 bags per week)	R 50 850,00		R 47 523,00	
	(vii) Macro 3 (141 - 200 bags per week)	R 74 270,00		R 69 411,00	
	(viii) Macro 4 (201 - 300 bags per week)	R 109 600,00		R 102 429,00	
	(ix) Macro 5 (301 - 400 bags per week)	R 143 958,00		R 134 540,00	
	(x) Macro 6 (401 - 500 bags per week)	R 177 143,00		R 165 554,00	
	(xi) Macro 7 (501 - 600 bags per week)	R 209 160,00		R 195 476,00	
	(xii) Macro 8 (601 - 700 bags per week)	R 240 004,00		R 224 302,00	
	(xiii) Macro 9 (701 - 800 bags per week)	R 269 680,00		R 252 037,00	
	(xiv) Macro 10 (800+ bags per week)	R 298 184,00		R 278 676,00	
	240 litre wheelie bin = five (5) 760mm x 910mm bags	R 1 343,00		R1 255,00	
10.6	Sports and recreation clubs, schools, welfare organisations:				
	(i) Organisations	R 1 701,00		R 1 589,00	
10.7	Vacant Sites Including farms (Irrespective of zoning or size in terms of the valuation roll)	R 357,00		R 333,00	
10.8	Commercial users disposing at landfill (VAT exclusive):				
	Domestic users using the dump more than once a week for disposal of Garden refuse				
	Solid refuse (200 kg)		N/A		N/A
	Garden Refuse (200 kg)	R 19,00		R 17,00	
	Builders Rubble (200 kg)	R 7,00		R 6,00	
	Mixed loads (200 kg)	R 19,00		R 17,00	
	Whole tyres (200 kg)		N/A		N/A
	Suitable cover (200 kg)		Free		Free
	Special Disposal (200 kg)		N/A		N/A
	Light waste (200 kg)		N/A		N/A
	Polystyrene (200 kg)		N/A		N/A
	Vehicle weighing service		N/A		N/A
	Dumping of Rubble				
	Disposal of clean soil – usable as cover material		Free		Free
10.9	Sale of Refuse Bags		N/A		N/A

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

10.10	Skips per removal	R 1 884,00		R 942,00	
10.11	Illegal Dumping:				
	A collection and disposal fee per 1m ³ load of refuse, waste, debris or rubble dumped.	R 4 116,00		R 2 744,00	
10.12	Sale of 240 litre Wheelie Bins:	R 1 343,00		R 1 255,00	
	11. LIBRARIES	2025 / 2026		2024 / 2025	
11.1	Membership charges:				
	(i) Borrowers who reside outside the area of jurisdiction of Council, per adult, per annum	R 162,00		R 154,00	
	(ii) Children of 18 years and younger, where at least one parent is a member of the library				
	(iii) Visitors Deposit (refundable) per person Applications to be accompanied by residential address and official identity document (Maximum of 3 items)	R 231,00	per book	R 220,00	per book
11.2	Fines:				
	The fines for each item retained beyond the specified time shall be for each day or part thereof, per item:				
	Children:				
	(i) Books	R 4,00	per book	R 3,00	per book
	(ii) Video/Audio/CD		N/A		N/A
	Adult:				
	(iii) Books	R 4,00	per day	R 3,00	per day
	(iv) Video/Audio/CD	R 5,00	per day	R 4,00	per day
11.3	Damaged books:				
	Torn pages – per page	R 8,00		R 7,00	
	Torn or lost book barcode – per barcode	R 11,00		R 10,00	
	Torn book pockets	R 11,00		R 10,00	
	Damage to book spine	R 15,00		R 14,00	
	Damage to book – to be assessed on return to librarian		cost		cost
	Lost / damaged plastic covers-				
	-Small	R 8,00		R 7,00	
	-Medium	R 11,00		R 10,00	
	-Large	R 14,00		R 13,00	
11.4	Lost books:				
	Administration costs for the recovery of the above:				
	Basic charge		Cost + 10%		Cost + 10%
11.5	Photocopy of any document, per folio:				
	(i) Material from within	R 4,00		R 3,00	
	(ii) Material from outside	R 4,00		R 3,00	
	(iii) Printing (Black and White)	R 4,00		R 3,00	
	(iv) Printing Colour	R 9,00		R 8,00	
11.6	Hire of activity rooms for profit making				
	- During library hours	R 202,00	per session	R 192,00	per session
	- After hours and weekends	R 264,00	per hour	R 251,00	per hour
11.7	Deposit payable in advance and refundable provided the premises are used and no damage is caused to the premises	R 164,00		R 156,00	
	12. FIRE BRIGADE SERVICES	2025 / 2026		2024 / 2025	
12.1	Fire Brigade Charges:				
	(i) Call out and first hour or part thereof	R 2 628,00		R 2 502,00	
	(ii) In excess of one hour or part thereof	R 1 391,00		R 1 324,00	

12,2	For each kilometre travelled by any Council motor vehicle to or from or in connection with the fire, per vehicle	R 33,00		R 31,00	
	[False Alarms will be charged for under (i) above]				
	Surcharges:				
	The following surcharges based on the tariff of charges shall be applicable:				
	(i) Fires outside the Municipal area	105%		105%	
	(ii) Fires involving inflammable substances to any large extent	105%		105%	
12,3	(iii) Fire where high tension electrical current is concerned	75%		75%	
	(iv) Fires occurring on business premises	75%		75%	
	(v) Government and Provincial buildings excluding rateable dwellings	37%		37%	
	(vi) Government and provincial land excluding rateable land	37%		37%	
	(vii) Any chemicals used		Cost + 30%		Cost + 30%
	(viii) Re-inspection after 14 days	R 296,00		R 281,00	
13. TAXI / BUS RANKS		2025 / 2026		2024 / 2025	
13,1	Taxi permit per year OR	R 433,00		R 412,00	
	Taxi permit per month		No per month charge		No per month charge
13,2	Water tokens				
13,3	Buses	R 1 237,00	p.a	R 1 178,00	p.a
14. JOBBING		2025 / 2026		2024 / 2025	
14,1	Clearing of plots		Cost + 50%		Cost + 50%
14,2	Damage to Road, Paving, Kerbing, Guttering		Cost + 50%		Cost + 50%
14,3	Pollution Control		Cost + 50%		Cost + 50%
14,4	Other		Cost + 50%		Cost + 50%
14,5	Standard 3m wide concrete access scoop for residential area sites	R 4 282,00		R 4 078,00	
	Additional cost per m for wider entrances to a maximum of 7m	R 819,00		R 780,00	
14,6	Standard 3m wide concrete access scoop for commercial and industrial sites	R 6 434,00		R 6 127,00	
	Additional cost per m for wider entrances to a maximum of 7m	R 1 234,00		R 1 175,00	

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

15. HIRE OF MUNICIPAL GROUNDS		2025 / 2026		2024 / 2025	
15,1	Hire of ground / beaches only per day or part thereof:				
	(i) Sporting, cultural, schools, charitable and religious organisations	R 462,00	per day	R 440,00	per day
	(ii) Organisations outside the Municipal Area	R 927,00	per day	R 882,00	per day
	(iii) Training sessions (per hour)	R 86,00	per hour	R 81,00	per hour
	(iv) Flea Markets	R 31,00	per stall+ R 1995.00 per day	R 29,00	per stall+ R 1900.00 per day
	(v) Political organisations	R 2 316,00	per day	R 2 205,00	per day
	(vi) Private functions/Commercial undertakings	R 2 316,00	per day	R 2 205,00	per day
	(vii) Deposit payable in advance and refundable provided the premises are used and no damage is caused to Council property.	R 3 087,00		R 2 940,00	
	(viii) Services rendered (electricity, water, and refuse)	R 462,00	per day	R 440,00	per day
	(ix) Penalty fee (should Council permission not be obtained)	R 8 245,00		R 7 852,00	
	(x) Wedding Ceremonies - only	R 462,00		R 440,00	
16. CRAFT MARKET		2025 / 2026		2024 / 2025	
16,1	Undercover – permit per annum	R 279,00		R 265,00	
16,2	New business application fee	R 250 .00		R 238,00	
16,3	Business licence Renewal administration fee	R 200,00			
16,4	New trading permit application fee trading in Municipal stall	R 220,00		R 220,00	
16,5	Trading permit annual rental fee	R 220,00		R 220,00	
16,6	New trading permit application fee trading in municipal open space	R 100,00			
16,7	Trading permit for municipal open space	R 100,00			
16,8	New application for Spaza Shop permit	R200 .00			
16,9	Renewal of Spaza Shops permit annual	R200 .00			
17. DOG LICENCES		2025 / 2026		2024 / 2025	
17,1	(i) For each male dog and each spayed bitch	R 77,00		R 73,00	
	(ii) For any unsplayed bitch	R 294,00		R 280,00	
	(iii) For every such dog in any household in local authority areas, in excess of two dogs, subject to Council consent	R 226,00		R 215,00	
	(iv) Duplicate badge	R 73,00		R 69,00	
	(v) Failure to license	R 851,00		R 810,00	
	(vi) Non-compliance with municipal animal control bylaws	R 851,00		R 810,00	
	(vii) Conveyance to Pound	R 931,00	plus cost of travel + cost at pound	R 886,00	plus cost of travel + cost at pound

18. TRAFFIC CONTROL, VEHICLE LICENCING AND TESTING		2025 / 2026		2024 / 2025	
18,1	Removal of motor vehicles from public roads and public space:	R 3 092,00	removal + R902.00 storage per day	R 2 944,00	removal + R859.00 storage per day
18,2	Release of impounded vehicles	R 931,00	plus all fees in 19.2	R 886,00	plus all fees in 19.2
18,3	Impounding fees per day	R 352,00	per day	R 335,00	per day
18,4	Mandatory enforcement fee		Cost + 10%		Cost + 10%
18,5	Driver's licence application fee		As per directive issued by National Department of Transport		As per directive issued by National Department of Transport
	Learner's licence application fee				
	Renewal of lost driver's card				
	Application of temporary driver's licence				
18,6	Contravention of the National Road Traffic Acts 93/1996		As per National Dept of Transport schedule		As per National Dept of Transport schedule
19. GOODS IN CUSTODY		2025 / 2026		2024 / 2025	
	The following charges shall be levied on goods confiscated and held in custody:				
19,1	Levy of Perishable and non-perishables	R 2 593,00	per day plus transportation and labour cost	R 2 469,00	per day plus transportation and labour cost
19,2	Abandoned vehicle	R 3 093,00	removal + R996.45 storage per day	R 2 945,00	removal + R949.00 storage per day
19,3	Livestock		To be determined in accordance with a tariff levied by a local livestock dealer plus the cost of transportation of livestock		To be determined in accordance with a tariff levied by a local livestock dealer plus the cost of transportation of livestock
19,4	Any goods confiscated and not claimed within 3 months will be sold to defray expenses.				
	Any other costs shall be determined by the Municipal Manager				
20. SMME CO-OPERATIVES		2025 / 2026		2024 / 2025	
20,1	Utilisation of the agricultural tractor by co-operatives	R 250,00	per hectare	R 161,00	per hectare
20,2	Utilisation of the disk harrow by co-operatives	R 250,00	per hectare	R 161,00	per hectare

UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

21. MISCELLANEOUS	2025 / 2026	2024 / 2025
The following fees shall be paid to the Town Treasurer in advance:		
21,1 Search fee, per plan, document or file produced for inspection, excluding inspection of Council's minutes	R 73,00	R 69,00
21,2 Certified copy of extract from minutes and/or hearings per page or part thereof	R 17,00	R 16,00
21,3 Purchase of Valuation Roll, per copy	R 4,00	R 3,00
21,4 Purchase of Voters Roll, per ward	Cost + 10%	Cost + 10%
21,5 Extract of Bylaws, per page of part thereof	R 10,00	R 9,00
21,6 For supply of copy of any document or copy of any document supplied with permission and the discretion of the Municipal Manager, per page or part thereof	R 10,00	R 9,00
21,7 For the supply of any document, or copy of any documents, stores or services not elsewhere specified in the Council's Bylaws and not ordinarily provided at the cost of the Council, the charge shall be	Cost + 10%	Cost + 10%
Plan of the Umdoni entities	Cost + 10%	Cost + 10%
21,8 Rates Clearance Certificate		
- Electronic	R 359,00	R 341,00
- Manual	R 718,00	R 683,00
Re-issue of clearance certificate	R 293,00	R 279,00
Valuation Certificate	R 146,00	R 139,00
21,9 Fees payable in respect of dishonoured cheques or other negotiable		
21,10 Transcripts:		
Per hour or part thereof		
Basic fee	R 706,00	R 672,00
In addition, per page	R 45,00	R 42,00
21,9 Non refundable tender deposits:	As specified in the advert	As specified in the advert
The tender documentation deposit is charged on collection of a tender document by a tenderer and is non-refundable.		
21,10 Tender Appeals and objections (refundable if appeal or objection is successful)	5 % of the awarded value of the tender; limited to R6030	5 % of the awarded value of the tender; limited to R6030
21,11 Lodging of an objection against any entry in the Valuation Roll or Supplementry Roll (Non-Refundable)		
21,12 Lodging of an appeal against any entry in the Valuation Roll or Supplementry Roll (Refundable if appeal is successful).	R 890,00	R 847,00
Forfeit of appeal deposit for late withdrawal of appeals hearing.	R 890,00	R 847,00
Request for a change in appeals hearing date (Non refundable)	R 361,00	R 343,00
Section 78 queries on property valuations	R 279,00	R 265,00
Deeds Searches	Cost +10%	Cost +10%
21,13 Application fee for notification of reasons for outcome of objection lodged (Section 53 MPRA)	R 153,00	R 145,00
21,14 Any charge made under this tariff or rates randage which remains unpaid after the final date for payment as determined by the Council shall be liable to penalty interest as determined by Council per annum for each month or part thereof during which the charge remains unpaid; provided that, where prior arrangements have been made for the payment of such charges by monthly instalments, and the instalment due for any month remains unpaid after the last working day of that month, the penalty interest shall be calculated on the amount of such instalment then unpaid.		

	22. HUMAN SETTLEMENT	2025 / 2026		2024 / 2025	
	<u>ELECTRICITY</u>				
22,1	A Connection Fee, subject to Section 2(3) of the Electricity Supply By-Laws For single phase (230V) 40A subsidised connection with a small power distribution unit	R 585,00		R 557,00	
22,2	Disconnections Where disconnected as a result of the illegal bypassing of the meter, meter tampering or for tampering with the metering installation; per disconnection for residential connection	R 974,00		R 927,00	
	23. RATES RANDAGES	2025 / 2026		2024 / 2025	
	Residential	0,012564		0,011966	
	Industrial	0,016081		0,015315	
	Business and Commercial	0,018218		0,017350	
	Public Service Purposes	0,016835		0,016034	
	Agriculture	0,003141		0,002991	
	Mining	0,018218		0,017350	
	Public Benefit Organization (PBO)	0,003141		0,002991	
	Multiple Purpose	Rated on dominate use			
	State Owned Property	Known as Public Service Purposes		Known as Public Service Purposes	
	Public Service Infrastructure	0,003141		0,002991	
	Vacant Other	0,031409		0,029913	
	The rebates applied for the financial year				
	Residential (R 60,000 elective and 15,000 legislated)	R 75 000		R 75 000	
		R 15 000		R 15 000	
	Disabled Persons/Pensioners/Indigent: (inclusive of R 75 000 above)	R 370 000		R 370 000	
	Medium to High Density level developments (Sectional Titles and Share blocks) 4% on rates due for the financial year				
	Annual payments inclusive of arrears on or before a date determined during the final budget shall be granted a discount of 3.5% of the current rates and services raised during the financial year				
	5% rebate on the following categories of properties: Residential, Industrial, Commercial, Agricultural, Vacant Other				

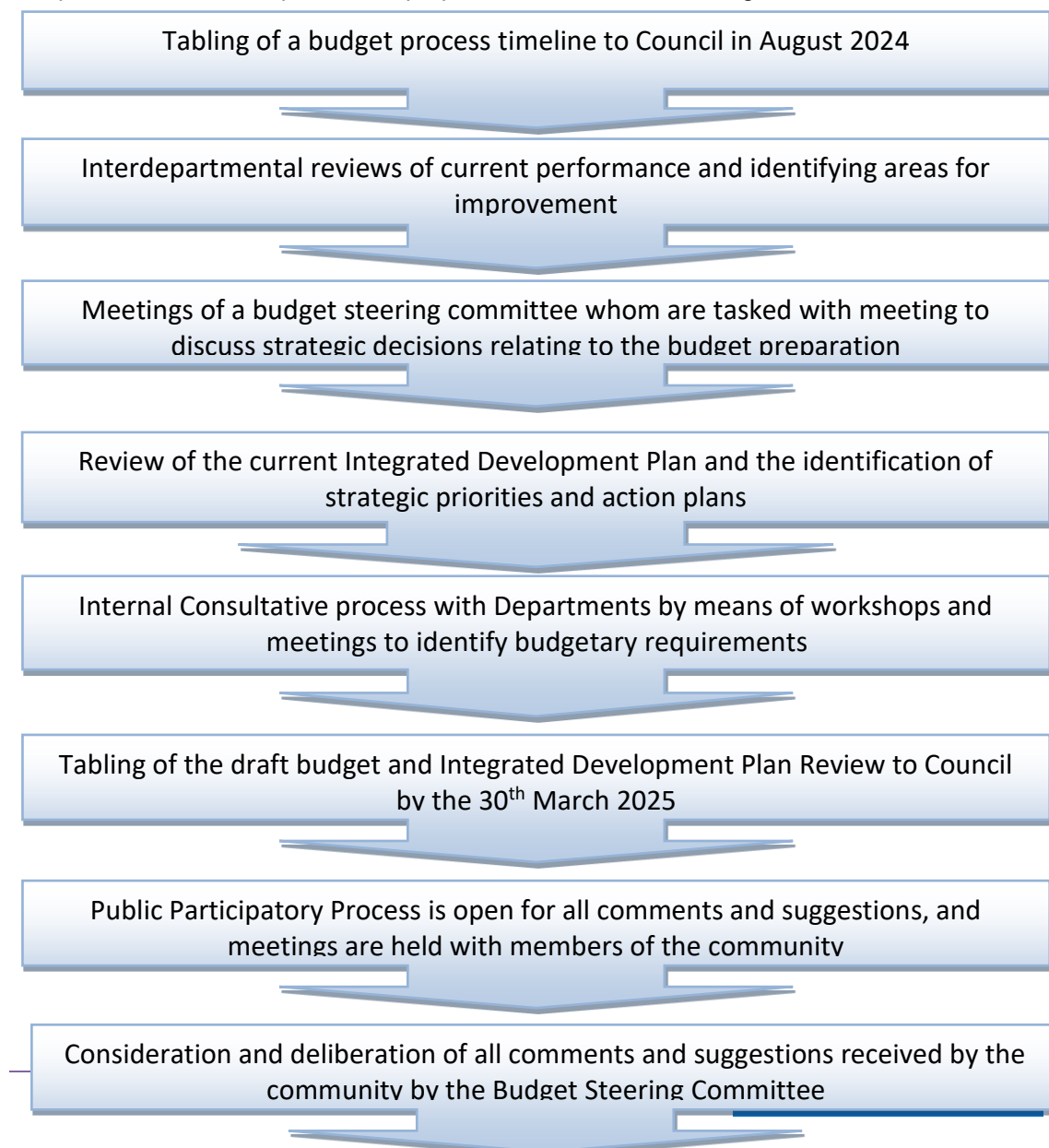
PART 2 - SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

The budget process is guided by various legislative frameworks and regulations, including the Local Government Municipal Finance Management, No, 56 of 2003, the Municipal Systems Act, 2000 and the municipal Budget and Reporting Regulations

Adherence to these guidelines and regulations are imperative during the budget preparation to ensure an effective, credible and sustainable budget. The review of past practices and performance is further necessary, to identify areas of weakness which can be addressed, as well as maintain the level of performance in areas where this has been achieved.

The process embarked upon for the preparation of the 2025/26 budget can be illustrated below:



Tabling of the final budget to Council for consideration by the May 2025

2.2 OVERVIEW OF THE ALIGNMENT OF THE BUDGET WITH THE IDP

The alignment of the budget to the integrated development plan is crucial to ensure the effectiveness of any budget. Both the integrated development plan and the budget have incorporated these priorities and action plans, and therefore assisted in the alignment of both the budget and the integrated development plan.

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organizational performance, which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

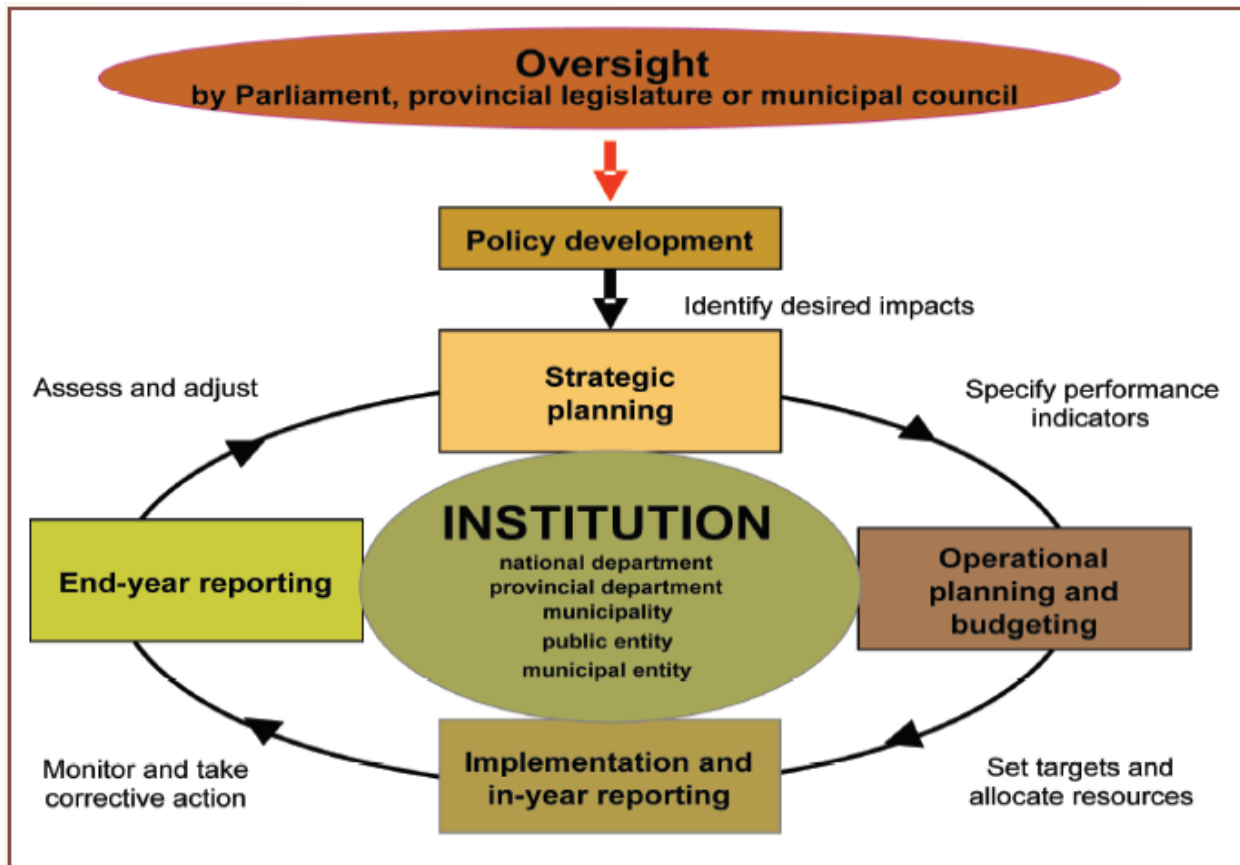


Figure 1 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore intends to adopt fully one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts to be used by the municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

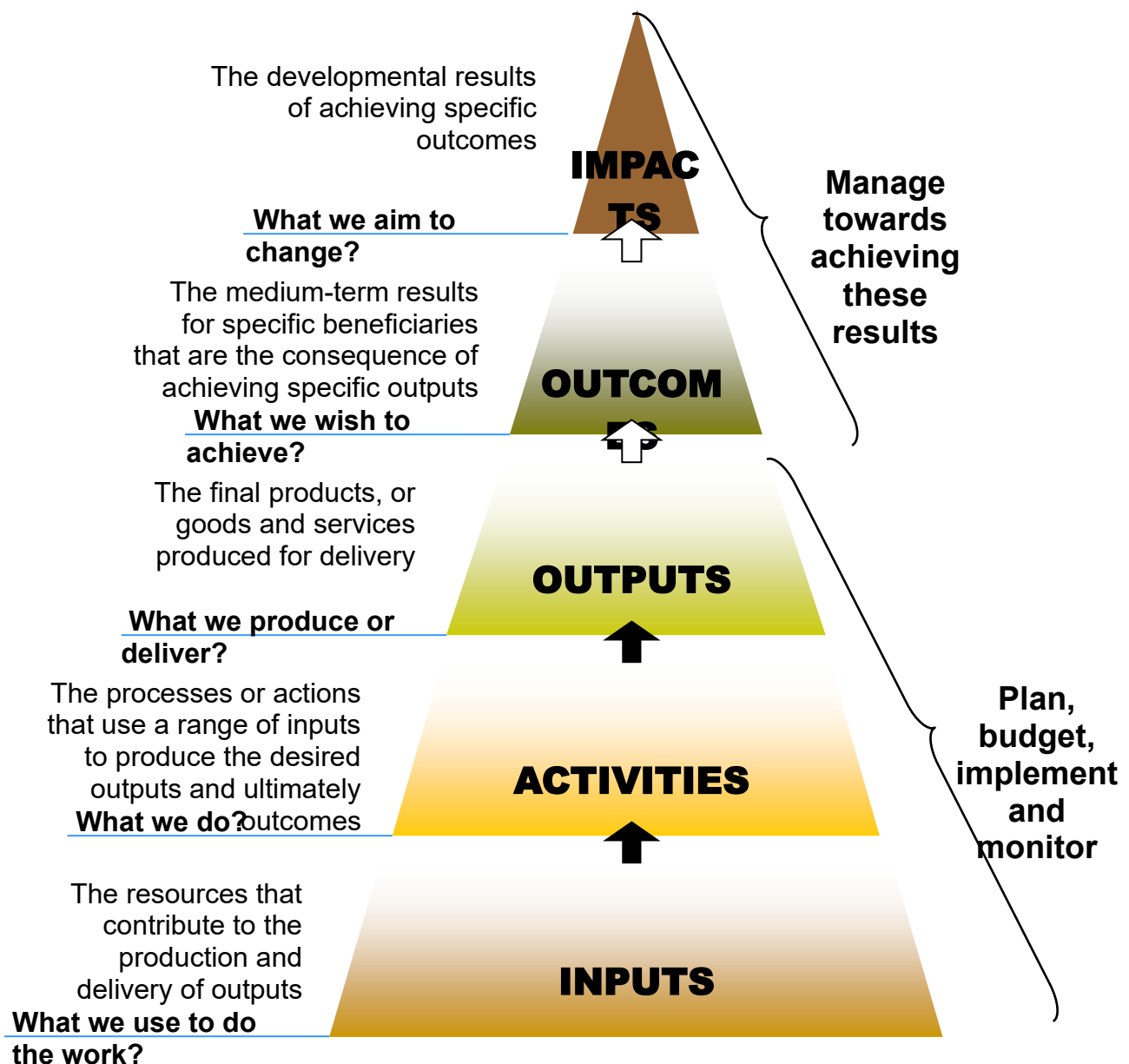


Table: Definition of performance information concepts

2.4 OVERVIEW OF THE BUDGET RELATED POLICIES

The budget related policies are currently under review and any comments or suggestions received during the public participation process will be considered and updated for the Council to consider in May 2025. The current policies are included as attachments to the budget document for comment and input.

2.5 OVERVIEW OF BUDGET ASSUMPTIONS

The budgeting assumptions that inform the 2025/26 budget preparation are as follows:

Revenue

- All revenue levels were based on current and past year's actual trends and therefore resulted in a realistic revenue base and kept in line with inflation as far as possible.
- Property rates tariffs have a 5% increase
- Refuse removal has been increased of 33% for all categories
- All other incomes have increased by 5 % to maintain affordability and credibility considering the prevailing current trends.
- The municipality is forecasting to collect 85% of its billed revenue from consumers to improve the financial viability of the municipality.
- Encourage new development to establish in Umdoni to expand the rates base.

Expenditure

- Expenditure levels have been reduced considering service delivery requirements. The Operating budget deficit of R 46 million on the 2024/2025 adjustments budget must be eliminated to reflect a surplus budget position.
- The following areas were targeted in terms of expenditure:
 - Employee-related costs and Councilor Allowances- budgeted for at 5.15%
 - General expenses reduced by 7%
 - Repairs and maintenance reduced by 2%
 - Contracted services reduced by 10% considering valid contracts in place..
 - Administrative costs were reduced by 10%

External factors

GDP growth is expected to average 1.8 per cent from 2025 to 2027. Medium-term growth will be underpinned by household consumption on the back of rising purchasing power, moderate employment recovery and wealth gains. Continued investments in renewable energy and easing structural constraints are expected to support higher investment. Key factors for achieving faster economic growth and creating much-needed jobs include greater collaboration with the private sector in energy and transport, rapid implementation of structural reforms, easing of regulatory constraints and increased infrastructure investment

General inflation outlook and its impact on the municipal activities

These are key factors that have been taken into consideration in the compilation of the 2025/26 MTREF:

- National Government macro-economic targets.
- The general inflationary outlook and the impact on municipality's residents and businesses.
- The impact of municipal cost drivers.
- The increase in prices for bulk electricity and water; and

Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate which equals or slightly above the CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (85 per cent) of annual billings. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored. A group of ratepayers has decided to withhold payments due to service delivery matters which are of concern to them. The withheld payments will be made as their concerns are addressed by the Municipality. Their ability to pay is confirmed.

Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs.

- Enhancing education and skill development.
- Improving Health services.
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of approximately to 100 per cent is achieved on operating and capital expenditure for the 2025/26 MTREF of which performance has been factored into the cash flow budget.

Overview of budget funding

The budget is funded and as such the main table A7 for cash flow statement attests to that by reflecting positive net cash flows for budget year and the two outer years. In addition to that, investments are currently at R201, 335 million as at 30th April 2025. However, it is also anticipated that customers will continue to pay when the massive repairs and maintenance project is being rolled out. The current coverage ratio is estimated at six months.

KZN212 Umdoni - Table A7 Budgeted Cash Flows

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 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 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		52 245	69 604	132 401	119 240	119 240	119 240	(1 469)	117 132	122 097	125 150
Service charges		(6 774)	(2 082)	–	11 758	11 758	11 758	–	13 818	20 504	21 017
Other revenue		(9 282)	(3 125)	3 853	58 233	58 443	58 443	–	60 655	62 097	63 976
Transfers and Subsidies - Operational	1	122 930	190 154	138 373	198 751	207 743	207 743	(2 909)	200 570	198 308	207 272
Transfers and Subsidies - Capital	1	7 332	37 966	27 034	40 603	51 706	51 706	–	35 462	42 303	39 950
Interest		(3 361)	(3 855)	–	12 695	12 695	12 695	–	13 000	13 598	13 938
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(47 815)	(28 761)	(126 828)	(386 195)	(311 478)	(311 478)	(76 311)	(419 729)	(450 289)	(461 812)
Interest		–	–	–	(2)	(2)	(2)	–	–	–	–
Transfers and Subsidies	1	–	–	–	(3 505)	(4 255)	(4 255)	–	(6 149)	(4 444)	(2 681)
NET CASH FROM/(USED) OPERATING ACTIVITIES		115 275	259 900	174 832	51 577	145 848	145 848	(80 689)	14 760	4 175	6 810
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		24 345	92 479	89 290	–	–	–	89 722	(88 057)	(57 174)	(59 625)
NET CASH FROM/(USED) OPERATING ACTIVITIES		24 345	92 479	89 290	–	–	–	89 722	(88 057)	(57 174)	(59 625)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		17	27	40	50	–	–	(107)	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		17	27	40	50	–	–	(107)	–	–	–
NET INCREASE/(DECREASE) IN CASH HELD											
		139 636	352 407	264 161	51 627	145 848	145 848	8 926	(73 297)	(52 999)	(52 815)
Cash/cash equivalents at the year begin:	2	205 355	192 265	161 185	131 394	146 398	146 398	146 398	218 110	144 813	91 814
Cash/cash equivalents at the year	2	344 991	544 672	425 347	183 021	292 247	292 247	155 324	144 813	91 814	38 999

2.6 OVERVIEW OF MEDIUM TERM OUTLOOK: OPERATING REVENUE AND EXPENDITURE

The following table is a breakdown of the operating revenue over the medium-term:

Table 1 Breakdown of the operating revenue and expenditure over the medium-term

KZN212 Umdoni - Table A1 Budget Summary										
Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	103 814	110 977	130 946	130 005	131 127	131 127	102 345	137 803	143 644	147 235
Service charges	10 222	10 575	11 151	13 833	13 422	13 422	10 725	14 136	20 976	21 501
Investment revenue	7 151	13 513	14 608	12 500	12 500	12 500	10 641	13 000	13 598	13 938
Transfer and subsidies - Operational	167 033	178 131	195 692	203 785	205 651	205 651	201 058	200 570	202 308	207 272
Other own revenue	29 151	35 303	42 905	43 049	40 315	40 315	27 270	37 532	41 603	42 783
Total Revenue (excluding capital transfers and	317 371	348 500	395 302	403 171	403 014	403 014	352 038	403 041	422 129	432 729
Employee costs	136 787	145 634	149 861	180 736	164 620	164 620	128 454	177 968	184 456	189 172
Remuneration of councillors	14 687	15 271	16 330	17 631	17 631	17 631	14 073	18 539	19 392	19 877
Depreciation and amortisation	102 369	(8 085)	46 058	40 873	40 873	40 873	35 017	42 917	44 891	45 907
Interest	16	588	1 764	2	2 276	2 276	-	2 367	2 476	2 538
Inventory consumed and bulk purchases	4 098	4 712	7 056	12 076	7 543	7 543	3 372	7 500	7 950	8 149
Transfers and subsidies	1 868	650	3 021	3 505	4 255	4 255	1 585	4 769	2 980	3 054
Other expenditure	124 898	208 335	189 445	197 891	212 792	212 792	133 563	194 882	224 770	221 671
Total Expenditure	384 723	367 105	413 536	452 715	449 990	449 990	316 064	448 943	486 915	490 368
Surplus/(Deficit)	(67 352)	(18 605)	(18 234)	(49 544)	(46 976)	(46 976)	35 974	(45 901)	(64 786)	(57 639)
Transfers and subsidies - capital (monetary allocations)	42 473	46 705	38 879	40 603	53 797	53 797	26 973	36 462	38 303	39 950
Transfers and subsidies - capital (in-kind)	259	258	3 670	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	(24 620)	28 358	24 315	(8 941)	6 821	6 821	62 948	(9 440)	(26 483)	(17 689)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(24 620)	28 358	24 315	(8 941)	6 821	6 821	62 948	(9 440)	(26 483)	(17 689)
Capital expenditure & funds sources										
Capital expenditure	26 907	(3 656)	1 615	50 041	64 129	64 129	39 880	80 919	49 716	51 848
Transfers recognised - capital	36 679	40 765	26 929	35 307	46 780	46 780	28 150	31 706	49 629	51 848
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	12 627	9 487	22 905	14 734	17 349	17 349	11 730	49 213	87	-
Total sources of capital funds	49 306	50 251	49 834	50 041	64 129	64 129	39 880	80 919	49 716	51 848
Financial position										
Total current assets	279 855	249 448	241 737	290 619	357 028	357 028	325 972	317 152	326 285	344 455
Total non current assets	592 064	659 597	646 884	676 939	687 483	687 483	652 470	721 137	703 354	681 839
Total current liabilities	80 774	77 989	71 597	170 961	186 745	186 745	97 747	184 199	195 586	187 419
Total non current liabilities	40 404	16 143	47 319	64 590	52 382	52 382	47 319	58 145	64 472	64 901
Community wealth/Equity	750 741	785 198	787 047	732 008	805 384	805 384	861 883	795 944	769 581	773 974
Cash flows										
Net cash from (used) operating	115 275	259 900	174 832	51 577	145 848	145 848	(80 689)	14 760	4 175	6 810
Net cash from (used) investing	24 345	92 479	89 290	-	-	-	89 722	(88 057)	(57 174)	(59 625)
Net cash from (used) financing	17	27	40	50	-	-	(107)	-	-	-
Cash/cash equivalents at the year end	344 991	544 672	425 347	183 021	292 247	292 247	155 324	144 813	91 814	38 999
Cash backing/surplus reconciliation										
Cash and investments available	192 265	161 185	146 398	183 021	292 247	292 247	218 321	144 813	117 057	132 747
Application of cash and investments	61 973	41 943	8 283	54 336	101 078	101 078	110 650	24 422	(2 898)	(14 080)
Balance - surplus (shortfall)	130 292	119 242	138 116	128 686	191 169	191 169	107 671	120 391	119 956	146 828
Asset management										
Asset register summary (WDV)	592 064	659 597	646 884	676 939	687 483	687 483	-	721 137	703 354	681 839
Depreciation	102 369	(8 085)	46 058	40 873	40 873	40 873	42 917	44 891	44 891	45 907
Renewal and Upgrading of Existing Assets	4 016	(31 413)	(40 665)	17 426	32 508	32 508	29 639	8 492	8 492	8 410
Repairs and Maintenance	16 664	71 662	52 140	52 513	45 229	45 229	44 389	54 372	54 372	46 112
Free services										
Cost of Free Basic Services provided	25	25	25	25	25	25	-	25	25	25
Revenue cost of free services provided	9 736	14 897	(2 581)	14 046	14 744	14 744	-	16 389	17 210	17 640
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-



UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Table 3 MBRR SA 18 – Transfers and grant receipts

KZN212 Umdoni - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		155 689	165 940	186 563	187 775	194 675	194 675	188 016	186 348	194 754
Operational Revenue:General Revenue:Equitable Share		151 763	162 218	173 612	182 950	182 950	182 950	182 765	182 132	190 351
Operational:Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Emergency Medical Service		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	3 000	3 000	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 976	1 772	1 601	1 249	1 249	1 249	1 385	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 950	1 950	1 950	1 900	1 900	1 900	2 000	2 200	2 300
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	9 400	-	3 899	3 899	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	1 676	1 676	1 676	1 866	2 016	2 103
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Programme and Project Preparation Support Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		9 731	10 268	9 417	10 976	13 068	13 068	12 554	11 960	12 519
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		9 731	10 268	9 417	10 976	13 068	13 068	12 554	11 960	12 519
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
All Grants		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	165 420	176 208	195 980	198 751	207 743	207 743	200 570	198 308	207 272
Capital Transfers and Grants										
National Government:		32 253	44 631	37 635	39 853	51 706	51 706	35 462	42 303	39 950
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		32 253	44 631	37 635	36 853	36 853	36 853	35 462	38 303	39 950
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Human Settlement		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	3 000	-	-	-	4 000	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	14 853	14 853	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		6 000	2 800	2 000	750	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		6 000	2 800	2 000	750	-	-	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
All Grants		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	38 253	47 431	39 635	40 603	51 706	51 706	35 462	42 303	39 950
TOTAL RECEIPTS OF TRANSFERS & GRANTS		203 673	223 639	235 615	239 354	259 448	259 448	236 032	240 611	247 223



2.6.1 Expenditure on grants and reconciliations of unspent funds

Table 2 MBRR SA19 - Expenditure on transfers and grant programmes



UMDONI MUNICIPALITY

DRAFT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

KZN212 Umdoni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		93 654	157 691	111 277	184 972	177 128	177 128	170 523	184 803	185 881
Operational Revenue: General Revenue: Equitable Share		88 334	151 588	101 940	175 113	165 403	165 403	165 271	176 587	181 563
Operational Revenue: General Revenue: Fuel Levy		-	-	-	-	-	-	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Agriculture Research and Technology		-	-	-	-	-	-	-	-	-
Agriculture, Conservation and Environmental		-	-	-	-	-	-	-	-	-
Arts and Culture Sustainable Resource Management		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Department of Environmental Affairs		-	-	-	-	-	-	-	-	-
Department of Tourism		-	-	-	-	-	-	-	-	-
Department of Water Affairs and Sanitation Masbambane		-	-	-	-	-	-	-	-	-
Emergency Medical Service		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	3 000	3 000	-	4 000	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 976	2 743	1 591	1 249	1 249	1 249	1 385	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 735	1 638	1 690	1 900	1 900	1 900	2 000	2 200	2 215
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	4 783	5 033	3 899	3 899	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Natural Resource Management Project		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Operation Clean Audit		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Public Service Improvement Facility		-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring - Seed Funding		-	-	-	-	-	-	-	-	-
Revenue Enhancement Grant Debtors Book		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Sport and Recreation		-	-	-	-	-	-	-	-	-
Terrestrial Invasive Alien Plants		-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		1 609	1 722	1 272	1 676	1 676	1 676	1 866	2 016	2 103
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Smart Connect Grant		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant		-	-	-	-	-	-	-	-	-
WiFi Grant [Department of Telecommunications and Postal Services		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Traditional Leaders - Imbizo		-	-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Restructuring Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Programme and Project Preparation Support Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		11 044	10 446	12 879	10 976	10 976	10 976	12 554	11 960	12 519
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		11 044	10 446	12 879	10 976	10 976	10 976	12 554	11 960	12 519
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		104 698	168 137	124 155	195 948	188 104	188 104	183 077	196 763	198 399
Capital expenditure of Transfers and Grants										
National Government:		35 220	37 290	25 269	34 654	44 961	44 961	30 836	49 629	51 848
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		35 220	37 133	25 210	32 046	32 046	32 046	30 836	49 629	51 848
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	2 609	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		-	157	59	-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	12 916	12 916	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		1 459	3 475	1 659	652	1 819	1 819	870	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		1 459	3 475	1 659	652	1 819	1 819	870	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
All Grants		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		36 679	40 765	26 929	35 307	46 780	46 780	31 706	49 629	51 848
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		141 378	208 902	151 084	231 254	234 884	234 884	214 783	246 392	250 248

2.6.2 COUNCILLOR AND EMPLOYEE BENEFITS

KZN212 Umdoni - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages	1	12 874	13 486	14 302	15 366	15 366	15 366	16 158	16 901	17 323
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		249	288	356	564	564	564	593	621	636
Cellphone Allowance		1 564	1 497	1 672	1 701	1 701	1 701	1 788	1 871	1 918
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		14 687	15 271	16 330	17 631	17 631	17 631	18 539	19 392	19 877
% increase	4		4,0%	6,9%	8,0%	-	-	5,1%	4,6%	2,5%
Senior Managers of the Municipality										
Basic Salaries and Wages	2	5 224	5 092	4 759	5 437	5 711	5 711	6 007	6 283	6 440
Pension and UIF Contributions		14	13	12	13	13	13	13	13	14
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	127	57	380	449	449	449	366	383	392
Cellphone Allowance	3	52	39	57	58	58	58	57	59	61
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	1	1	41	1	1	1	1	1	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 417	5 201	5 250	5 958	6 232	6 232	6 443	6 740	6 908
% increase	4		(4,0%)	0,9%	13,5%	4,6%	-	3,4%	4,6%	2,5%
Other Municipal Staff										
Basic Salaries and Wages		90 731	90 887	94 293	112 391	99 605	99 605	109 260	112 735	115 541
Pension and UIF Contributions		15 486	16 002	16 440	20 409	17 549	17 549	20 095	21 004	21 529
Medical Aid Contributions		6 280	6 439	6 996	11 154	9 795	9 795	8 007	8 374	8 583
Overtime		7 666	8 500	10 182	6 733	11 374	11 374	10 995	11 496	11 784
Performance Bonus		6 735	7 087	7 247	9 130	7 947	7 947	9 022	9 316	9 666
Motor Vehicle Allowance	3	-	-	-	83	83	83	78	82	84
Cellphone Allowance	3	204	233	234	279	260	260	249	261	267
Housing Allowances	3	405	459	524	2 097	681	681	1 967	2 057	2 109
Other benefits and allowances	3	2 210	2 375	2 116	2 210	2 137	2 137	2 306	2 412	2 472
Payments in lieu of leave		(2 499)	1 706	1 630	3 500	1 500	1 500	1 800	1 881	1 928
Long service awards		-	-	856	1 785	1 785	1 785	1 485	1 552	1 591
Post-retirement benefit obligations	6	4 153	6 753	4 066	4 278	4 278	4 278	4 278	4 474	4 586
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	(7)	26	730	1 393	1 393	1 982	2 072	2 124
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		131 370	140 433	144 611	174 779	158 388	158 388	171 525	177 716	182 264
% increase	4		6,9%	3,0%	20,9%	(9,4%)	-	8,3%	3,6%	2,6%
Total Parent Municipality										
		151 474	160 905	166 191	198 368	182 252	182 252	196 507	203 848	209 049
			6,2%	3,3%	19,4%	(8,1%)	-	7,8%	3,7%	2,6%



2.7 ANNUAL BUDGET AND SDBIP's – Internal Departments

SDBIP Document is tabled as a separate document.

2.9 LEGISLATION COMPLIANCE STATUS

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

All amendments to the supply chain regulations have been updated in the Municipal policy.

2.11 MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, A.N Dlamini, Municipal Manager of Umdoni Municipality , hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act, No.56 of 2003 and, to the extent as indicated in the budget documents, the regulations made under this Act, and that the annual budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

PRINT NAME: Mrs. A.N Dlamini

ACTING MUNICIPAL MANAGER OF: UMDONI MUNICIPALITY

SIGNATURE: _____

DATE: 23 MAY 2025