ANNUAL BUDGET OF

RICHMOND MUNICIPALITY

2024/2025 TO 2026/2027

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

BSC	Budget Steering Committee
CFO	Chief Financial Officer
MM	Municipal Manager
CPI	Consumer Price Index
DoRA	Division of Revenue Act
EE	Employment Equity
EM	Executive Mayor
FBS	Free basic services
GRAP	General Recognised Accounting Practice
HR	Human Resources
HSRC	Human Science Research Council
IDP	Integrated Development Strategy
IT	Information Technology
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act Programme
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MSCOA	Municipal Standard Chart of Accounts
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

1.1 Mayor's Report

We come along way as the citizens of Richmond, we have been negatively affected by national and provincial economic restraints due to the Corona Virus Pandemic our Richmond was also affected by looting that took place during the 12th of July 2021 that further weakened our economic potential to recover, further there were disastrous floods that left communities homeless during April 2022 and lastly load-shedding that is becoming more persistent and prolonged which impacting on service delivery and threatening the survival of many businesses.

Richmond local municipality is no exception to these economic restraints, as a result the budget being presented today has considered cost saving mechanisms while ensuring maximum service delivery and financial sustainability for the municipality.

We have listened to the needs of Richmond Community and carefully planned programmes and projects to respond to the challenges raised during the public consultation engagements which were held in November 2023.

Therefore, consideration has been given to all the requests received during our community engagements and outcome-based plans are being prepared to ensure that service is delivered in a cost effective and efficient manner.

We remain committed to the realization of our five Key Performance Areas which are:
- Good Governance and Public Participation
- Basic Infrastructure and Service Delivery
- Local Economic Development
- Municipal Financial Viability and
- Municipal Transformation and Organizational Development

……
His Worship the Mayor
Richmond Local Municipality

1.2 Council Resolutions

1.1 The Council of Richmond Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

1.1.1 The Draft Budget of the municipality for the financial year 2024/2025 and the multi-year and single-year capital appropriations as set out in the following tables:

1.1.2 Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;

1.1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;

1.1.4 Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4; and

1.1.5 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.

1.2 The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

1.2.1 Budgeted Financial Position as contained in Table A6;

1.2.2 Budgeted Cash Flows as contained in Table A7;

1.2.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;

1.2.4 Asset management as contained in Table A9; and

1.2.5 Basic service delivery measurement as contained in Table A10.

1.3 The Council of Richmond Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2021:

1.3.1 the tariffs for property rates – as set out in Annexure A1,

1.3.2 the tariffs for solid waste services – as set out in Annexure A3

1.3.3 The Council of Richmond Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2024 the tariffs for other services, as set out in Annexure A1 to A5 respectively.

1.4 To give proper effect to the municipality's annual budget, the Council of Richmond Municipality approves:

1.4.1 That cash backing is implemented as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

1.5 That in terms of section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium-term revenue and expenditure framework as set out in Supporting Table SA7 are approved.

1.6 That in terms of section 24(2)(c)(iv) of the Municipal Finance Management Act, 56 of 2003, the amendments to the integrated development plan as set out in Budget Chapter 17 are approved.

1.7 That in terms of section 24(2)(c)(v) of the Municipal Finance Management Act, 56 of 2003, the budget related policies, including any amendments are approved for the budget year 2024/2025, for the following policies:

1.7.1 Asset Management Policy
1.7.2 Borrowings Policy
1.7.3 Budget Policy
1.7.4 Cash Management and Investment Policy
1.7.5 Rates Policy
1.7.6 Rates By Laws
1.7.7 Debt Collection and Credit control Policy
1.7.8 Funds and Reserve Policy
1.7.9 Indigent and Free Basic Service Policy
1.7.10 Infrastructure and Capital plan Policy
1.7.11 Long term financial Plan policy
1.7.12 Supply Chain Management Policy
1.7.13 Tariff Setting Policy
1.7.14 Virement Policy

1.8 That in terms of sections 22(2)(b) of the Municipal Finance Management Act read together with section 23(3) of the Municipal Budget and Reporting Regulations, council approves an application to National Treasury for the roll-over of any unspent balances (if applicable) of the 2023/24.

1.9 The Draft Service standards document is noted by council

.

1.3 Executive Summary

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

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and „nice to have" items.
It is about sticking to our plans despite challenging circumstances. The municipality's aim is to eliminate wasteful spending and reduce it on non-critical items so as to sustain service delivery and maintain strong public finances.
The Municipality will embark on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers by implementing the debt collection and credit control policy as well as the implementation of the approved revenue enhancement strategy.

National Treasury's MFMA Circular No. 51,54, 55,57,58,59,66,67,70,72, 74, 75,78,79,82,85, 86, 89, 90, 91, 93, 94, 97, 98, 99, 107, 108, 112, 115 and 123 were used to guide the compilation of the 2023/24 MTREF.

The main challenges experienced during the compilation of the 2023/24 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained roads and other infrastructure assets;
- The need to reprioritize projects and expenditure within the existing resource envelope given the available sources of funding;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies which makes it difficult to maintain the salaries budget within the acceptable norm as a percentage of the total operating budget; and

Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2024/25 MTREF process

The following budget principles and guidelines directly informed the compilation of the 2024/25 MTREF:

- The 2023/24 Adjustments Budget priorities and targets;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI. In addition, tariffs need to remain or move towards being cost reflective, and should consider the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been Gazetted as required by the annual Division of Revenue Act; and
- Local Government budget and Financial reforms: Regulation of a "Standard Chart of Accounts' (SCOA) for local government.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2024/25 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2024/25 MTREF

R thousand	Adjustmnet Budget	2024/25 Medium Term Revenue & Expenditure Framework		
		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Operating Revenue	164,287	150,764	157,914	160,940
Total Operating Expenditure	176,620	170,916	179,212	183,191
Surplus / (Deficit for the year)	(12,333)	(20,152)	(21,298)	(22,251)
Total Capital Expenditure	23,990	24,020	22,861	24,464

Total operating revenue has decreased by 8 per cent or R 13.5 million for the 2024/25 budget year when compared to the 2023/24 Adjusted Budget. For the two outer years, operational revenue will increase on average by 3%. The reduction in revenue in the budget year 2024/25 can be attributed to the once off gains on disposal of land included in the 2023/2024 financial year.

Total operating expenditure for the 2023/24 financial year has been appropriated at R170.9 million and translates into a budgeted deficit of R 20.2 million. When compared to the 2023/24 Adjusted Budget, operational expenditure has been reduced by 3% in the 2024/25 budget. The operational expenditure has been increased by an inflationary increment of 4.6% in the 2025/26 financial year and 4.5% in the 2026/27 financial year. The operating expenditure for 2024/25 has been appropriated after considering all budget inputs from the community through IDP engagements in November 2023. Furthermore, the budget is stated through the application of zero-based budgeting principles in most of the votes.

The capital budget of R 24 million for 2024/25 is 0% less when compared to the 2023/24 Adjustment Budget. Capital budget slightly decrease in 2025/26 to R 23 million and R24 million in the 2026/27 budget year respectively. A marginal portion of the capital budget will be funded from internal funds over MTREF whilst the balance will be funded from conditional grants. Consequently, the capital budget remains relatively flat over the outer years.

Excluded from the above Capital budget is the amount of R 3,1 million relating to the Integrated National Electrification Programme (INEP) arrangements. More information regarding this matter is included below under "capital expenditure details"

1.4 Operating Revenue Framework

For Richmond Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components;

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management which aims to aims to ensure an 85% percent annual collection rate for rates and other service charges;
- The municipality's Property Rates Policy approved in terms of the Municipal Property rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recovers costs;
- The municipality's Indigent Policy and rendering of Free Basic Services;
- The Tariff Policy of the municipality;

Management have further adopted a conservative approach when projecting revenue and cash receipts. Council has also carefully considered the affordability of tariff increases, especially as it relates to domestic consumers whilst considering the level of service versus the associated cost. Particular attention was paid to managing revenue effectively and evaluating all spending decisions.

Table 2 Summary of revenue classified by main revenue source

KZN227 Richmond - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	777	923	966	1,145	1,145	1,145	1,145	1,079	1,128	1,180
Sale of Goods and Rendering of Services		506	436	326	381	8,421	8,421	8,421	3,571	4,603	510
Agency services		–	–	–	–	–	–	–	–	–	–
Interest		94	99	130	147	136	136	136	144	150	157
Interest earned from Receivables		233	297	278	318	298	298	298	299	313	327
Interest earned from Current and Non Current Assets		1,114	1,263	2,779	2,740	3,693	3,693	3,693	3,602	3,768	3,941
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1,004	1,089	1,098	1,096	1,096	1,096	1,096	910	952	996
Licence and permits		5	(0)	12	20	13	13	13	13	13	14
Operational Revenue		375	786	1,010	746	1,028	1,028	1,028	945	777	813
Non-Exchange Revenue											
Property rates	2	18,494	19,285	27,115	28,446	28,446	28,446	28,446	28,889	30,218	31,608
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		4,517	4,356	4,417	5,247	3,739	3,739	3,739	2,376	2,485	2,600
Licences or permits		1,303	1,935	2,553	3,027	2,851	2,851	2,851	2,723	2,848	2,979
Transfer and subsidies - Operational		97,079	85,161	98,785	100,757	102,991	102,991	102,991	106,214	110,658	115,816
Interest		–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	(180)	(196)	10,432	10,432	10,432	10,432	–	–	–
Other Gains		(3,390)	22	1,482	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and cont		**122,111**	**115,471**	**140,756**	**154,499**	**164,287**	**164,287**	**164,287**	**150,764**	**157,914**	**160,940**

Table 3 Percentage growth in revenue by main revenue source

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from **rates and services charges** forms an insignificant percentage of the revenue basket for the Richmond Municipality when compared to Transfers and Subsidies. Rates and service charges revenues comprise less than 25 per cent of the total revenue mix. In the 2024/25 financial year, revenue from rates and services charges totaled R29.9 million or 20 per cent. This increased to R31 million and R32.8 million in the respective outer financial years of the MTREF.

Property rates is the second largest revenue source totaling R29 million or 19 per cent. This increased to R30 million and R31.6 million in the respective outer financial years of the MTREF.

Operating grants and transfers totals R 106 million in the 2024/25 financial year and remained fairly the same at R 106 million in 2025/26 with a slightly reduction in 2026/27 financial year. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

KZN227 Richmond - Supporting Table SA18 Transfers and grant receipts

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		88,563	98,265	96,653	97,057	97,057	72,764	102,354	105,593	110,586
Expanded Public Works Programme Integrated Grant		118	1,101	1,287	1,125	1,125	1,125	1,410	–	–
Local Government Financial Management Grant		–	1,850	1,950	1,950	1,950	1,950	1,900	2,000	2,200
Municipal Infrastructure Grant		(802)	16,889	7,000	1,063	1,063	–	1,049	1,091	1,168
Equitable Share		89,247	78,425	86,416	92,919	92,919	69,689	97,995	102,503	107,218
Provincial Government:		**(608)**	**3,048**	**6,454**	**3,700**	**3,700**	**3,700**	**3,860**	**5,065**	**5,230**
Rehabilitation of Nelson Street SMME's		–	–	–	–	–	500	–	–	–
Provincial Library		80	–	3,200	3,700	3,700	3,200	–	–	–
Specify (Add grant description)		–	–	3,000	–	–	–	–	–	–
Provincial Library		(199)	3,048	254	–	–	–	3,860	5,065	5,230
Specify (Add grant description)		(489)	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	**87,955**	**101,313**	**103,107**	**100,757**	**100,757**	**76,464**	**106,214**	**110,658**	**115,816**
Capital Transfers and Grants										
National Government:		50	17,010	16,211	30,109	28,688	21,092	19,925	20,720	22,197
Municipal Infrastructure Grant		50	10,377	13,511	20,189	18,768	18,592	19,925	20,720	22,197
Integrated National Electrification Programme Grant		–	6,633	2,700	9,920	9,920	2,500	–	–	–
Provincial Government:		(9,083)	121	5,440	–	–	–	2,200	–	–
Informal Economy Infrastructure- LED		–	–	–	–	–	–	1,000	–	–
Specify (Add grant description)		104	121	240	–	–	–	–	–	–
Specify (Add grant description)		(9,187)	–	5,200	–	–	–	–	–	–
Rehabilitation of Nelson Street SMME Units		–	–	–	–	–	–	1,200	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	**(9,033)**	**17,131**	**21,651**	**30,109**	**28,688**	**21,092**	**22,125**	**20,720**	**22,197**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	78,922	118,443	124,758	130,866	129,445	97,556	128,339	131,378	138,013

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were considered to ensure the financial sustainability of the municipality. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. The municipality has provisionally increased rates and domestic refuse charges by 4.9%.

1.4.1 Property Rates

The municipality has applied a 4.9% tariff increase in the property rates for the 2024/25 budget year. **The property values have decreased from R 4 822 929 900 in the 2023/24 financial year to R 4,796,499,500 in the 2023/24 budget year.** The property value decrease is a result of the objections received after the implementation of the new General Valuation Roll in the 2022/23 financial year. The new valuation roll is to be implemented in the 2023/24 financial year. The properties categories that were affected by the decrease are Residential properties (R 1 804 400), Industrial/Commercial properties (R 1,429,000), Agricultural properties (R 8,919,000) and Public Service Purpose properties (R 14,278,000). Moreover, the Public Service Purpose properties and industrial properties are the highest revenue generating categories in terms of tariff and Agricultural properties in terms of quantity of properties.

In accordance with Section 32 (1) of the Municipal Property rates Act No. 6 of 2004, the municipality had compiled a new valuation roll effective 1 July 2022. 2024/2025 would be the third year of implementation of the valuation roll.

Property rates contribute towards covering the costs of the provision of general services. National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the MPRA, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the municipality has been amended accordingly.

The Property Rates Policy has been amended to implement the provisions of Section 93A of the Municipal Property Rates Amendment Act, 2014 (MPRA) on Transitional arrangement: Public Service Infrastructure; which states: -

(1) The prohibition on the levying of rates on public service infrastructure referred to in section 17(1)(a)(A) must be phased in over a period of five municipal financial years, with effect from the date of commencement of this Act.

(2) The rates levied on property referred to in subsection (1) must-

a) In the first year, be no more than 80 per cent of the rate for that year otherwise applicable to that property;

b) In the second year, be no more than 60 per cent of the rate for that year otherwise applicable to that property;
c) In the third year, be no more than 40 per cent of the rate for that year otherwise applicable to that property;
d) In the fourth year be no more than 20 per cent of the rate for that year otherwise applicable to the property; and
e) In the fifth year, be no more than 10 per cent of the rate for that year otherwise applicable to that property

The following stipulations in the Property Rates Policy are highlighted:

- The first R 15 000 of the market value of a residential property is excluded from the ratable value (Section 17h of the MPRA). In addition to this rebate, a further R 35 000 reduction on the market value of a residential property will be granted in terms of the municipality's property rates policy;
- Rebates will be granted to registered indigents in terms of the Indigent Policy;
- For the aged a maximum rebate of 80 per cent will be granted to the owners of residential ratable property. In this regard the following stipulations are relevant:
- The ratable property concerned must be occupied only by the applicant and his/her spouse, if any. (Other stipulations are contained in the policy)
- The municipality may grant a 100 per cent grant-in-aid on the assessment rates of ratable properties of certain classes such as registered welfare organizations provided they are registered and comply with the requirements as referred to in the Property rates Policy.
- The municipality has resolved to further reduce the value upon which rates will be levied by an amount not exceeding R100 000 in respect of all agricultural properties which are bona fide farmers.

Table 5 Comparison of proposed rates to levied for the 2024/25 financial year:

Property Rate Category	Current Tariff (1 July 2022)	Proposed Tariff (from 1 July 2023)	% Increase	Rate Ratio
Residential Property	0.00881224	0.00924404	4.90%	1
Business, Commercial and industrial property	0.01779090	0.01866265	4.90%	2
Vacant Land	0.02679056	0.02810330	4.90%	3
Agricultural Property	0.00220303	0.00231098	4.90%	0.25
Public Service Purposes	0.01779090	0.01866265	4.90%	2
Public Service Infrastructure	0.00220303	0.00231098	4.90%	0.25
Public benefit organization property	0.00220303	0.00231098	4.90%	0.25
Place of worship S17(I)	0.00220303	0.00231098	4.90%	0.25
Municipal	0.00220303	0.00231098	4.90%	0.25
Protected area S17 ('E)	0.00220303	0.00231098	4.90%	0.25

1.4.2 Refuse Removal and Impact of Tariff Increases

Currently waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long term. The municipality has therefore reviewed the tariffs in respect of commercial users and attempted to apply an increase that would address this issue. Further to the above the tariff charge will be raised per unit and not per property.

A 4.9 per cent increase in the waste removal tariff for domestic and commercial users is proposed from 1 July 2024. Currently indigent residential consumers are subsidized in full for refuse removal.

Table 6 Comparison between current waste removal fees and increases

Category	Current Tariffs 2024/25	Proposed Tariffs 2024/25	% Increase
Refuse removal residential once a week	56.52	59.29	4.9%
Refuse – Residential complex	870.75	913.42	4.9%
Commercial twice a week	449.85	471.89	4.9%
Commercial five times a week	1740.50	1,825.78	4.9%
Commercial bulk	3483.00	3,653.67	4.9%
Commercial daily	4179.60	4,384.40	4.9%
Hire of Skipper bin	4798.02	5,033.12	4.9%

The Indigent and Basic Services Policy state that; In respect of household refuse removal, the relief granted shall be a rebate of 100% on the monthly amount billed for the service concerned. Furthermore, the relief shall be granted to households living on properties with a market value of not more than R200 000, which can be classified as low-cost housing".

Based on the policy the municipality has estimated an amount of R 362 936 to be deemed as income forgone in respect of refuse removal for households receiving the service at no cost.

1.4.3 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been increased by 4.9%

Table 7 MBRR Table SA14 – Household bills

KZN227 Richmond - Supporting Table SA14 Household bills											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent								% incr.			
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		329.49	163.18	179.89	323.79	323.79	323.79	0.00%	323.79	343.22	363.81
Electricity: Basic levy											
Electricity: Consumption		40.83	42.46	31.37	46.40	46.40	46.40	16.00%	53.83	57.06	60.48
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal		33.71	35.73	40.15	42.72	42.72	42.72	6.00%	45.28	48.00	50.88
Other											
sub-total		404.03	241.37	251.40	412.91	412.91	412.91	2.4%	422.90	448.28	475.17
VAT on Services											
Total large household bill:		404.03	241.37	251.40	412.91	412.91	412.91	2.4%	422.90	448.28	475.17
% increase/-decrease			(40.3%)	4.2%	64.2%	–	–		2.4%	6.0%	6.0%

1.4.4 Rental of facilities and Equipment

The municipality has decreased the budget for rental of facilities and equipment from R 1.096 million in the 2023/24 adjustment budget to R910 thousands in the 2024/25 budget year. This decrease is due to anticipated revenue based on the rental register for active tenants. The CPI was further applied in the 2025/26 and 2026/27 outer years.

1.4.5 Interest earned from External Investments

The municipality has budgeted for a 2.4% decrease in the Interest Earned from External Investments for the 2024/2025 budget year which is aligned with the latest interest rate market is SA. The Municipality will continue implementing aggressive investment strategies in the 2024/2025 financial year to maximize returns. The CPI was further applied in the 2025/26 and 2026/27 outer years.

1.4.6 Fines, penalties and forfeits

The municipal council took a resolution to exclude some of the government accounts from levying of interest and collection charges whilst the municipality performs a data cleansing exercise to ensure that bills are sent to the correct account holders. This has reduced the amount of revenue to be derived from fines, penalties and forfeits by 36%. The CPI was further applied in the 2025/26 and 2026/27 outer years.

1.4.7 Licenses and permits

The municipality has applied a CPI percentage increment for license and permits that resulting to the budget being increased by only 4.9% .The CPI was further applied in the 2025/26 and 2026/27 outer years.

1.4.8 Transfers recognized- operational

Transfers recognized operational contributes to about 70 per cent of the total operating income of the municipality.

The municipality needs to investigate other sources of revenue through the implementation of its revenue enhancement strategy. Raising income continues to be a challenge for the municipality as we do not render services such as water, sanitation or electricity. The municipality has also taken cognizance of the fact that its tariffs are not cost reflective and would need to align tariffs accordingly.

1.4.9 Other operational Revenue

The municipality has budgeted for other income at R 945 Thousand in the 2024/25 budget year. This is a decrease when compared to the 2023/2024 financial year, as previously highlighted the land sale is a once off that should take place during the 2023/24 financial year only hence the decrease in 2024/2025. The CPI was further applied in the 2025/26 and 2026/27 outer years.

1.5 Operating Expenditure Framework

The Richmond's expenditure framework for the 2024/25 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2024/25 budget and MTREF (classified per main type of operating expenditure):

Table 8 Summary of operating expenditure by standard classification item

KZN227 Richmond - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure											
Employee related costs	2	54,672	60,315	64,238	68,613	68,613	68,613	68,613	73,130	76,059	79,597
Remuneration of councillors		5,773	5,977	6,051	6,881	6,881	6,881	6,881	7,219	7,551	7,898
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	4,520	4,972	7,437	8,664	5,164	5,164	5,164	4,725	4,942	5,170
Debt impairment	3	1,452	4,604	160	5,000	7,000	7,000	7,000	6,782	7,094	7,420
Depreciation and amortisation		22,847	20,469	14,955	22,241	19,500	19,500	19,500	20,456	21,396	22,381
Interest		197	296	360	402	402	402	402	421	441	461
Contracted services		25,464	28,089	30,594	31,217	41,975	41,975	41,975	33,324	35,738	33,077
Transfers and subsidies		563	590	556	600	600	600	600	-	-	-
Irrecoverable debts written off		–	–	12,801	–	–	–	–	–	–	–
Operational costs		11,419	16,170	18,408	22,517	26,486	26,486	26,486	24,860	25,992	27,187
Losses on disposal of Assets		92	–	–	–	–	–	–	–	–	–
Other Losses		–	182	–	–	–	–	–	–	–	–
Total Expenditure		**126,999**	**141,664**	**155,561**	**166,135**	**176,620**	**176,620**	**176,620**	**170,916**	**179,212**	**183,191**

Table 9 Percentage growth in operating expenditure by main expenditure source

Description	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	%	Budget Year 2024/25	%	Budget Year +1 2025/26	%	Budget Year +2 2026/27	%
Employee related costs	68,613	39%	73,130	43%	76,059	42%	79,597	43%
Remuneration of councillors	6,881	4%	7,219	4%	7,551	4%	7,898	4%
Debt impairment	7,000	4%	6,782	4%	7,094	4%	7,420	4%
Depreciation & asset impairment	19,500	11%	20,456	12%	21,396	12%	22,381	12%
Finance charges	402	0%	421	0%	441	0%	461	0%
Inventory consumed	5,164	3%	4,725	3%	4,942	3%	5,170	3%
Contracted services	41,975	24%	33,324	19%	35,738	20%	33,077	18%
Transfers and subsidies	600	0%	0	0%	0	0%	0	0%
Other expenditure	26,486	15%	24,860	15%	25,992	15%	27,187	15%
Total Expenditure	**176,621**	**100%**	**170,917**	**100%**	**179,213**	**100%**	**183,191**	**100%**

1.5.1 Employee Related Costs

The budgeted allocation for employee related costs for the 2024/25 financial year totals R73 million, which equals 43% of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 7 per cent for the 2024/25 financial year.

An annual increase of 4.6 per cent has been included for the budget outer years. The budget has also been drawn up considering the budgeting for applicable annual notch increases.

The municipality understands that sustainable job creation remains a national priority and in finalizing the 2024/2025 budget and MTREFs, the municipality has explored opportunities to promote labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme.

1.5.2 Remuneration of Councilors

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). A 5 per cent increase has been factored into the budget for the 2024/25 financial year.

The municipality is legislated to have a full-time mayor, full time speaker, full time deputy mayor, part time member of the executive committee and part time councilors. The positions of full-time speaker and deputy mayor were Gazetted and effective from April.

1.5.3 Depreciation

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate

asset consumption. Budget appropriations in this regard total R21 million for the 2024/25 financial and equates to 12 per cent of the total operating expenditure.

1.5.4 Finance charges

The finance charges budgeted for under Table A4 relates to bank charges and finance charges on the lease of Photocopiers.

1.5.5 Inventory Consumed

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. During the compilation of the 2024/2025 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure.

The level of budgeted Repairs and Maintenance expenditure expressed as a percentage of the asset values is approximately 3 per cent. This is just below the norm of 8 per cent as required by MFMA circular 55. The municipality however budgets as per the maintenance plans and is confident that the budget would adequately secure the on-going health of the municipalities' infrastructure and assets.

1.5.6 Debt Impairment

An amount of R 7 million has been set aside as the provision for debt impairment, this budget was determined after taking into consideration the following:

- Municipal approved policy on Debt Collection and Credit Control,
- The impairment provision processed in the 2023/24 financial year,
- The expected provision for impairment and write-offs in the 2024/25,
- Revenue Collection Initiatives being implemented,
- Property Rates having a 30-year prescription period and possibility of recovery through property sale,
- Targeted average collection rate of 85 per cent (considering old debt and current billing).

See further narration on under Budget Assumption Section of this document.

While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

1.5.7 Contracted Services

The municipality has budgeted R 33 million for Contracted Services which is a reduction from R 42 million when compared to the adjusted budget for 2023/2024. This is due to the reduction of in the amount for budgeted for electrification project funded under the INEP grant.

Furthermore, the contracted services have been identified as a cost saving area for the Richmond Municipality. As part of the compilation of the 2024/25 MTREF this group of expenditure was critically evaluated, and operational inefficiencies were noted.

As part of the process of identifying further cost efficiencies, a business process reengineering project commenced in the 2023/24 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise has been factored into the budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 64 MBRR SA1

1.5.8 Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The expenditure was reduced by 6% from the adjustment budget. The reduction amounted to R 2 million and this was achieved through identifying and reducing non-service delivery expenditure.

It is expected that the municipality's cost containment initiatives will be fully implemented. The cost containment initiatives will target areas on inefficiencies in the municipality.

The following table gives a breakdown of the main expenditure categories for the 2023/24 financial year.

Figure 1 Main operational expenditure categories for the 2024/25 financial year

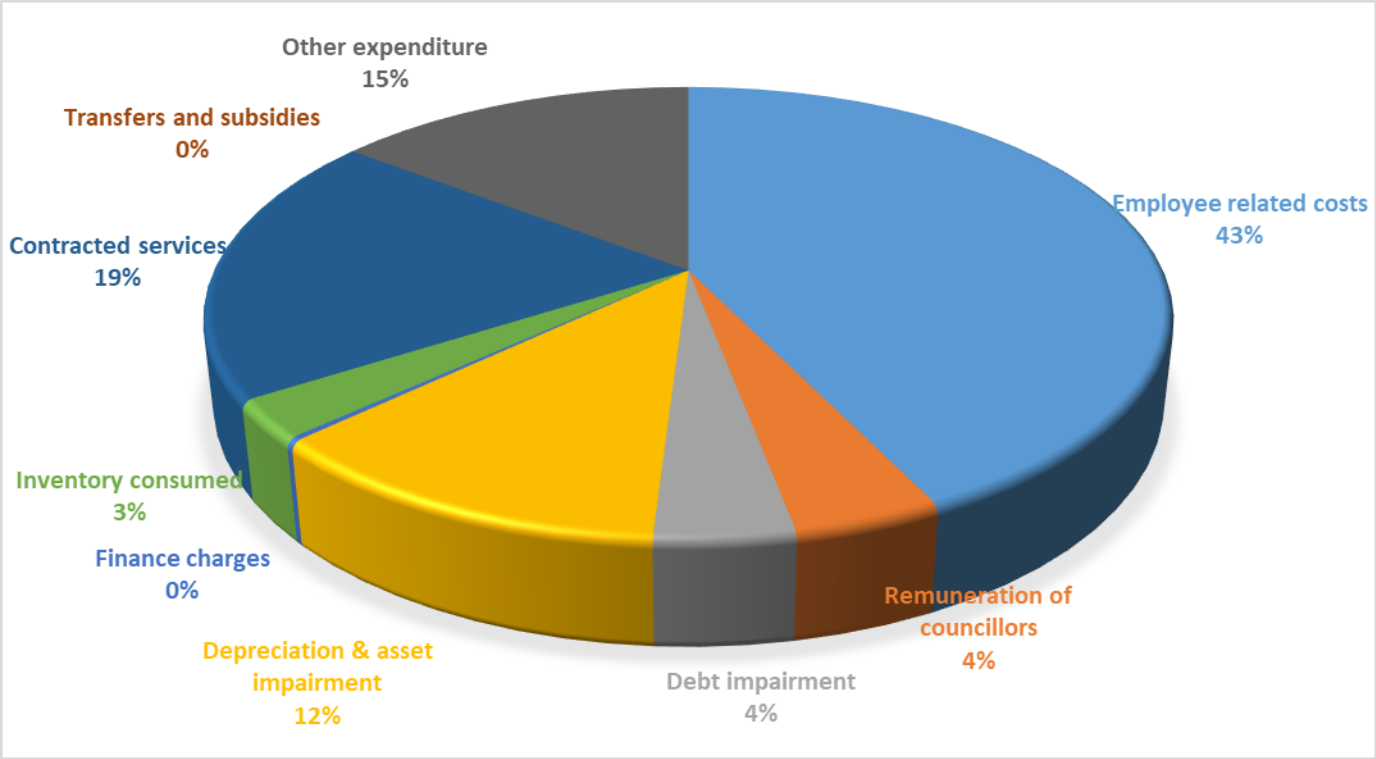

Table 10 Repairs and maintenance per asset class

R thousands		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
Infrastructure		**1,149**	**1,740**	**4,219**	**4,850**	**4,151**	**4,151**	**2,775**	**2,902**	**3,033**
Roads Infrastructure		1,055	1,640	4,135	4,750	4,051	4,051	2,675	2,798	2,923
Roads		955	1,640	3,642	4,250	3,551	3,551	2,150	2,249	2,350
Capital Spares				493	500	500	500	525	549	573
Storm water Infrastructure		94	100	84	100	100	100	100	105	109
Drainage Collection		94	100	84	100	100	100	100	105	109
Community Assets		**288**	**605**	**1,284**	**1,980**	**1,170**	**1,170**	**807**	**844**	**882**
Community Facilities		288	605	1,284	1,980	1,102	1,102	735	769	804
Halls		150	459	1,165	1,980	1,062	1,062	667	698	730
Libraries		137	147	120		40	40	68	71	74
Sport and Recreation Facilities		-	-	-	-	68	68	71	74	78
Indoor Facilities						68	68	71	74	78
Other assets		**137**	**50**	**104**	**145**	**54**	**54**	**86**	**90**	**94**
Operational Buildings		137	50	104	145	54	54	86	90	94
Municipal Offices		137	50	104	145	54	54	86	90	94
Machinery and Equipment		212	222	454	275	562	562	552	578	604
Machinery and Equipment		212	222	454	275	562	562	552	578	604
Transport Assets		4,354	4,333	6,858	6,094	7,854	7,854	6,805	7,118	7,439
Transport Assets		4,354	4,333	6,858	6,094	7,854	7,854	6,805	7,118	7,439
Total Capital Expenditure on new assets		**6,139**	**6,950**	**12,919**	**13,344**	**13,791**	**13,791**	**11,025**	**11,532**	**12,051**

1.5.9 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services households are required to register in terms of the Municipality Indigent Policy. The municipality has in the 2024/2025 year undertaken to register all indigents and thereby create an updated indigent register.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The amount under transfers and grants made by municipalities includes;

- Free basic electricity
- Free Basic Refuse;
- Rebates on Rates offers to indigent
- Rebates on Rates offered to Pensioners

Specific items included in other operational expenditure:

The following items are included in the budget to respond to the needs of the community as raised during community engagement:

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 11 2024/25 Medium-term capital budget per vote

KZN227 Richmond - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional											
Governance and administration		**5,169**	**903**	**2,692**	**1,980**	**3,488**	**3,488**	**3,488**	**1,398**	**1,462**	**1,530**
Executive and council		864	7	749	90	1,007	1,007	1,007	380	397	416
Finance and administration		4,304	896	1,943	1,890	2,481	2,481	2,481	1,018	1,065	1,114
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**166**	**210**	**6,520**	**380**	**60**	**60**	**60**	**338**	**520**	**543**
Community and social services		268	210	6,520	380	60	60	60	188	363	379
Sport and recreation		(102)	–	–	–	–	–	–	150	157	164
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**76,991**	**34,352**	**44,039**	**21,964**	**20,442**	**20,442**	**20,442**	**22,284**	**20,879**	**22,391**
Planning and development		1,012	101	192	10	25	25	25	2,260	63	66
Road transport		75,979	34,252	43,848	21,954	20,417	20,417	20,417	20,024	20,816	22,325
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Energy sources		–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**82,325**	**35,466**	**53,252**	**24,324**	**23,990**	**23,990**	**23,990**	**24,020**	**22,861**	**24,464**

The following tables represent in detail how Richmond local municipality anticipate on spending its capital budget. Consideration has been given to all requests received during community engagements.

Municipal Infrastructure grant

Number	Projects	Amount
1	Upgrade of Greater Indaleni Passages - Upgrading of Slahla Access Road to Black Top Surface in Ward 2	3,053,508
2	Upgrading of Stormwater in Ward 7 (Khetho to Mjintini)	16,871,792
		19,925,300

Integrated National Electrification Programme (INEP)

Funding	Projects	Amount
1	Slahla Sigcakini Electrification Project	776,250.00
2	Mthunzini-Lindelani Electrification Project	776,250.00
3	Mcsteel - Masonite Electrification Project	776,250.00
4	Mpofane - Nkumane Electrification Project	776,250.00
Total		**3,105,000.00**

It is to be noted that Richmond local municipality does not deal with electricity supply, however it acts an agent to ensure that the Richmond community has electricity supply.

Table 12 2023/24 Medium-term capital budget by funding source

KZN227 Richmond - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Funded by:											
National Government		19,362	33,539	40,175	20,139	19,287	19,287	19,287	19,925	20,713	22,217
Provincial Government		90	119	8,526	–	–	–	–	2,388	197	206
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**19,452**	**33,658**	**48,701**	**20,139**	**19,287**	**19,287**	**19,287**	**22,314**	**20,910**	**22,423**

The municipality is highly dependent on grants for the delivery of capital projects. As an alternative source of funding the municipality has gone out to tender for service providers to source alternate funding for the municipality.

1.7 Annual Budget Tables - Parent Municipality

The following pages present the **ten main** budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2022/23 budget and MTREF as approved by the Council.

Table 13 MBRR Table A1 - Budget Summary

KZN227 Richmond - Table A1 Budget Summary										
Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance										
Property rates	18,494	19,285	27,115	28,446	28,446	28,446	28,446	28,889	30,218	31,608
Service charges	777	923	966	1,145	1,145	1,145	1,145	1,079	1,128	1,180
Investment revenue	1,114	1,263	2,779	2,740	3,693	3,693	3,693	3,602	3,768	3,941
Transfer and subsidies - Operational	97,079	85,161	98,785	100,757	102,991	102,991	102,991	106,214	110,658	115,816
Other own revenue	4,647	8,839	11,111	21,412	28,013	28,013	28,013	10,981	12,142	8,395
Total Revenue (excluding capital transfers and contributions)	122,111	115,471	140,756	154,499	164,287	164,287	164,287	150,764	157,914	160,940
Employee costs	54,672	60,315	64,238	68,613	68,613	68,613	68,613	73,130	76,059	79,597
Remuneration of councillors	5,773	5,977	6,051	6,881	6,881	6,881	6,881	7,219	7,551	7,898
Depreciation and amortisation	22,847	20,469	14,955	22,241	19,500	19,500	19,500	20,456	21,396	22,381
Interest	197	296	360	402	402	402	402	421	441	461
Inventory consumed and bulk purchases	4,520	4,972	7,437	8,664	5,164	5,164	5,164	4,725	4,942	5,170
Transfers and subsidies	563	590	556	600	600	600	600	–	–	–
Other expenditure	38,426	49,045	61,963	58,735	75,460	75,460	75,460	64,966	68,823	67,684
Total Expenditure	126,999	141,664	155,561	166,135	176,620	176,620	176,620	170,916	179,212	183,191
Surplus/(Deficit)	(4,887)	(26,193)	(14,805)	(11,636)	(12,333)	(12,333)	(12,333)	(20,152)	(21,298)	(22,250)
Transfers and subsidies - capital (monetary allocations)	27,257	26,810	20,134	20,189	19,696	19,696	19,696	22,125	20,720	22,197
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	22,369	616	5,329	8,553	7,363	7,363	7,363	1,973	(578)	(53)
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	22,369	616	5,329	8,553	7,363	7,363	7,363	1,973	(578)	(53)
Capital expenditure & funds sources										
Capital expenditure	82,325	35,466	53,252	24,324	23,990	23,990	23,990	24,020	22,861	24,464
Transfers recognised - capital	19,452	33,658	48,701	20,139	19,287	19,287	19,287	22,314	20,910	22,423
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	18,035	1,312	3,808	4,185	4,703	4,703	4,703	1,047	1,260	1,318
Total sources of capital funds	37,487	34,970	52,509	24,324	23,990	23,990	23,990	23,360	22,170	23,742
Financial position										
Total current assets	43,659	40,613	31,173	54,993	51,171	51,171	51,171	40,123	47,967	56,665
Total non current assets	358,552	359,148	367,939	362,778	366,137	366,137	366,137	377,630	376,041	376,659
Total current liabilities	33,570	28,873	22,542	(1,389)	(663)	(663)	(1,522)	20,053	21,122	21,756
Total non current liabilities	16,480	18,105	18,458	17,726	17,726	17,726	17,726	16,664	17,048	17,065
TOTAL COMMUNITY WEALTH/EQUITY	352,161	352,783	358,112	401,434	400,244	400,244	400,244	381,037	385,838	394,503
Cash flows										
Net cash from (used) operating	180,710	273,697	243,936	43,382	38,602	38,602	38,602	12,115	13,372	14,579
Net cash from (used) investing	(40,026)	(27,368)	(28,249)	(24,324)	(24,941)	(24,941)	(24,941)	(24,179)	(22,990)	(24,047)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	140,684	267,371	242,590	43,746	38,349	38,349	38,349	9,531	(87)	(9,555)
Cash backing/surplus reconciliation										
Non current Investments	4,724	11,079	7,279	18,020	14,858	14,858	14,858	4,527	4,527	4,527
Statutory requirements	30,900	22,723	15,624	58,838	49,885	49,885	49,885	20,391	27,030	36,003
Balance - surplus (shortfall)	(26,176)	(11,643)	(8,344)	(40,818)	(35,026)	(35,026)	(35,026)	(15,864)	(22,504)	(31,477)
Asset management										
Asset register summary (WDV)	342,748	338,249	350,796	340,101	343,460	343,460		355,687	354,086	354,013
Depreciation	20,212	19,685	16,015	22,241	19,500	19,500		20,456	21,396	22,381
Renewal and Upgrading of Existing Assets	41,081	11,828	15,607	11,353	10,501	10,501		21,785	21,403	22,939
Repairs and Maintenance	6,139	6,950	12,919	13,344	13,298	13,298		11,655	12,191	12,752
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–		–	–	–
Revenue cost of free services provided	279	294	303	1,032	1,032	1,032		1,312	1,372	1,435

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Richmond's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

Table 14 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

KZN227 Richmond - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		**97,280**	**60,626**	**92,547**	**132,498**	**132,388**	**132,388**	**137,713**	**142,586**	**149,253**
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		97,280	60,626	92,547	132,498	132,388	132,388	137,713	142,586	149,253
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**403**	**49,400**	**38,151**	**3,751**	**3,468**	**3,468**	**4,079**	**5,294**	**5,469**
Community and social services		3,793	49,400	38,151	3,743	3,458	3,458	4,068	5,283	5,458
Sport and recreation		(3,390)	–	–	8	10	10	10	11	11
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**31,909**	**30,984**	**28,892**	**36,920**	**46,619**	**46,619**	**29,643**	**29,233**	**26,824**
Planning and development		21,131	28,590	20,651	33,770	32,356	32,356	23,589	22,244	23,819
Road transport		10,778	2,394	8,241	3,150	14,263	14,263	6,054	6,989	3,006
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**19,776**	**1,270**	**1,299**	**1,520**	**1,508**	**1,508**	**1,454**	**1,521**	**1,591**
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		19,776	1,270	1,299	1,520	1,508	1,508	1,454	1,521	1,591
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**149,368**	**142,280**	**160,889**	**174,689**	**183,983**	**183,983**	**172,889**	**178,634**	**183,137**
Expenditure - Functional										
Governance and administration		**54,210**	**63,628**	**71,718**	**72,531**	**71,460**	**71,460**	**71,549**	**74,853**	**78,404**
Executive and council		14,916	16,814	16,781	16,797	19,138	19,138	19,157	20,038	20,960
Finance and administration		38,060	45,311	53,410	54,256	50,838	50,838	50,749	53,096	55,647
Internal audit		1,234	1,503	1,527	1,479	1,484	1,484	1,643	1,719	1,798
Community and public safety		**23,054**	**24,392**	**23,666**	**28,150**	**27,743**	**27,743**	**26,672**	**28,927**	**30,189**
Community and social services		19,337	20,651	19,758	24,219	23,676	23,676	22,120	24,165	25,209
Sport and recreation		3,212	3,280	3,484	3,519	3,655	3,655	4,056	4,243	4,438
Public safety		132	72	–	–	–	–	–	–	–
Housing		373	389	424	413	413	413	496	518	542
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**45,285**	**45,898**	**52,182**	**56,859**	**70,077**	**70,077**	**64,750**	**67,122**	**65,904**
Planning and development		7,644	7,903	8,501	11,337	12,129	12,129	10,424	9,428	9,862
Road transport		37,641	37,995	43,682	45,522	57,948	57,948	54,326	57,693	56,042
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**4,449**	**7,746**	**7,995**	**8,595**	**7,340**	**7,340**	**7,945**	**8,311**	**8,693**
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		438	502	456	401	391	391	516	540	565
Waste management		4,011	7,244	7,539	8,194	6,948	6,948	7,429	7,770	8,128
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**126,999**	**141,664**	**155,561**	**166,135**	**176,620**	**176,620**	**170,916**	**179,212**	**183,191**
Surplus/(Deficit) for the year		**22,369**	**616**	**5,329**	**8,553**	**7,363**	**7,363**	**1,973**	**(578)**	**(53)**

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification.
2. The Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.

Table 15 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN227 Richmond - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 1 - Executive And Council		–	–	–	–	–	–	–	–	–
Vote 2 - Finance and administration		97,280	60,626	92,547	132,498	132,388	132,388	137,713	142,586	149,253
Vote 3 - Housing		–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		3,793	49,400	38,151	3,743	3,458	3,458	4,068	5,283	5,458
Vote 5 - Internal Audit		–	–	–	–	–	–	–	–	–
Vote 6 - Planning and Development		21,131	28,590	20,651	33,770	32,356	32,356	23,589	22,244	23,819
Vote 7 - Road Transport		10,778	2,394	8,241	3,150	14,263	14,263	6,054	6,989	3,006
Vote 8 - Sport and Recreation		(3,390)	–	–	8	10	10	10	11	11
Vote 9 - Waste Management		19,776	1,270	1,299	1,520	1,508	1,508	1,454	1,521	1,591
Vote 10 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**149,368**	**142,280**	**160,889**	**174,689**	**183,983**	**183,983**	**172,889**	**178,634**	**183,137**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - Executive And Council		14,916	16,814	16,781	16,797	19,138	19,138	19,157	20,038	20,960
Vote 2 - Finance and administration		38,060	45,311	53,410	54,256	50,838	50,838	50,749	53,096	55,647
Vote 3 - Housing		373	389	424	413	413	413	496	518	542
Vote 4 - Community and Social Services		19,337	20,651	19,758	24,219	23,676	23,676	21,971	24,009	25,045
Vote 5 - Internal Audit		1,234	1,503	1,527	1,479	1,484	1,484	1,643	1,719	1,798
Vote 6 - Planning and Development		7,644	7,903	8,501	11,337	12,129	12,129	10,424	9,428	9,862
Vote 7 - Road Transport		37,773	38,067	43,682	45,522	57,948	57,948	54,326	57,693	56,042
Vote 8 - Sport and Recreation		3,212	3,280	3,484	3,519	3,655	3,655	4,056	4,243	4,438
Vote 9 - Waste Management		4,011	7,244	7,539	8,194	6,948	6,948	7,429	7,770	8,128
Vote 10 - Waste Water Management		438	502	456	401	391	391	516	540	565
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**126,999**	**141,664**	**155,561**	**166,135**	**176,620**	**176,620**	**170,767**	**179,055**	**183,027**
Surplus/(Deficit) for the year	2	**22,369**	**616**	**5,329**	**8,553**	**7,363**	**7,363**	**2,122**	**(422)**	**110**

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Richmond. This means it is possible to present the operating surplus or deficit of a vote.

Table 16 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

KZN227 Richmond - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	777	923	966	1,145	1,145	1,145	1,145	1,079	1,128	1,180
Sale of Goods and Rendering of Services		506	436	326	381	8,421	8,421	8,421	3,571	4,603	510
Agency services		–	–	–	–	–	–	–	–	–	–
Interest		94	99	130	147	136	136	136	144	150	157
Interest earned from Receivables		233	297	278	318	298	298	298	299	313	327
Interest earned from Current and Non Current Assets		1,114	1,263	2,779	2,740	3,693	3,693	3,693	3,602	3,768	3,941
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1,004	1,089	1,098	1,096	1,096	1,096	1,096	910	952	996
Licence and permits		5	(0)	12	20	13	13	13	13	13	14
Operational Revenue		375	786	1,010	746	1,028	1,028	1,028	945	777	813
Non-Exchange Revenue											
Property rates	2	18,494	19,285	27,115	28,446	28,446	28,446	28,446	28,889	30,218	31,608
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		4,517	4,356	4,417	5,247	3,739	3,739	3,739	2,376	2,485	2,600
Licences or permits		1,303	1,935	2,553	3,027	2,851	2,851	2,851	2,723	2,848	2,979
Transfer and subsidies - Operational		97,079	85,161	98,785	100,757	102,991	102,991	102,991	106,214	110,658	115,816
Interest		–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	(180)	(196)	10,432	10,432	10,432	10,432	–	–	–
Other Gains		(3,390)	22	1,482	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contr		**122,111**	**115,471**	**140,756**	**154,499**	**164,287**	**164,287**	**164,287**	**150,764**	**157,914**	**160,940**
Expenditure											
Employee related costs	2	54,672	60,315	64,238	68,613	68,613	68,613	68,613	73,130	76,059	79,597
Remuneration of councillors		5,773	5,977	6,051	6,881	6,881	6,881	6,881	7,219	7,551	7,898
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	4,520	4,972	7,437	8,664	5,164	5,164	5,164	4,725	4,942	5,170
Debt impairment	3	1,452	4,604	160	5,000	7,000	7,000	7,000	6,782	7,094	7,420
Depreciation and amortisation		22,847	20,469	14,955	22,241	19,500	19,500	19,500	20,456	21,396	22,381
Interest		197	296	360	402	402	402	402	421	441	461
Contracted services		25,464	28,089	30,594	31,217	41,975	41,975	41,975	33,324	35,738	33,077
Transfers and subsidies		563	590	556	600	600	600	600	-	-	-
Irrecoverable debts written off		–	–	12,801	–	–	–	–	–	–	–
Operational costs		11,419	16,170	18,408	22,517	26,486	26,486	26,486	24,860	25,992	27,187
Losses on disposal of Assets		92	–	–	–	–	–	–	–	–	–
Other Losses		–	182	–	–	–	–	–	–	–	–
Total Expenditure		**126,999**	**141,664**	**155,561**	**166,135**	**176,620**	**176,620**	**176,620**	**170,916**	**179,212**	**183,191**
Surplus/(Deficit)		**(4,887)**	**(26,193)**	**(14,805)**	**(11,636)**	**(12,333)**	**(12,333)**	**(12,333)**	**(20,152)**	**(21,298)**	**(22,250)**
Transfers and subsidies - capital (monetary allocations)	6	27,257	26,810	20,134	20,189	19,696	19,696	19,696	22,125	20,720	22,197
Transfers and subsidies - capital (in-kind)	6	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**22,369**	**616**	**5,329**	**8,553**	**7,363**	**7,363**	**7,363**	**1,973**	**(578)**	**(53)**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**22,369**	**616**	**5,329**	**8,553**	**7,363**	**7,363**	**7,363**	**1,973**	**(578)**	**(53)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**22,369**	**616**	**5,329**	**8,553**	**7,363**	**7,363**	**7,363**	**1,973**	**(578)**	**(53)**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**22,369**	**616**	**5,329**	**8,553**	**7,363**	**7,363**	**7,363**	**1,973**	**(578)**	**(53)**

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R164 million in 2023/24 and decreases to R 151 million 2024/25
2. Revenue to be generated from property rates is R 28.4 million in the 2023/24 financial year and increases to R 28.9 million in the 2024/25 and to R29 million in the 2025/26 financial year.

Table 17 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

KZN227 Richmond - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Single-year expenditure *to be appropriated*	2										
Vote 1 - Executive And Council		864	7	749	90	1,007	1,007	1,007	380	397	416
Vote 2 - Finance and administration		4,304	896	1,943	1,890	2,481	2,481	2,481	1,018	1,065	1,114
Vote 3 - Housing		–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		268	210	1,784	380	60	60	60	188	363	379
Vote 5 - Internal Audit		–	–	–	–	–	–	–	–	–	–
Vote 6 - Planning and Development		1,012	101	192	10	25	25	25	2,260	63	66
Vote 7 - Road Transport		75,979	34,252	43,848	21,954	20,417	20,417	20,417	20,024	20,816	22,325
Vote 8 - Sport and Recreation		(102)	–	–	–	–	–	–	150	157	164
Vote 9 - Waste Management		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**82,325**	**35,466**	**48,515**	**24,324**	**23,990**	**23,990**	**23,990**	**24,020**	**22,861**	**24,464**
Total Capital Expenditure - Vote		**82,325**	**35,466**	**48,515**	**24,324**	**23,990**	**23,990**	**23,990**	**24,020**	**22,861**	**24,464**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table 18 MBRR Table A6 - Budgeted Financial Position

KZN227 Richmond - Table A6 Budgeted Financial Position

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Current assets											
Cash and cash equivalents		21,042	26,902	18,742	46,484	42,133	42,133	42,133	28,526	36,477	45,384
Trade and other receivables from exchange transactions	1	1,103	763	365	742	(130)	(130)	(130)	1,025	1,224	1,423
Receivables from non-exchange transactions	1	15,055	11,160	5,882	6,645	4,645	4,645	4,645	7,192	7,282	7,287
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	0	(0)	0	0	3,500	3,500	3,500	–	–	–
VAT		6,458	1,788	6,185	1,122	1,022	1,022	1,022	3,379	2,984	2,571
Other current assets		–	0	0	–	–	–	–	–	–	–
Total current assets		**43,659**	**40,613**	**31,173**	**54,993**	**51,171**	**51,171**	**51,171**	**40,123**	**47,967**	**56,665**
Non current assets											
Investments		0	0	0	–	–	–	–	0	0	0
Investment property		1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186
Property, plant and equipment	3	356,669	357,283	366,187	360,817	363,012	363,012	363,012	374,891	372,270	372,841
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		213	213	213	213	213	213	213	393	581	590
Intangible assets		485	466	353	563	1,726	1,726	1,726	1,160	2,004	2,042
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**358,552**	**359,148**	**367,939**	**362,778**	**366,137**	**366,137**	**366,137**	**377,630**	**376,041**	**376,659**
TOTAL ASSETS		**402,211**	**399,761**	**399,112**	**417,771**	**417,307**	**417,307**	**417,307**	**417,753**	**424,008**	**433,324**
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		–	205	452	–	–	–	–	452	452	452
Consumer deposits		–	11	11	584	584	584	584	–	–	–
Trade and other payables from exchange transactions	4	26,840	17,158	14,719	(20,930)	(17,042)	(17,042)	(17,042)	14,561	15,631	16,264
Trade and other payables from non-exchange transactions	5	4,724	11,079	7,279	18,020	14,858	14,858	14,858	4,527	4,527	4,527
Provision		457	514	(1,648)	308	308	308	308	514	514	514
VAT		1,328	(317)	1,914	200	200	200	200	–	–	–
Other current liabilities		219	224	(185)	430	430	430	(430)	–	–	–
Total current liabilities		**33,570**	**28,873**	**22,542**	**(1,389)**	**(663)**	**(663)**	**(1,522)**	**20,053**	**21,122**	**21,756**
Non current liabilities											
Financial liabilities	6	744	379	691	–	–	–	–	691	691	691
Provision	7	9,686	10,959	11,000	8,331	8,331	8,331	8,331	9,205	9,589	9,607
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		6,050	6,767	6,767	9,395	9,395	9,395	9,395	6,767	6,767	6,767
Total non current liabilities		**16,480**	**18,105**	**18,458**	**17,726**	**17,726**	**17,726**	**17,726**	**16,664**	**17,048**	**17,065**
TOTAL LIABILITIES		**50,050**	**46,978**	**41,000**	**16,338**	**17,064**	**17,064**	**16,204**	**36,716**	**38,170**	**38,821**
NET ASSETS		**352,161**	**352,783**	**358,112**	**401,434**	**400,244**	**400,244**	**401,103**	**381,037**	**385,838**	**394,503**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	352,161	352,783	358,112	401,434	400,244	400,244	400,244	381,037	385,838	394,503
Reserves and funds	9	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10	**352,161**	**352,783**	**358,112**	**401,434**	**400,244**	**400,244**	**400,244**	**381,037**	**385,838**	**394,503**

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. Table A6 is supported by an extensive table of notes (SA3 which can be found in this document) providing a detailed analysis of the major components of a number of items, including:
   - Call investments deposits;
   - Consumer debtors;
   - Property, plant and equipment;
   - Trade and other payables;
   - Provisions non-current;
   - Changes in net assets; and
   - Reserves
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. The municipality has factored in all expected movements in the asset categories including the expected disposal of land in the 2023/24 financial year. The listing of the land earmarked for disposal is appended to this document together with other supporting documents. The municipality has been conservative in the estimating the selling prices of the plots and used at the current municipal valuation roll.

Table 19 MBRR Table A7 - Budgeted Cash Flow Statement

KZN227 Richmond - Table A7 Budgeted Cash Flows

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		44,339	28,231	24,815	27,024	27,024	27,024	27,024	26,549	27,771	29,048
Service charges		606	626	795	781	781	781	781	969	1,014	1,060
Other revenue		2,584	23,895	48,843	21,096	27,622	27,622	27,622	11,443	11,970	12,520
Transfers and Subsidies - Operational	1	109,438	237,442	202,206	100,757	100,757	100,757	100,757	106,416	110,658	115,816
Transfers and Subsidies - Capital	1	31,560	48,519	38,492	30,109	28,688	28,688	28,688	25,230	24,836	22,197
Interest		427	328	1,155	2,740	3,693	3,693	3,693	3,602	3,768	3,941
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(8,244)	(65,344)	(72,370)	(138,722)	(149,560)	(149,560)	(149,560)	(161,674)	(166,203)	(169,543)
Interest		–	–	–	(402)	(402)	(402)	(402)	(421)	(441)	(461)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**180,710**	**273,697**	**243,936**	**43,382**	**38,602**	**38,602**	**38,602**	**12,115**	**13,372**	**14,579**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(40,026)	(27,368)	(28,249)	(24,324)	(24,941)	(24,941)	(24,941)	(24,179)	(22,990)	(24,047)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(40,026)**	**(27,368)**	**(28,249)**	**(24,324)**	**(24,941)**	**(24,941)**	**(24,941)**	**(24,179)**	**(22,990)**	**(24,047)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**140,684**	**246,329**	**215,688**	**19,058**	**13,661**	**13,661**	**13,661**	**(12,063)**	**(9,618)**	**(9,468)**
Cash/cash equivalents at the year begin:	2	**–**	**21,042**	**26,902**	**24,688**	**24,688**	**24,688**	**24,688**	**21,594**	**9,531**	**(87)**
Cash/cash equivalents at the year end:	2	**140,684**	**267,371**	**242,590**	**43,746**	**38,349**	**38,349**	**38,349**	**9,531**	**(87)**	**(9,555)**

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Table 20 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN227 Richmond - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	140,684	267,371	242,590	43,746	38,349	38,349	38,349	9,531	(87)	(9,555)
Other current investments > 90 days		(119,641)	(240,469)	(223,848)	2,737	3,785	3,785	3,785	18,995	36,563	54,939
Non current Investments	1	0	0	0	–	–	–	–	0	0	0
Cash and investments available:		**21,043**	**26,902**	**18,742**	**46,484**	**42,133**	**42,133**	**42,133**	**28,527**	**36,477**	**45,385**
Application of cash and investments											
Unspent conditional transfers		4,724	11,079	7,279	18,020	14,858	14,858	14,858	4,527	4,527	4,527
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	(12,535)	(2,105)	(4,271)	(922)	(822)	(822)	(822)	(3,379)	(2,984)	(2,571)
Other working capital requirements	3	(2,724)	(5,532)	1,943	(30,190)	(22,525)	(22,525)	(22,525)	6,475	7,391	6,912
Other provisions		676	737	(1,833)	737	737	737	737	514	514	514
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**(9,857)**	**4,180**	**3,119**	**(12,354)**	**(7,751)**	**(7,751)**	**(7,751)**	**8,136**	**9,447**	**9,382**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**30,900**	**22,723**	**15,624**	**58,838**	**49,885**	**49,885**	**49,885**	**20,391**	**27,030**	**36,003**
Creditors transferred to Debt Relief - Non-Current portion		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**30,900**	**22,723**	**15,624**	**58,838**	**49,885**	**49,885**	**49,885**	**20,391**	**27,030**	**36,003**

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

Table 21 MBRR Table A9 - Asset Management

KZN227 Richmond - Table A9 Asset Management

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CAPITAL EXPENDITURE										
Total New Assets	1	**41,244**	**23,638**	**37,645**	**12,971**	**13,489**	**13,489**	**2,235**	**1,457**	**1,524**
Roads Infrastructure		8,229	19,507	20,697	500	500	500	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	8,333	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***8,229***	***19,507***	***29,029***	***500***	***500***	***500***	–	–	–
Community Facilities		3,521	1,880	4,868	375	375	375	1,000	–	–
Sport and Recreation Facilities		27,060	323	423	8,786	8,786	8,786	–	–	–
Community Assets		***30,582***	***2,203***	***5,290***	***9,161***	***9,161***	***9,161***	***1,000***	–	–
Heritage Assets		–	–	–	–	–	–	**180**	**188**	**197**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		66	–	–	700	(0)	(0)	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***66***	–	–	***700***	***(0)***	***(0)***	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	172	–	–	900	900	220	230	241
Intangible Assets		–	***172***	–	–	***900***	***900***	***220***	***230***	***241***
Computer Equipment		**788**	**778**	**887**	**1,450**	**1,098**	**1,098**	**80**	**105**	**109**
Furniture and Office Equipment		**369**	**215**	**1,126**	**360**	**190**	**190**	**467**	**488**	**510**
Machinery and Equipment		**560**	**761**	**563**	**680**	**840**	**840**	**288**	**446**	**467**
Transport Assets		**651**	–	**749**	**120**	**800**	**800**	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	**26,906**	**4,483**	**2,591**	**6,940**	**6,236**	**6,236**	–	–	–
Roads Infrastructure		21,494	4,483	2,591	6,940	6,236	6,236	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***21,494***	***4,483***	***2,591***	***6,940***	***6,236***	***6,236***	–	–	–
Community Facilities		1,793	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***1,793***	–	–	–	–	–	–	–	–
Heritage Assets		**3,620**	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	**14,175**	**7,345**	**13,016**	**4,413**	**4,265**	**4,265**	**21,785**	**21,403**	**22,939**
Roads Infrastructure		14,175	7,345	11,478	–	–	–	3,054	3,194	3,350
Storm water Infrastructure		–	–	–	4,413	4,265	4,265	16,872	17,519	18,867
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***14,175***	***7,345***	***11,478***	***4,413***	***4,265***	***4,265***	***19,925***	***20,713***	***22,217***
Community Facilities		–	–	1,538	–	–	–	1,200	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	***1,538***	–	–	–	***1,200***	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	660	690	722
Intangible Assets		–	–	–	–	–	–	***660***	***690***	***722***
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	**82,325**	**35,466**	**53,252**	**24,324**	**23,990**	**23,990**	**24,020**	**22,861**	**24,464**
Roads Infrastructure		43,897	31,336	34,765	7,440	6,736	6,736	3,054	3,194	3,350
Storm water Infrastructure		–	–	–	4,413	4,265	4,265	16,872	17,519	18,867
Electrical Infrastructure		–	–	8,333	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***43,897***	***31,336***	***43,098***	***11,853***	***11,001***	***11,001***	***19,925***	***20,713***	***22,217***
Community Facilities		5,314	1,880	6,406	375	375	375	2,200	–	–
Sport and Recreation Facilities		27,060	323	423	8,786	8,786	8,786	–	–	–
Community Assets		***32,375***	***2,203***	***6,828***	***9,161***	***9,161***	***9,161***	***2,200***	–	–
Heritage Assets		**3,620**	–	–	–	–	–	**180**	**188**	**197**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		66	–	–	700	(0)	(0)	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***66***	–	–	***700***	***(0)***	***(0)***	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	172	–	–	900	900	880	920	963
Intangible Assets		–	***172***	–	–	***900***	***900***	***880***	***920***	***963***
Computer Equipment		**788**	**778**	**887**	**1,450**	**1,098**	**1,098**	**80**	**105**	**109**
Furniture and Office Equipment		**369**	**215**	**1,126**	**360**	**190**	**190**	**467**	**488**	**510**
Machinery and Equipment		**560**	**761**	**563**	**680**	**840**	**840**	**288**	**446**	**467**
Transport Assets		**651**	–	**749**	**120**	**800**	**800**	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**82,325**	**35,466**	**53,252**	**24,324**	**23,990**	**23,990**	**24,020**	**22,861**	**24,464**
ASSET REGISTER SUMMARY - PPE (WDV)	5	***342,748***	***338,249***	***350,796***	***340,101***	***343,460***	***343,460***	***355,687***	***354,086***	***354,013***
Roads Infrastructure		186,307	188,429	204,704	186,285	183,799	183,799	203,538	203,517	203,495
Storm water Infrastructure		–	–	(112)	(4,625)	(137)	(137)	(144)	(150)	(157)
Electrical Infrastructure		–	–	4,166	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	(0)	(1,003)	(0)	(0)	–	–	–
Rail Infrastructure		–	–	(9,447)	–	–	–	(12,150)	(12,708)	(13,293)
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The Richmond meets both these recommendations.

Table 22 MBRR Table A10 - Basic Service Delivery Measurement

KZN227 Richmond - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		13,567	13,567	13,567	14,000	14,000	14,000	14,500	15,000	15,500
Piped water inside yard (but not in dwelling)		4,500	4,500	4,500	5,000	5,000	5,000	5,000	5,000	5,000
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		18,067	18,067	18,067	19,000	19,000	19,000	19,500	20,000	20,500
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**18,067**	**18,067**	**18,067**	**19,000**	**19,000**	**19,000**	**19,500**	**20,000**	**20,500**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		4,057	4,057	4,057	4,000	4,000	4,000	4,000	4,000	4,000
Flush toilet (with septic tank)		5,249	5,249	5,249	5,500	5,500	5,500	5,500	5,500	5,500
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		9,306	9,306	9,306	9,500	9,500	9,500	9,500	9,500	9,500
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		12,375	12,375	12,375	12,000	12,000	12,000	12,200	12,300	12,400
Below Minimum Service Level sub-total		12,375	12,375	12,375	12,000	12,000	12,000	12,200	12,300	12,400
Total number of households	5	**21,681**	**21,681**	**21,681**	**21,500**	**21,500**	**21,500**	**21,700**	**21,800**	**21,900**
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Refuse:										
Removed at least once a week		–	650	650	700	700	700	750	800	820
Minimum Service Level and Above sub-total		–	650	650	700	700	700	750	800	820
Removed less frequently than once a week		–	2,158	2,158	2,200	2,200	2,200	2,200	2,200	2,200
Using communal refuse dump		–	228	228	230	230	230	230	230	230
Using own refuse dump		–	12,064	12,064	230	230	230	230	230	230
Other rubbish disposal		–	224	224	230	230	230	230	230	230
No rubbish disposal		–	1,116	1,116	1,200	1,200	1,200	1,200	1,200	1,200
Below Minimum Service Level sub-total		–	15,790	15,790	4,090	4,090	4,090	4,090	4,090	4,090
Total number of households	5	**–**	**16,440**	**16,440**	**4,790**	**4,790**	**4,790**	**4,840**	**4,890**	**4,910**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided	8	–	–	–	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)		185,000	185,000	185,000	220,000	220,000	220,000	220,000	220,000	220,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–						
Sanitation (Rand per household per month)		82	82	82	126	126	126	145	153	163
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		240	240	240	240	240	240	240	240	240
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		3,056	3,031	4,882	3,104	7,123	7,123	7,657	8,117	8,604
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		–	–	–	1,135	1,135	1,135	700	734	769
Water **(in excess of 6 kilolitres per indigent household per month)**		–	–	–	–	–	–	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**		–	–	–	–	–	–	–	–	–
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		433	279	294	315	315	315	332	348	364
Municipal Housing - rental rebates		1,166	1,449	1,461	1,090	1,596	1,596	1,699	1,801	1,909
Housing - top structure subsidies	6	–	–		–					
Other		–	–		–					
Total revenue cost of subsidised services provided		**4,656**	**4,759**	**6,637**	**5,644**	**10,169**	**10,169**	**10,389**	**11,001**	**11,647**

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Richmond's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2023) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 30 August 2023. Key dates applicable to the process were:

Key dates applicable to the process were: -

- **August 2023** : Adoption of Budget and IDP Schedule of Key deadlines;
- **September 2023**: Engagement with Sector Departments on sector specific programmes;
- **October 2023 :** S52(d) Mayoral report on the implementation of the 2023/2024 budget and SDBIP;
- **November and December 2023**: Review of IDP strategies to ensure relevance;
- **January 2024 :** First community consultative process, tabling of annual report 2023/2024 and Mid-Year review of Budget and SDBIP 2023/2024;
- **February 2024 :** Adoption of adjustment budget 2023/2024 and Budget steering meeting to discuss input for first Draft Budget 2022/2023;
- **March 2024 :** Oversight report on the annual report, First Draft Budget to Budget steering committee, Exco and table to Council to seek approval before community participation;

- **April 2024** **:** Adoption of Draft Budget 2023/2024 and the IDP;
- **June 2024** **:** Mayor to Sign SDBIP and submission of Budget / IDP and SDBIP to relevant structures and departments.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This will be the second year of IDP of the newly adopted council. It started in August 2022 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2023/24 MTREF.

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

The IDP has been taken into a business and financial planning process leading up to the 2023/24 MTREF, based on the approved 2022/23 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2023/24 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year performance against the 2022/23 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2023/24 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023/24 MTREF:

- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, household debt, migration patterns)
- Performance trends
- The approved 2022/23 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery
- The FMCMM assessment as tabled at council

In addition to the above, the strategic guidance given in National Treasury' MFMA Circulars 66,67, 70 72,74,75, 78, 79, 82, 85, 89, 91,93 94, 97, 98, 99, 107,108, 112, 115 and 123 has been taken into consideration in the planning and prioritization process.

2.1.4 Community Consultation

Once the Draft Budget is approved by council the following community consultation process will place: -

- The Final 2023/23 MTREF will be published on the municipality's website;
- Hard copies will be made available at all municipal offices and libraries;
- Notices will be placed on municipal notice boards;
- A "budget on page document" will be prepared for ease reference and circulated on all Richmond Social Media platforms.
- Written communication will be received from the Ratepayers Association – a response will be duly forwarded, and their input considered in the Draft Budget;
- All documents in the appropriate format (electronic and printed) was provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs- input was received from Provincial Treasury and has been considered in this Draft Budget.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent

plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP.

Table 23 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

KZN227 Richmond - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Implement service delivery programmes and reduce services and infrastructure backlogs				25,200	5,643	6,610	20,189	20,189	20,189	30,082	31,465	32,881
To capacitate youth and empower youth on resources available				15			75	75	75	112	117	122
Implement plans to maintain assets thus ensuring its sustainability over its life span				39,500	40,550	47,495	–	–	–			
To erradicate the past perception of the municipality				–			50	50	50	75	78	81
To enhance the lives of the poor thus alleviating poverty				84,653	90,137	111,255	143,243	143,243	143,243	213,432	223,250	233,296
To improve knowledge sharing amongst youth					1,450	1,698	–	–	–			
Provide basic services to the disadvantaged					4,500	15,702	700	700	700	1,043	1,091	1,140
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	149,368	142,280	182,760	164,257	164,257	164,257	244,743	256,001	267,521

Table 24 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

KZN227 Richmond - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Implement service delivery programmes and reduce services and infrastructure backlogs				2,637	2,686	3,036	36,700	36,700	36,700	38,498	40,269	42,081
To capacitatie youth and empower youth on resources available				1,086	305	269						
Implement plans to maintain assets thus ensuring its sustainability over its life span				121,280	137,029	13,194	1,360	1,360	1,360	1,427	1,492	1,559
To erradicate the past perception of the municipality				432	449	848	50	50	50	52	55	57
To enhance the lives of the poor thus alieviating poverty				1,495	1,124	1,639	11,803	22,288	12,853	9,022	9,437	9,861
To improve knowledge sharing amongst youth				62	64	269			9,435		434	
Provide basic services to the disadvantaged				6	7	136,307	116,222	116,222	116,222	121,917	127,525	129,631
Allocations to other priorities												
Total Expenditure			1	126,999	141,664	155,560	166,135	176,620	176,620	170,916	179,212	183,190

Table 25 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

KZN227 Richmond - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Implement service delivery programmes and reduce services and infrastructure backlogs				70,617	8,474	7,276	20,189	20,189	20,189	20	861	464
To capacitatie youth and empower youth on resources available				–	4							
Implement plans to maintain assets thus ensuring its sustainability over its life span				75	78	18,433	1,050	716	716			
To erradicate the past perception of the municipality				1,823	4,067	1,820						
To enhance the lives of the poor thus alieviating poverty				4,200	20,764							
To improve knowledge sharing amongst youth				–	–							
Provide basic services to the disadvantaged				5,611	2,078	20,986	3,085	3,085	3,085	24,000	22,000	24,000
Allocations to other priorities			3									
Total Capital Expenditure			1	82,326	35,465	48,515	24,324	23,990	23,990	24,020	22,861	24,464

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, assess and reviews organisational 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

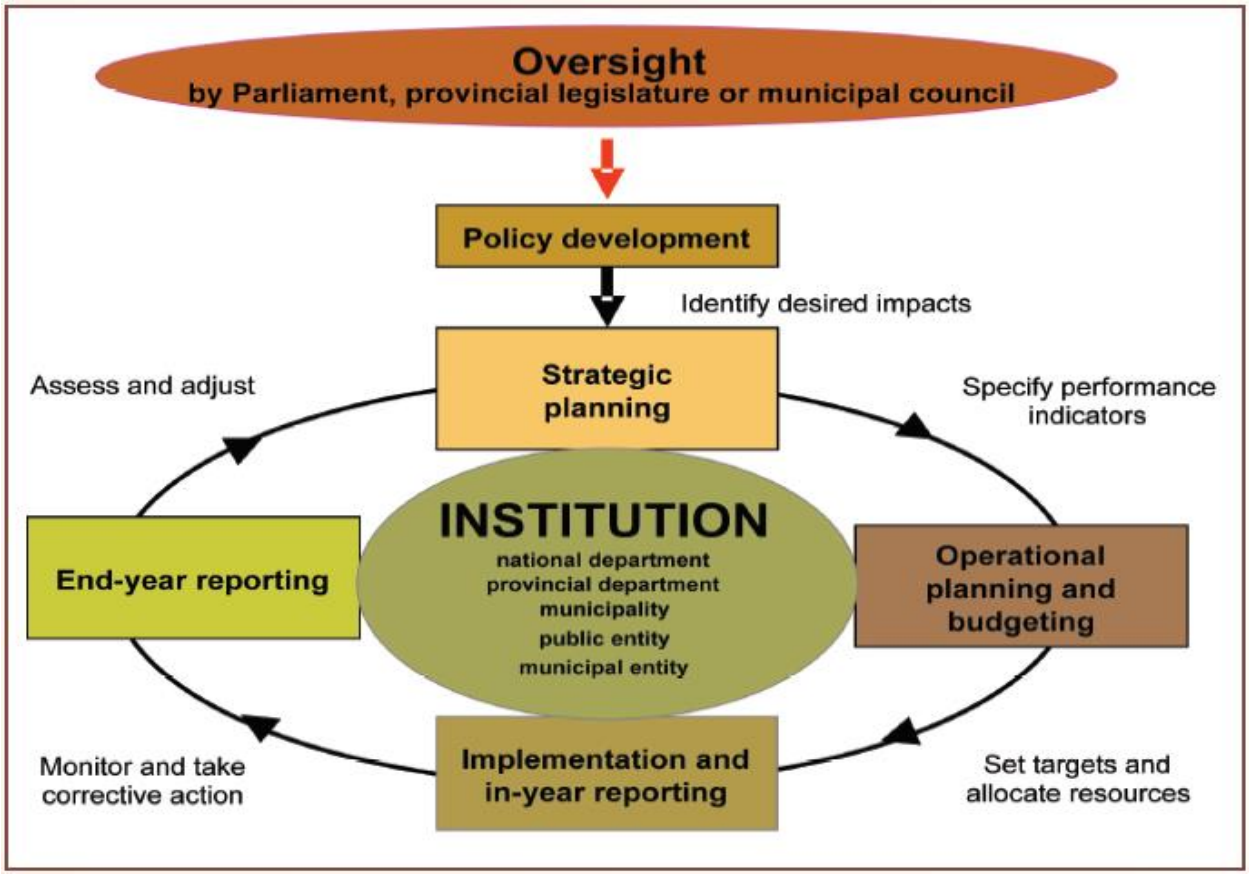

Figure 2 Planning, budgeting and reporting cycle

2.3.1 Performance indicators and benchmarks

2.3.1.1 Liquidity

- Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. Going forward it will be necessary to maintain these levels.
- The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

2.3.1.2 Revenue Management

- As part of the financial sustainability strategy, the debt collection and credit control policy has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears more than 90 days.

2.3.1.3 Creditors Management

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. The municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favorable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

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

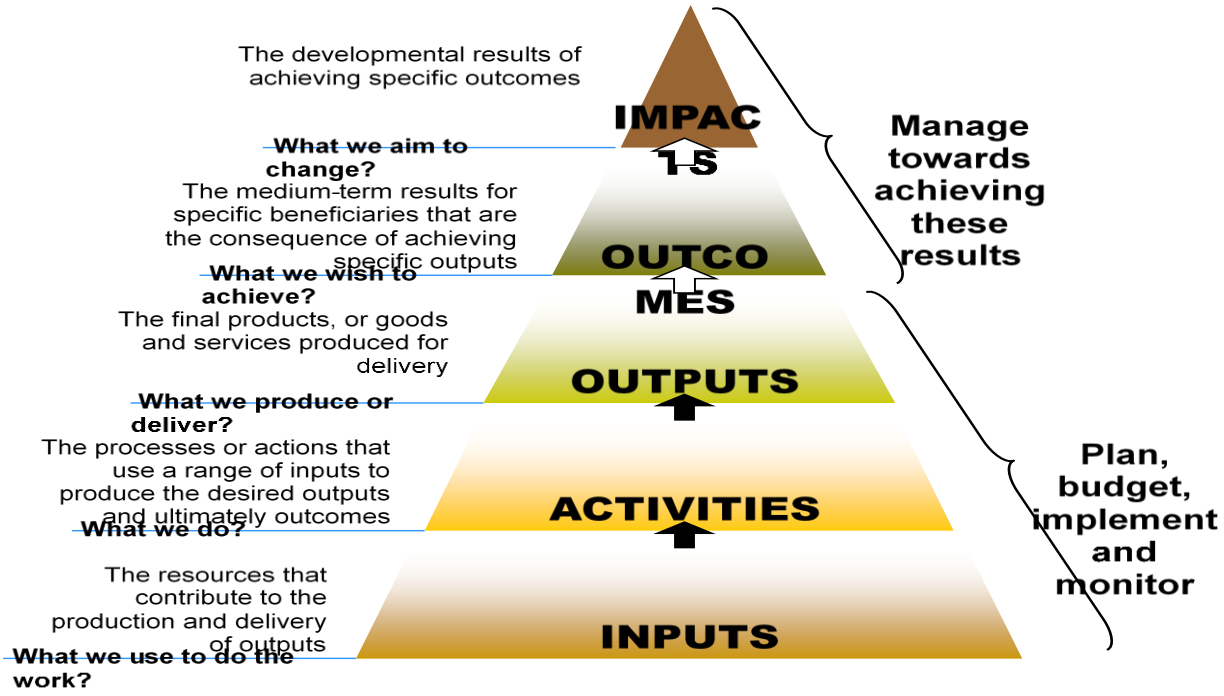

Figure 3 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 26 MBRR Table SA7 - Measurable performance objectives

KZN227 Richmond - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Vote 1 - Financial Services										
To improve financial viability and sound financial management as per MFMA		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To effect SCM policy in a way that is fair, equitable, transparent, competitive and cost-effective		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Annual Procurement plan prepared		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Effective bid committees to support procurement for service delivery		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To prepare the budget for the municipality in compliance with legislative prescripts		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Vote 2- Community and Operational Services										
To implement disaster management programmes		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To provide law enforcement and Security Services		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Vote 3 - Engineering and Planning Services										
To implement road - building and maintenance programmes and improve rural accessibility		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To Implement Electrification Projects to provide access to Households Connections		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To provide assess to proper community facilities		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Vote 4 - Corporate and Protection										
To foster a culture of good employee management and retention		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To update and communicate systems that drive institutional development and enhance staff recruitment, retention and motivation		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To strengthen governance and IGR Structures		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100	100	100
To effectively manage the information communication technology systems and Information Communications Technology infrastructure of the municipality.		100.0%	100.0%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Vote 5 - Municipal Manager										
To improve compliance and public participation and awareness		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Vote 7 - Economic Development and Strategic Services										
To ensure compliance with Municipal by-laws		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To promote economic development and economic growth		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To ensure compliance with Municipal by-laws		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
To ensure sustainable and coordinated development throughout the municipality		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The following table sets out the municipality's main performance objectives and benchmarks for the 2023/24 MTREF.

Table 27 MBRR Table SA8 - Performance indicators and benchmarks

KZN227 Richmond - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.3	1.4	1.4	(39.6)	(77.2)	(77.2)	(33.6)	2.0	2.3	2.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current	1.3	1.4	1.4	(39.6)	(77.2)	(77.2)	(33.6)	2.0	2.3	2.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	1.0	0.8	(34.0)	(63.4)	(63.4)	(27.6)	1.5	1.8	2.2
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	81.5%	54.7%	-84.8%	-69.0%	-69.0%	-69.0%	67.4%	164.0%	-18800.0%
Other Indicators											
	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Bulk Purchase										
Water Volumes :System input	Water treatment works										
	Natural sources										
	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration	Total remuneration/(Total Revenue - capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating	372.0	100.1	51.4	39.0	41.7	41.7	42.7	40.0	40.1	–
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed	–	–	–	–	–	–	–	–	–	–

2.3.1 Performance indicators and benchmarks

2.4 Overview of budget related-policies

The Richmond's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.
All policies as listed hereunder, are available on the municipality's website.

The Following policies have been amended for the 2024/2025 financial year.

NO.	POLICY	DEPT.	AVAILABILITY	ADOPTION DATE	
2.4.1	Debt Collection and Credit Control Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.2	Property Rates Act Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.3	Revenue enhancement Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.4	Petty Cash Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.5	Borrowing Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.6	Long Term Financial Plan Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.7	Supply Chain Management policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.8	Asset management policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.9	Indigent policy and Free Basic Services Policy	Budget &Treasury Office	**Y**		31/03/2024
2.4.10	Cash Management and Investment Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.11	Budget Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.12	Infrastructure and Capital Investment policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.13	Funds and Reserves Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.14	Tariff Policy(including Property Rates Tariff, Refuse Removal / Solid Waste Tariff)	Budget & Treasury Office	**Y**		31/03/2024
2.4.15	Virement Policy	Budget & Treasury Office	**Y**		31/03/2024
2.4.16	Budget Implementation and Management Policy	Budget & Treasury Office	**Y**		31/03/2024

NO.	POLICY	DEPT.	AVAILABILITY	ADOPTION DATE	
2.14.17	Contract Management Policy and Manual	Budget and Treasury Office	**Y**		31/03/2024
2.14.18	Land Disposal Policy	Town Planning and Budget and Treasury Office	**Y**		31/03/2024
2.14.19	Debt Incentive Scheme Policy	Budget and Treasury Office	**Y**		31/03/2024
2.14.20	Loss management Control Policy	Budget and Treasury Office	**Y**		31/03/2024

2.4.1 Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council has been reviewed and adopted for implementation in the 2023/24 financial year.

The 2023/24 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 80 per cent on current billings. In addition, the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Richmond's cash levels. The potential of a payment incentive scheme is being explored and a debt incentive scheme has been approved by Council in December 2022.

2.4.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Richmond's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

2.4.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Richmond continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and

adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in September 2007.

The National Treasury proposed changes to the Preferential Procurement Regulations. The change which was due to come into effect 16 January 2023, is the results of February 2022 Constitutional Court ruling that the 2017 amended regulations are illegal and unconstitutional. National Treasury has subsequently removed all references, requirements and definitions for BEE and local content from the procurement regulations as well as per-qualification criteria and functionality requirement of the previous legislation.

The proposed changes essentially repeal the 2017 regulations preferential procurement amendments and strip the rules down to the bare basics of the 2001 regulations including it broader transformation objectives,

The new regulations mean that state owned enterprises:

- Can set their own procurement policies as envisaged in section 217(1) of the Constitution and section 2(1) of Preferential Procurement Policy Framework Act (PPPFA).
- Can use their own procurement policies to set their own specific goals for the awarding of 20 or 10 points depending on a contract value.
- Cannot use local content requirement as a disqualification criterion for tender.
- Can choose to include subcontracting in their procurement policies, but it is not mandatory.

Specific goals as defined per the PPPFA may include contracting with persons, or categories of person, historically disadvantages by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of Reconstruction and Development Programme (RDP) as published in the Government Gazette No. 16085 dated 23 November 1994. Encouraging, the application of Framework is much simpler, less prescriptive and narrow, and reduces the barriers to entry for many companies.

It is important to note, however, that the changes to the Preferential Procurement Regulation do not mean that the government has abandoned its B-BBEE goals. To the contrary, President Cyril Ramaphosa recently reaffirm government commitment to BEE telling the parliament that, " Our People have inherited poverty from generation to generation. There are people who are too poor to pay for water and electricity. That is why the government will persevere with affirmative action and BEE".

2.4.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Richmond’s system of delegations. The Budget and Virement Policy was approved by Council.

2.4.6 Cash Management and Investment Policy

The Richmond's Cash Management and Investment Policy was amended by. The aim of the policy is to ensure that the Richmond's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

2.4.7 Tariff Policies

The Richmond's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved.
All the above policies are available on the Richmond's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

2.5 Overview of budget assumptions

2.5.1 External factors

Owing to the economic slowdown, there are reduced payment levels by consumers. This is being addressed by the implementation of the debt collection and credit control policy.

The National Treasury has revised South Africa's economic growth estimate for 2024 to 5.3 per cent, from 6.9 per cent at the time of the MTBPS. GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the medium-term budget policy statement (MTBPS), recovering slowly to 1.8 per cent in 2025.

The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state.

2.5.2 General inflation outlook and its impact on the municipal activities

The following factors have been taken into consideration in the compilation of the 2022/23 MTREF

- National Government macro-economic targets';
- The general inflationary outlook;
- The increase in the cost of remuneration;
- The increase in the cost of services by service providers;
- Annual increases in contracted services;
- Building the capacity of local government through the ***"Back to Basics"*** which will focus on improving service delivery

2.5.3 Credit rating outlook

As per the MFMA circular 89, municipalities were requested to take the following macro-economic forecasts into consideration when preparing the 2024/2025 budgets and MTREF: -

Table 12 Credit rating outlook

Table 1: Macroeconomic performance and projections, 2022 - 2027

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate		Forecast	
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.5%

Source: Medium Term Budget Policy Statement 2023.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2.5.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase by 4.9 per cent respectively. It is also assumed that the current economic conditions, volatile due to the upcoming local government elections, will continue for the forecaster term.

The rate of revenue collection is currently expressed as a percentage (80 per cent) of annual billings. There should also be an increased collection of arrear debt from the appointment of new debt collectors. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.5.5 Growth or decline in tax base of the municipality

Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Richmond, 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.

2.5.6 Salary increases

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2022/23 MTREF, therefore the salary increases have been budgeted at 5.4% in line with the inflation increase.

2.5.7 Remuneration of Councillors

The municipality has considered the gazette on the Remuneration of Public Office bearers Act: Determination of Upper limits of Salaries, allowances and Benefits of different members of municipal council for the 2024/2025 financial year.
The following positions have been budgeted for on a full-time basis: -

- Mayor
- Speaker
- Deputy Mayor

2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of 100 per cent is achieved on operating and capital expenditure for the 2024/2025 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

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

Table 28 Breakdown of the operating revenue over the medium-term

Description	Budget Year 2023/24	%	Budget Year 2024/25	%	Budget Year +1 2025/26	%	Budget Year +2 2026/27	%
Revenue By Source								
Property rates	28,446	17%	28,889	19%	30,218	19%	31,608	20%
Service charges - refuse revenue	1,145	1%	1,079	1%	1,128	1%	1,180	1%
Rental of facilities and equipment	1,096	1%	910	1%	952	1%	996	1%
Interest earned - external investments	3,693	2%	3,602	2%	3,768	2%	3,941	2%
Interest earned - outstanding debtors	434	0%	443	0%	463	0%	484	0%
Fines, penalties and forfeits	3,739	2%	2,376	2%	2,485	2%	2,600	2%
Licences and permits	2,864	2%	2,389	2%	2,498	2%	2,614	2%
Transfers and subsidies	102,991	63%	106,214	70%	110,658	70%	115,816	72%
Other revenue	9,447	6%	4,862	3%	5,744	4%	1,701	1%
Gains	10,432	6%		0%				
Total Revenue	**164,287**	100%	**150,764**	100%	**157,914**		**160,940**	**100%**

The following graph is a breakdown of the operational revenue per main category for the 2024/25 financial year.

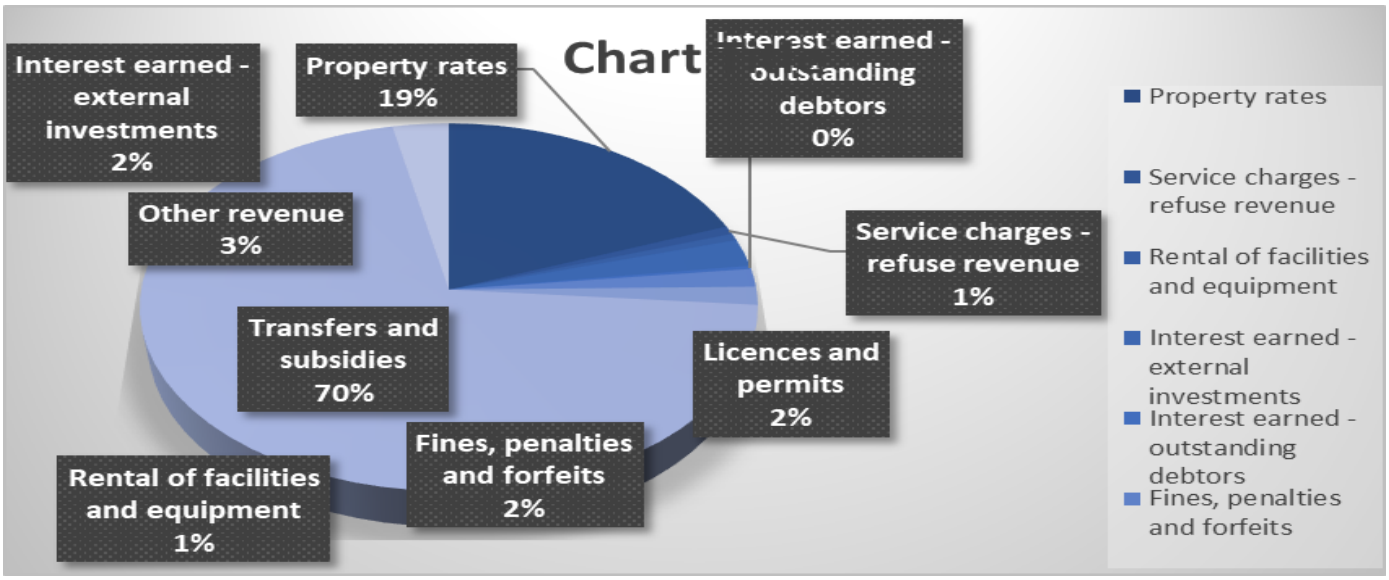

Figure 4 Breakdown of operating revenue over the 2023/24 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Richmond derives most of its operational

revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

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

- Growth in the Richmond and economic development;
- Revenue management and enhancement;
- Achievement of a 95 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

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

The tables below provide detail investment information and investment particulars by maturity.

Table 29 MBRR SA15 – Detail Investment Information

KZN227 Richmond - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		19,050	21,042	42,902	35,776	35,776	35,776	28,753	9,077	15,420
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	19,050	21,042	42,902	35,776	35,776	35,776	28,753	9,077	15,420

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2024/25 medium-term capital programme:

Table 30 Sources of capital revenue over the MTREF

KZN227 Richmond - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Capital Expenditure - Functional	3	**82,325**	**35,466**	**53,252**	**24,324**	**23,990**	**23,990**	**23,990**	**24,020**	**22,861**	**24,464**
Funded by:											
National Government		19,362	33,539	40,175	20,139	19,287	19,287	19,287	19,925	20,713	22,217
Provincial Government		90	119	8,526	–	–	–	–	2,388	197	206
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**19,452**	**33,658**	**48,701**	**20,139**	**19,287**	**19,287**	**19,287**	**22,314**	**20,910**	**22,423**

The above table is graphically represented as follows for the 2024/25 financial year.

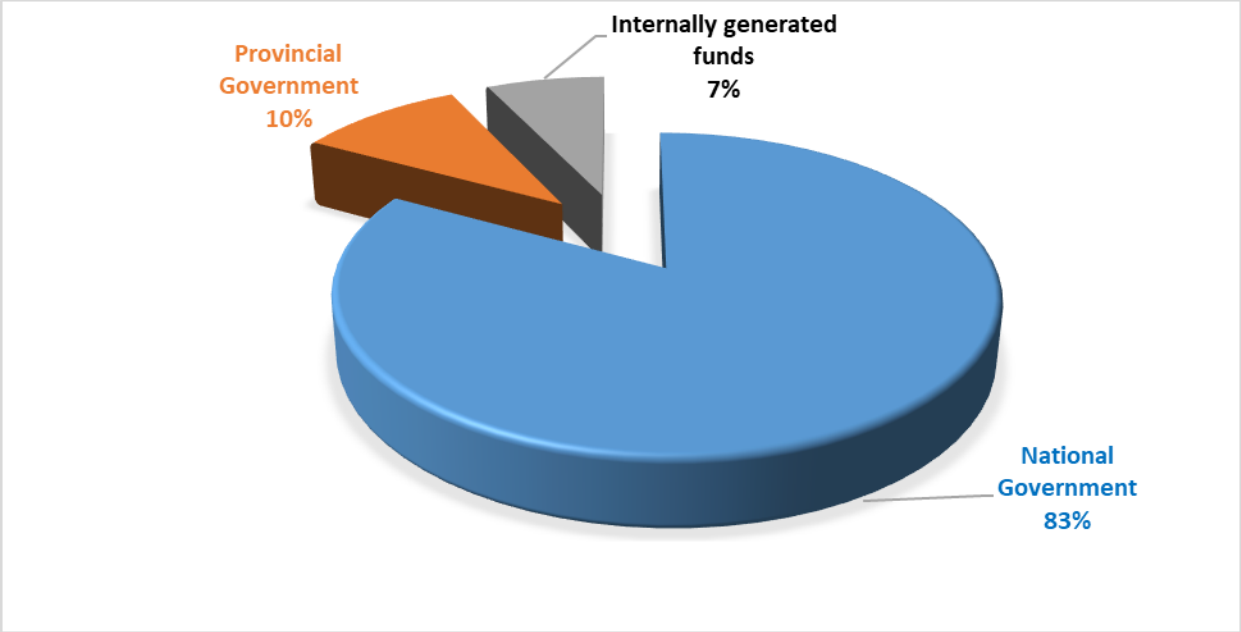

Figure 5 Sources of capital revenue for **the 2024/25 financial year**

Capital grants and receipts equates to 83 per cent of the total funding source which represents R22million for the 2024/25 financial year.

Table 31 MBRR Table SA 18 - Capital transfers and grant receipts

KZN227 Richmond - Supporting Table SA18 Transfers and grant receipts

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		88,563	98,265	96,653	97,057	97,057	72,764	102,354	105,593	110,586
Expanded Public Works Programme Integrated Grant		118	1,101	1,287	1,125	1,125	1,125	1,410	–	–
Local Government Financial Management Grant		–	1,850	1,950	1,950	1,950	1,950	1,900	2,000	2,200
Municipal Infrastructure Grant		(802)	16,889	7,000	1,063	1,063	–	1,049	1,091	1,168
Equitable Share		89,247	78,425	86,416	92,919	92,919	69,689	97,995	102,503	107,218
Provincial Government:		(608)	3,048	6,454	3,700	3,700	3,700	3,860	5,065	5,230
Rehabilitation of Nelson Street SMME's		–	–	–	–	–	500	–	–	–
Provincial Library		80	–	3,200	3,700	3,700	3,200	–	–	–
Specify (Add grant description)		–	–	3,000	–	–	–	–	–	–
Provincial Library		(199)	3,048	254	–	–	–	3,860	5,065	5,230
Specify (Add grant description)		(489)	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	87,955	101,313	103,107	100,757	100,757	76,464	106,214	110,658	115,816
Capital Transfers and Grants										
National Government:		50	17,010	16,211	30,109	28,688	21,092	19,925	20,720	22,197
Municipal Infrastructure Grant		50	10,377	13,511	20,189	18,768	18,592	19,925	20,720	22,197
Integrated National Electrification Programme Grant		–	6,633	2,700	9,920	9,920	2,500	–	–	–
Provincial Government:		(9,083)	121	5,440	–	–	–	2,200	–	–
Informal Economy Infrastructure- LED		–	–	–	–	–	–	1,000	–	–
Specify (Add grant description)		104	121	240	–	–	–	–	–	–
Specify (Add grant description)		(9,187)	–	5,200	–	–	–	–	–	–
Rehabilitation of Nelson Street SMME Units		–	–	–	–	–	–	1,200	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	(9,033)	17,131	21,651	30,109	28,688	21,092	22,125	20,720	22,197
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	78,922	118,443	124,758	130,866	129,445	97,556	128,339	131,378	138,013

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

Table 32 MBRR Table A7 - Budget cash flow statement

KZN227 Richmond - Table A7 Budgeted Cash Flows

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		44,339	28,231	24,815	27,024	27,024	27,024	27,024	26,549	27,771	29,048
Service charges		606	626	795	781	781	781	781	969	1,014	1,060
Other revenue		2,584	23,895	48,843	21,096	27,622	27,622	27,622	11,443	11,970	12,520
Transfers and Subsidies - Operational	1	109,438	237,442	202,206	100,757	100,757	100,757	100,757	106,416	110,658	115,816
Transfers and Subsidies - Capital	1	31,560	48,519	38,492	30,109	28,688	28,688	28,688	25,230	24,836	22,197
Interest		427	328	1,155	2,740	3,693	3,693	3,693	3,602	3,768	3,941
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(8,244)	(65,344)	(72,370)	(138,722)	(149,560)	(149,560)	(149,560)	(161,674)	(166,203)	(169,543)
Interest		–	–	–	(402)	(402)	(402)	(402)	(421)	(441)	(461)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		180,710	273,697	243,936	43,382	38,602	38,602	38,602	12,115	13,372	14,579
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(40,026)	(27,368)	(28,249)	(24,324)	(24,941)	(24,941)	(24,941)	(24,179)	(22,990)	(24,047)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(40,026)	(27,368)	(28,249)	(24,324)	(24,941)	(24,941)	(24,941)	(24,179)	(22,990)	(24,047)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		140,684	246,329	215,688	19,058	13,661	13,661	13,661	(12,063)	(9,618)	(9,468)
Cash/cash equivalents at the year begin:	2	–	21,042	26,902	24,688	24,688	24,688	24,688	21,594	9,531	(87)
Cash/cash equivalents at the year end:	2	140,684	267,371	242,590	43,746	38,349	38,349	38,349	9,531	(87)	(9,555)

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 33 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

KZN227 Richmond - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	140,684	267,371	242,590	43,746	38,349	38,349	38,349	9,531	(87)	(9,555)
Other current investments > 90 days		(119,641)	(240,469)	(223,848)	2,737	3,785	3,785	3,785	18,995	36,563	54,939
Non current Investments	1	0	0	0	–	–	–	–	0	0	0
Cash and investments available:		**21,043**	**26,902**	**18,742**	**46,484**	**42,133**	**42,133**	**42,133**	**28,527**	**36,477**	**45,385**
Application of cash and investments											
Unspent conditional transfers		4,724	11,079	7,279	18,020	14,858	14,858	14,858	4,527	4,527	4,527
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	(12,535)	(2,105)	(4,271)	(922)	(822)	(822)	(822)	(3,379)	(2,984)	(2,571)
Other working capital requirements	3	(2,724)	(5,532)	1,943	(30,190)	(22,525)	(22,525)	(22,525)	6,475	7,391	6,912
Other provisions		676	737	(1,833)	737	737	737	737	514	514	514
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**(9,857)**	**4,180**	**3,119**	**(12,354)**	**(7,751)**	**(7,751)**	**(7,751)**	**8,136**	**9,447**	**9,382**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**30,900**	**22,723**	**15,624**	**58,838**	**49,885**	**49,885**	**49,885**	**20,391**	**27,030**	**36,003**
Creditors transferred to Debt Relief - Non-Current portion		–	–	–	–	–	–	–	–	–	–
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**30,900**	**22,723**	**15,624**	**58,838**	**49,885**	**49,885**	**49,885**	**20,391**	**27,030**	**36,003**

Figure 6 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 34 MBRR SA10 – Funding compliance measurement

0 Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures												
Cash/cash equivalents at the year beg - R'000	18(1)b	1	–	21,042	26,902	24,688	24,688	24,688	24,688	21,594	9,531	(87)
Cash + investments at the yr end less applications - R'000	18(1)b	2	30,900	22,723	15,624	58,838	49,885	49,885	49,885	20,391	27,030	36,003
Cash year end/monthly employee/supplier payments	18(1)b	3	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	22,369	616	5,329	8,553	7,363	7,363	7,363	1,973	(578)	(53)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1.1%)	33.0%	(0.6%)	(6.0%)	(6.0%)	(6.0%)	(4.7%)	(1.4%)	(1.4%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	31.8%	33.1%	35.1%	21.6%	24.5%	24.5%	24.5%	98.4%	96.9%	107.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	7.5%	22.8%	0.6%	16.9%	23.7%	23.7%	23.7%	22.6%	22.6%	22.6%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(26.2%)	(47.6%)	18.3%	(38.9%)	0.0%	0.0%	82.0%	3.5%	2.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.8%	2.1%	3.7%	3.9%	3.9%	3.9%	3.2%	3.4%	3.5%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	32.7%	12.6%	4.9%	28.5%	26.0%	26.0%	0.0%	0.0%	0.0%	0.0%

2.6.5.1 Cash/cash equivalent position

The Richmond's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium-term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a

risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

2.6.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 34. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Richmond to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

2.6.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An ‘adjusted’ surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in ‘revenue’, which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are ‘collected’. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues

2.6.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position.

2.6.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance.

2.6.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for.

2.6.5.11 Consumer debtors change (Current and Non-current)

The purpose of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the Richmond's policy of settling debtors accounts within 30 days.

2.6.5.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

2.6.5.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorize each capital project as a new asset or a renewal/rehabilitation project.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 35 MBRR SA19 - Expenditure on transfers and grant programmes

KZN227 Richmond - Supporting Table SA19 Expenditure on transfers and grant programme

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		89,442	80,849	90,030	97,057	96,538	72,700	102,354	105,593	110,586
Expanded Public Works Programme Integrated Grant		–	118	1,287	1,125	1,125	1,125	1,410	–	–
Municipal Disaster Relief Grant		194	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		–	1,850	1,950	1,950	1,950	1,607	1,900	2,000	2,200
Municipal Infrastructure Grant		–	456	377	1,063	544	279	1,049	1,091	1,168
Equitable Share		89,247	78,425	86,416	92,919	92,919	69,689	97,995	102,503	107,218
Provincial Government:		–	3,329	4,211	3,700	6,453	4,485	3,860	5,065	5,230
Rehabilitation of Nelson Street SMME's		–	–	–	500	500	–	–	–	–
Cyber		–	3,172	3,455	254	254	1,999	–	–	–
Library		–	–	247	–	2,753	2,276	–	–	–
Provincial Library		–	157	508	2,946	2,946	210	3,860	5,065	5,230
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		89,442	84,178	94,241	100,757	102,991	77,185	106,214	110,658	115,816
Capital expenditure of Transfers and Grants										
National Government:		–	26,810	28,329	20,189	19,287	19,135	19,925	20,720	22,197
Municipal Infrastructure Grant		–	26,810	20,134	20,189	19,287	16,859	19,925	20,720	22,197
Integrated National Electrification Programme Grant		–	–	8,195	–	–	2,276	–	–	–
Provincial Government:		–	–	4,791	–	409	–	2,200	–	–
Informal Economy Infrastructure- LED		–	–	–	–	–	–	1,000	–	–
Specify (Add grant description)		–	–	–	–	409	–	–	–	–
Specify (Add grant description)		–	–	4,791	–	–	–	–	–	–
Rehabilitation of Nelson Street SMME Units		–	–	–	–	–	–	1,200	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	(600)	(600)	–	–	–	–
ESKOM		–	–	–	(600)	(600)	–	–	–	–
Total capital expenditure of Transfers and Grants		–	26,810	33,120	19,589	19,096	19,135	22,125	20,720	22,197
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		89,442	110,987	127,361	120,346	122,087	96,321	128,339	131,378	138,013

Table 36 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

KZN227 Richmond - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Operating transfers and grants:	1,3									
National Government										
Balance unspent at beginning of the year		(242)	636	(16,779)	–	–	(23,402)	(23,402)	(23,402)	(23,402)
Current year receipts		88,563	98,265	96,653	97,057	97,057	72,764	102,354	105,593	110,586
Repayment of grants										
Conditions met - transferred to revenue		**89,442**	**80,849**	**90,030**	**97,057**	**96,538**	**72,700**	**102,354**	**105,593**	**110,586**
Conditions still to be met - transferred to liabilities		(1,121)	18,052	(10,156)	–	519	(23,338)	(23,402)	(23,402)	(23,402)
Provincial Government:										
Balance unspent at beginning of the year		(1,409)	(801)	581	–	–	(1,652)	1,101	1,101	1,101
Current year receipts		(608)	3,048	6,454	3,700	3,700	3,700	3,860	5,065	5,230
Conditions met - transferred to revenue		**–**	**3,329**	**4,211**	**3,700**	**6,453**	**4,485**	**3,860**	**5,065**	**5,230**
Conditions still to be met - transferred to liabilities		(2,017)	(1,082)	2,824	(0)	(2,753)	(2,437)	1,101	1,101	1,101
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	48	48	48	48
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	48	48	48	48
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		**89,442**	**84,178**	**94,241**	**100,757**	**102,991**	**77,185**	**106,214**	**110,658**	**115,816**
Total operating transfers and grants - CTBM	2	**(3,138)**	**16,970**	**(7,332)**	**(0)**	**(2,234)**	**(25,727)**	**(22,253)**	**(22,253)**	**(22,253)**
Capital transfers and grants:	1,3									
National Government										
Balance unspent at beginning of the year		(752)	(802)	8,997	–	–	22,253	22,253	22,253	22,253
Current year receipts		50	17,010	16,211	30,109	28,688	21,092	19,925	20,720	22,197
Conditions met - transferred to revenue		**–**	**26,810**	**28,329**	**20,189**	**19,287**	**19,135**	**19,925**	**20,720**	**22,197**
Conditions still to be met - transferred to liabilities		(701)	(10,602)	(3,121)	9,920	9,401	24,210	22,253	22,253	22,253
Provincial Government:										
Balance unspent at beginning of the year		(12,840)	(3,757)	(3,878)	(7,500)	(7,500)	(4,527)	(4,527)	(4,527)	(4,527)
Current year receipts		(9,083)	121	5,440	–	–	–	2,200	–	–
Conditions met - transferred to revenue		**–**	**–**	**4,791**	**–**	**409**	**–**	**2,200**	**–**	**–**
Conditions still to be met - transferred to liabilities		(21,924)	(3,636)	(3,230)	(7,500)	(7,909)	(4,527)	(4,527)	(4,527)	(4,527)
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**(600)**	**(600)**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	600	600	–	–	–	–
Total capital transfers and grants revenue		**–**	**26,810**	**33,120**	**19,589**	**19,096**	**19,135**	**22,125**	**20,720**	**22,197**
Total capital transfers and grants - CTBM	2	**(22,625)**	**(14,238)**	**(6,350)**	**3,020**	**2,092**	**19,683**	**17,727**	**17,727**	**17,727**
TOTAL TRANSFERS AND GRANTS REVENUE		**89,442**	**110,987**	**127,361**	**120,346**	**122,087**	**96,321**	**128,339**	**131,378**	**138,013**
TOTAL TRANSFERS AND GRANTS - CTBM		**(25,763)**	**2,732**	**(13,683)**	**3,020**	**(142)**	**(6,044)**	**(4,527)**	**(4,527)**	**(4,527)**

2.8 Councilor and employee benefits

Table 37 MBRR SA22 - Summary of councilor and staff benefits

KZN227 Richmond - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4,340	4,577	4,730	5,277	5,277	5,277	5,536	5,791	6,057
Pension and UIF Contributions		106	55	31	150	150	150	157	165	172
Medical Aid Contributions		63	40	23	79	79	79	83	87	91
Motor Vehicle Allowance		582	503	541	65	65	65	696	728	761
Cellphone Allowance		597	605	619	656	656	656	688	719	752
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		84	197	109	654	654	654	59	61	64
Sub Total - Councillors		**5,773**	**5,977**	**6,051**	**6,881**	**6,881**	**6,881**	**7,219**	**7,551**	**7,898**
% increase	4		**3.5%**	**1.2%**	**13.7%**	**–**	**–**	**4.9%**	**4.6%**	**4.6%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,842	3,438	4,685	3,645	3,645	3,645	5,261	5,503	5,756
Pension and UIF Contributions		40	8	10	10	10	10	11	12	12
Medical Aid Contributions		48	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		76	–	44	–	–	–	–	–	–
Motor Vehicle Allowance	3	590	618	765	887	887	887	843	882	923
Cellphone Allowance	3	23	25	36	106	106	106	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	0	0	1	1	1	1	1	1	1
Payments in lieu of leave		215	57	15	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	(346)	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		**3,834**	**4,147**	**5,210**	**4,649**	**4,649**	**4,649**	**6,116**	**6,398**	**6,692**
% increase	4		**8.2%**	**25.6%**	**(10.8%)**	**–**	**–**	**31.6%**	**4.6%**	**4.6%**
Other Municipal Staff										
Basic Salaries and Wages		35,328	37,071	40,007	45,974	45,974	45,974	47,588	49,327	51,636
Pension and UIF Contributions		5,525	5,697	6,029	6,479	6,479	6,479	6,947	7,253	7,587
Medical Aid Contributions		2,005	2,034	2,133	2,406	2,406	2,406	2,463	2,576	2,695
Overtime		1,677	1,877	1,326	1,074	1,074	1,074	2,100	2,197	2,298
Performance Bonus		2,865	2,722	3,077	3,215	3,215	3,215	3,221	3,369	3,524
Motor Vehicle Allowance	3	1,313	1,384	1,728	1,622	1,622	1,622	1,581	1,681	1,759
Cellphone Allowance	3	383	374	401	437	437	437	435	455	476
Housing Allowances	3	95	95	165	98	98	98	326	341	356
Other benefits and allowances	3	178	689	182	728	728	728	791	828	866
Payments in lieu of leave		614	2,931	2,286	1,930	1,930	1,930	1,563	1,635	1,710
Long service awards		145	326	387	–	–	–	–	–	–
Post-retirement benefit obligations	6	710	969	1,308	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		**50,838**	**56,168**	**59,028**	**63,964**	**63,964**	**63,964**	**67,014**	**69,661**	**72,906**
% increase	4		**10.5%**	**5.1%**	**8.4%**	**–**	**–**	**4.8%**	**3.9%**	**4.7%**

Table 38 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councilors/ senior managers)

KZN227 Richmond - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	774,038	3,000	20,000	–	–	797,038
Chief Whip		1	720,000	3,000	20,000	–	–	743,000
Executive Mayor		1	850,000	2,000	20,000	–	–	872,000
Deputy Executive Mayor		1	765,000	2,000	20,000	–	–	787,000
Executive Committee		–	–	–	–	–	–	–
Total for all other councillors		14	–	180,000	120,000	–	–	300,000
Total Councillors	8	**18**	**3,109,038**	**190,000**	**200,000**			**3,499,038**
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1,021,754	3,000	300,000	–	–	1,324,754
Chief Finance Officer		1	730,000	3,000	360,000	–	–	1,093,000
Director corporate		1	720,000	3,000	260,000			983,000
Director community		1	800,000	3,000	370,000			1,173,000
Director technical		1	804,000	3,000	290,000			1,097,000
								–

Table 39 MBRR SA24 – Summary of personnel numbers

KZN227 Richmond - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	####	2022/23			Current Year 2023/24			Budget Year 2024/25		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		14	–	14	14	–	14	14	–	14
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	192	180	12	192	180	12	192	180	12
Municipal Manager and Senior Managers	3	5	5	–	5	5	–	5	5	–
Other Managers	7	8	8	–	14	14	–	14	14	–
Professionals		*16*	*15*	*1*	*17*	*16*	*1*	*17*	*16*	*1*
Finance		4	3	1	4	3	1	4	3	1
Spatial/town planning		4	4	–	5	5	–	5	5	–
Information Technology		1	1	–	1	1	–	1	1	–
Roads		1	1	–	1	1	–	1	1	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		1	1	–	1	1	–	1	1	–
Other		5	5	–	5	5	–	5	5	–
Technicians		*10*	*10*	–	*10*	*10*	–	*10*	*10*	–
Finance		–	–	–	–	–	–	–	–	–
Spatial/town planning		1	1	–	1	1	–	1	1	–
Information Technology		1	1	–	1	1	–	1	1	–
Roads		2	2	–	2	2	–	2	2	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		1	1	–	1	1	–	1	1	–
Other		5	5	–	5	5	–	5	5	–
Clerks (Clerical and administrative)		10	10	–	10	10	–	10	10	–
Service and sales workers		–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		–	–	–	–	–	–	–	–	–
Elementary Occupations		129	129	–	129	129	–	129	129	–
TOTAL PERSONNEL NUMBERS	9	**384**	**357**	**27**	**391**	**364**	**27**	**391**	**364**	**27**

2.9 Monthly targets for revenue, expenditure and cash flow

Table 40 MBRR SA25 - Budgeted monthly revenue and expenditure

KZN227 Richmond - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue																
Exchange Revenue																
Service charges - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		90	90	90	90	90	90	90	90	90	90	90	90	1,079	1,128	1,180
Sale of Goods and Rendering of Services		298	298	298	298	298	298	298	298	298	298	298	298	3,571	4,603	510
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest		12	12	12	12	12	12	12	12	12	12	12	12	144	150	157
Interest earned from Receivables		25	25	25	25	25	25	25	25	25	25	25	25	299	313	327
Interest earned from Current and Non Current Assets		300	300	300	300	300	300	300	300	300	300	300	300	3,602	3,768	3,941
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		76	76	76	76	76	76	76	76	76	76	76	76	910	952	996
Licence and permits		1	1	1	1	1	1	1	1	1	1	1	1	13	13	14
Operational Revenue		79	79	79	79	79	79	79	79	79	79	79	79	945	777	813
Non-Exchange Revenue																
Property rates		2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	28,889	30,218	31,608
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		198	198	198	198	198	198	198	198	198	198	198	198	2,376	2,485	2,600
Licences or permits		227	227	227	227	227	227	227	227	227	227	227	227	2,723	2,848	2,979
Transfer and subsidies - Operational		8,851	8,851	8,851	8,851	8,851	8,851	8,851	8,851	8,851	8,851	8,851	8,851	106,214	110,658	115,816
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and cont		**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**12,564**	**150,764**	**157,914**	**160,940**
Expenditure																
Employee related costs		6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094	73,130	76,059	79,597
Remuneration of councillors		602	602	602	602	602	602	602	602	602	602	602	602	7,219	7,551	7,898
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		394	394	394	394	394	394	394	394	394	394	394	394	4,725	4,942	5,170
Debt impairment		565	565	565	565	565	565	565	565	565	565	565	565	6,782	7,094	7,420
Depreciation and amortisation		1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	20,456	21,396	22,381
Interest		35	35	35	35	35	35	35	35	35	35	35	35	421	441	461
Contracted services		2,728	2,777	2,777	2,777	2,777	2,777	2,777	2,777	2,777	2,777	2,826	2,777	33,324	35,738	33,077
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational costs		2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	24,860	25,992	27,187
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**14,194**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,292**	**14,243**	**170,916**	**179,212**	**183,191**

Table 41 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

KZN227 Richmond - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote																
Vote 1 - Executive And Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance and administration		11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	137,713	142,586	149,253
Vote 3 - Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		339	339	339	339	339	339	339	339	339	339	339	339	4,068	5,283	5,458
Vote 5 - Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Planning and Development		1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	23,589	22,244	23,819
Vote 7 - Road Transport		505	505	505	505	505	505	505	505	505	505	505	505	6,054	6,989	3,006
Vote 8 - Sport and Recreation		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Vote 9 - Waste Management		121	121	121	121	121	121	121	121	121	121	121	121	1,454	1,521	1,591
Vote 10 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**172,889**	**178,634**	**183,137**
Expenditure by Vote to be appropriated																
Vote 1 - Executive And Council		1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	19,157	20,038	20,960
Vote 2 - Finance and administration		4,180	4,229	4,229	4,229	4,229	4,229	4,229	4,229	4,229	4,229	4,278	4,229	50,749	53,096	55,647
Vote 3 - Housing		41	41	41	41	41	41	41	41	41	41	41	41	496	518	542
Vote 4 - Community and Social Services		1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	21,971	24,009	25,045
Vote 5 - Internal Audit		137	137	137	137	137	137	137	137	137	137	137	137	1,643	1,719	1,798
Vote 6 - Planning and Development		869	869	869	869	869	869	869	869	869	869	869	869	10,424	9,428	9,862
Vote 7 - Road Transport		4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	54,326	57,693	56,042
Vote 8 - Sport and Recreation		338	338	338	338	338	338	338	338	338	338	338	338	4,056	4,243	4,438
Vote 9 - Waste Management		619	619	619	619	619	619	619	619	619	619	619	619	7,429	7,770	8,128
Vote 10 - Waste Water Management		43	43	43	43	43	43	43	43	43	43	43	43	516	540	565
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		**14,181**	**14,231**	**14,231**	**14,231**	**14,231**	**14,231**	**14,231**	**14,231**	**14,231**	**14,231**	**14,280**	**14,231**	**170,767**	**179,055**	**183,027**
Surplus/(Deficit) before assoc.		**226**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**128**	**177**	**2,122**	**(422)**	**110**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**226**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**128**	**177**	**2,122**	**(422)**	**110**

Table 42 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

KZN227 Richmond - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional																
Governance and administration		**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**11,476**	**137,713**	**142,586**	**149,253**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	11,476	137,713	142,586	149,253
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**340**	**340**	**340**	**340**	**340**	**340**	**340**	**340**	**340**	**340**	**340**	**340**	**4,079**	**5,294**	**5,469**
Community and social services		339	339	339	339	339	339	339	339	339	339	339	339	4,068	5,283	5,458
Sport and recreation		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**2,470**	**29,643**	**29,233**	**26,824**
Planning and development		1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	23,589	22,244	23,819
Road transport		505	505	505	505	505	505	505	505	505	505	505	505	6,054	6,989	3,006
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**121**	**121**	**121**	**121**	**121**	**121**	**121**	**121**	**121**	**121**	**121**	**121**	**1,454**	**1,521**	**1,591**
Energy sources		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		121	121	121	121	121	121	121	121	121	121	121	121	1,454	1,521	1,591
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
		14,407	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**14,407**	**172,889**	**178,634**	**183,137**
Expenditure - Functional																
Governance and administration		**5,913**	**5,962**	**5,962**	**5,962**	**5,962**	**5,962**	**5,962**	**5,962**	**5,962**	**5,962**	**6,012**	**5,962**	**71,549**	**74,853**	**78,404**
Executive and council		1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	19,157	20,038	20,960
Finance and administration		4,180	4,229	4,229	4,229	4,229	4,229	4,229	4,229	4,229	4,229	4,278	4,229	50,749	53,096	55,647
Internal audit		137	137	137	137	137	137	137	137	137	137	137	137	1,643	1,719	1,798
Community and public safety		**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**2,223**	**26,672**	**28,927**	**30,189**
Community and social services		1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	22,120	24,165	25,209
Sport and recreation		338	338	338	338	338	338	338	338	338	338	338	338	4,056	4,243	4,438
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		41	41	41	41	41	41	41	41	41	41	41	41	496	518	542
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**5,396**	**64,750**	**67,122**	**65,904**
Planning and development		869	869	869	869	869	869	869	869	869	869	869	869	10,424	9,428	9,862
Road transport		4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	54,326	57,693	56,042
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**662**	**662**	**662**	**662**	**662**	**662**	**662**	**662**	**662**	**662**	**662**	**662**	**7,945**	**8,311**	**8,693**
Energy sources		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		43	43	43	43	43	43	43	43	43	43	43	43	516	540	565
Waste management		619	619	619	619	619	619	619	619	619	619	619	619	7,429	7,770	8,128
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
#REF!		**14,194**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,243**	**14,292**	**14,243**	**170,916**	**179,212**	**183,191**
Surplus/(Deficit) before assoc.		**214**	**164**	**164**	**164**	**164**	**164**	**164**	**164**	**164**	**164**	**115**	**164**	**1,973**	**(578)**	**(53)**
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**214**	**164**	**164**	**164**	**164**	**164**	**164**	**164**	**164**	**164**	**115**	**164**	**1,973**	**(578)**	**(53)**

Table 43 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

KZN227 Richmond - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Multi-year expenditure ***to be appropriated***	1															
Vote 1 - Executive And Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance and administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Planning and Development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Road Transport		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Waste Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Single-year expenditure ***to be appropriated***																
Vote 1 - Executive And Council		32	32	32	32	32	32	32	32	32	32	32	32	380	397	416
Vote 2 - Finance and administration		85	85	85	85	85	85	85	85	85	85	85	85	1,018	1,065	1,114
Vote 3 - Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		–	16	16	16	16	16	16	16	16	16	31	16	188	363	379
Vote 5 - Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Planning and Development		188	188	188	188	188	188	188	188	188	188	188	188	2,260	63	66
Vote 7 - Road Transport		1,923	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,414	1,669	20,024	20,816	22,325
Vote 8 - Sport and Recreation		13	13	13	13	13	13	13	13	13	13	13	13	150	157	164
Vote 9 - Waste Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	**2,240**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**1,763**	**2,002**	**24,020**	**22,861**	**24,464**
Total Capital Expenditure	2	**2,240**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**1,763**	**2,002**	**24,020**	**22,861**	**24,464**

Table 44 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

KZN227 Richmond - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional	1															
Governance and administration		**117**	**117**	**117**	**117**	**117**	**117**	**117**	**117**	**117**	**117**	**117**	**117**	**1,398**	**1,462**	**1,530**
Executive and council		32	32	32	32	32	32	32	32	32	32	32	32	380	397	416
Finance and administration		85	85	85	85	85	85	85	85	85	85	85	85	1,018	1,065	1,114
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**13**	**28**	**28**	**28**	**28**	**28**	**28**	**28**	**28**	**28**	**44**	**28**	**338**	**520**	**543**
Community and social services		–	16	16	16	16	16	16	16	16	16	31	16	188	363	379
Sport and recreation		13	13	13	13	13	13	13	13	13	13	13	13	150	157	164
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**2,111**	**1,857**	**1,857**	**1,857**	**1,857**	**1,857**	**1,857**	**1,857**	**1,857**	**1,857**	**1,603**	**1,857**	**22,284**	**20,879**	**22,391**
Planning and development		188	188	188	188	188	188	188	188	188	188	188	188	2,260	63	66
Road transport		1,923	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,414	1,669	20,024	20,816	22,325
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Energy sources		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	**–**
Total Capital Expenditure - Functional	2	**2,240**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**2,002**	**1,763**	**2,002**	**24,020**	**22,861**	**24,464**
Funded by:																
National Government		1,915	1,660	1,660	1,660	1,660	1,660	1,660	1,660	1,660	1,660	1,406	1,660	**19,925**	**20,713**	**22,217**
Provincial Government		183	199	199	199	212	212	199	199	199	199	202	186	2,388	197	206
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		**2,098**	**1,859**	**1,859**	**1,859**	**1,873**	**1,873**	**1,859**	**1,859**	**1,859**	**1,859**	**1,608**	**1,846**	**22,314**	**20,910**	**22,423**
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		87	87	87	87	74	74	87	87	87	87	100	100	1,047	1,260	1,318
Total Capital Funding		**2,185**	**1,947**	**1,947**	**1,947**	**1,947**	**1,947**	**1,947**	**1,947**	**1,947**	**1,947**	1,708	1,947	23,360	22,170	23,742

Table 45 MBRR SA30 - Budgeted monthly cash flow

KZN227 Richmond - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts By Source													1		
Property rates	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	3,340	26,549	27,771	29,048
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	81	81	81	81	81	81	81	81	81	81	81	81	969	1,014	1,060
Rental of facilities and equipment	39	39	39	39	39	39	39	39	39	39	39	39	465	487	509
Interest earned - external investments	300	300	300	300	300	300	300	300	300	300	300	300	3,602	3,768	3,941
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits	108	108	108	108	108	108	108	108	108	108	108	108	1,301	1,361	1,424
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies - Operational	8,868	8,868	8,868	8,868	8,868	8,868	8,868	8,868	8,868	8,868	8,868	8,868	106,416	110,658	115,816
Other revenue	806	806	806	806	806	806	806	806	806	806	806	806	9,677	10,122	10,587
Cash Receipts by Source	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**12,312**	**13,543**	**148,980**	**155,180**	**162,386**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	25,230	24,836	22,197
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**14,415**	**15,645**	**174,210**	**180,015**	**184,583**
Cash Payments by Type															
Employee related costs	6,137	6,137	6,137	6,137	6,137	6,137	6,137	6,137	6,137	6,137	6,137	6,137	73,646	75,559	79,035
Remuneration of councillors	602	602	602	602	602	602	602	602	602	602	602	602	7,219	7,551	7,898
Interest	35	35	35	35	35	35	35	35	35	35	35	35	421	441	461
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	4,792	4,792	4,792	4,792	4,792	4,792	4,792	4,792	4,792	4,792	4,792	4,792	57,503	58,715	57,111
Transfers and subsidies - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	23,306	24,378	25,500
Cash Payments by Type	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**13,508**	**162,095**	**166,643**	**170,004**
Other Cash Flows/Payments by Type															
Capital assets	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	24,179	22,990	24,047
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**15,523**	**186,273**	**189,633**	**194,051**
NET INCREASE/(DECREASE) IN CASH HELD	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**(1,108)**	**123**	**(12,063)**	**(9,618)**	**(9,468)**
Cash/cash equivalents at the month/year begin:	21,594	20,486	19,379	18,271	17,163	16,055	14,947	13,840	12,732	11,624	10,516	9,408	21,594	9,531	(87)
Cash/cash equivalents at the month/year end:	20,486	19,379	18,271	17,163	16,055	14,947	13,840	12,732	11,624	10,516	9,408	9,531	9,531	(87)	(9,555)

2.10 Annual budgets and SDBIPs – internal departments

See attached.

2.11 Contracts having future budgetary implications

In terms of the Richmond's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following tables represent in detail how Richmond local municipality anticipate on spending its capital budget. Consideration has been given to all requests received during community engagements.

Municipal Infrastructure grant

Number	Projects	Amount
1	Upgrade of Greater Indaleni Passages - Upgrading of Slahla Access Road to Black Top Surface in Ward 2	3,053,508
2	Upgrading of Stormwater in Ward 7 (Khetho to Mjintini)	16,871,792
		19,925,300

Integrated National Electrification Programme (INEP)

Funding	Projects	Amount
1	Slahla Sigcakini Electrification Project	776,250.00
2	Mthunzini-Lindelani Electrification Project	776,250.00
3	Mcsteel - Masonite Electrification Project	776,250.00
4	Mpofane - Nkumane Electrification Project	776,250.00
Total		**3,105,000.00**

Internally Funded

No	Projects	Amount
1	Anti Virus Software	69,996.00
2	Call Logging System- Acquisition	150,000.00
3	Upgrade of Website	660,000.00
4	Vaccum cleaner- Corporate Services	20,004.00
5	Filling Cabinets	99,996.00
6	Lamination Machine	8,004.00
7	Guillotine Machine	9,996.00
8	Brush cutters- new	150,000.00
11	Laptops- Roads	60,000.00
12	Airconditioner: Worksyard Office	35,004.00
13	Roads- Printer	3,504.00
14	Mayoral Chain	180,000.00
15	Furniture Council	200,004.00
16	LED Training room- Furniture	60,000.00
Total		**1,706,508.00**

The following three tables present details of the Richmond's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 46 MBRR SA 34a - Capital expenditure on new assets by asset class

KZN227 Richmond - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on new assets by Asset Class/Sub-class										
Total Capital Expenditure on new assets	1	41,244	23,638	37,645	12,971	13,489	13,489	2,235	1,457	1,524

Table 47 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

KZN227 Richmond - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Capital Expenditure on renewal of existing asset	1	26,906	4,483	2,591	6,940	6,236	6,236	–	–	–

Table 48 MBRR SA34c - Repairs and maintenance expenditure by asset class

KZN227 Richmond - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Repairs and maintenance expenditure by Asset Class/Sub-class										
Total Repairs and Maintenance Expenditure	1	6,139	6,950	12,919	13,344	13,298	13,298	11,655	12,191	12,752
R&M as a % of PPE & Investment Property		*1.8%*	*2.1%*	*3.7%*	*3.9%*	*3.9%*	*3.9%*	*3.2%*	*3.4%*	*3.5%*
R&M as % Operating Expenditure		*4.8%*	*4.9%*	*8.3%*	*8.0%*	*7.5%*	*7.5%*	*6.6%*	*7.1%*	*7.1%*

Table 49 MBRR SA35 - Future financial implications of the capital budget

KZN227 Richmond - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
Capital expenditure	1							
Vote 1 - Executive And Council		380	397	416				
Vote 2 - Finance and administration		1,018	1,065	1,114				
Vote 3 - Housing		–	–	–				
Vote 4 - Community and Social Services		188	363	379				
Vote 5 - Internal Audit		–	–	–				
Vote 6 - Planning and Development		2,260	63	66				
Vote 7 - Road Transport		20,024	20,816	22,325				
Vote 8 - Sport and Recreation		150	157	164				
Vote 9 - Waste Management		–	–	–				
Vote 10 - Waste Water Management		–	–	–				
Vote 11 -		–	–	–				
Vote 12 -		–	–	–				
Vote 13 -		–	–	–				
Vote 14 -		–	–	–				
Vote 15 -		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**24,020**	**22,861**	**24,464**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 1 - Executive And Council		19,157	20,038	20,960				
Vote 2 - Finance and administration		50,749	53,096	55,647				
Vote 3 - Housing		496	518	542				
Vote 4 - Community and Social Services		21,971	24,009	25,045				
Vote 5 - Internal Audit		1,643	1,719	1,798				
Vote 6 - Planning and Development		10,424	9,428	9,862				
Vote 7 - Road Transport		54,326	57,693	56,042				
Vote 8 - Sport and Recreation		4,056	4,243	4,438				
Vote 9 - Waste Management		7,429	7,770	8,128				
Vote 10 - Waste Water Management		516	540	565				
Vote 11 -		–	–	–				
Vote 12 -		–	–	–				
Vote 13 -		–	–	–				
Vote 14 -		–	–	–				
Vote 15 -		–	–	–				
List entity summary if applicable								
Total future operational costs		170,767	179,055	183,027	–	–	–	–
Future revenue by source	3							
Exchange Revenue								
Service charges - Electricity		–	–	–				
Service charges - Water		–	–	–				
Service charges - Waste Water Management		–	–	–				
Service charges - Waste Management		1,079	1,128	1,180				
Agency services		–	–	–				
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		1,079	1,128	1,180	–	–	–	–
Net Financial Implications		**193,708**	**200,788**	**206,311**	**–**	**–**	**–**	**–**

Table 50 MBRR SA36 - Detailed capital budget per municipal vote

KZN227 Richmond - Supporting Table SA38 Consolidated detailed operational projects

R thousand

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior-year outcomes: Audited Outcome 2022/23	Prior-year outcomes: Current Year 2023/24 Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework: Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality:																
List all operational projects grouped by Function																
Solid Waste Removal:REFUSE REMOVA	Transport Assets:ISUZU TRUCK - FTR 800 NK 5632	1	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	180	188	197
Solid Waste Removal:REFUSE REMOVA	Transport Assets:MITSUBISHI FUSO TRUCK NK6477	2	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	200	209	219
Solid Waste Removal:REFUSE REMOVA	Transport Assets:ISUZU TRUCK - FTR 800 NK 5632	3	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	200	209	219
Administrative and Corporate Support:S	Transport Assets:NISSAN NP200 1.6 8V NK 8100	4	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	40	42	44
Administrative and Corporate Support:S	Transport Assets:NISSAN NP200 1.6 8V NK 8100	5	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To capacitate youth and empower youth on resources available	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Administrative and Corporate Support:S	Occupational Health and Safety:Occupational Health and Safety	6	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	3	3	3
Administrative and Corporate Support:S	Computer Software and Applications:Maintenance of Software	7	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	180	188	197
Administrative and Corporate Support:S	Computer Software and Applications:Maintenance of Software	8	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	100	105	109
Administrative and Corporate Support:S	Occupational Health and Safety:Occupational Health and Safety	9	Typical Work Streams	Africa and contribute to a better Afric	Spatial integration	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	8	8	9
Administrative and Corporate Support:S	Minor Ailments:Medical Supplies	10	Minor Ailments	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Administrative and Corporate Support:S	Buildings:PEST CONTROL	11	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	16	17	18
Administrative and Corporate Support:S	Municipal Health Service:WELLNESS PROGRAMMES FOR EMPLOYEES	12	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	45	47	49
Administrative and Corporate Support:S	Buildings:FIRE EXTINGUISHERS	13	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	35	37	38
Governance Function:INTERNAL AUDIT	Workshops: Seminars and Subject Matter Training:OTHER	14	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Sports Grounds and Stadiums:ESTATE	Machinery and Equipment:BRUSH CUTTERS AND LAWNMOWERS	15	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	492	515	539
Sports Grounds and Stadiums:ESTATE	Transport Assets:NEW HOLLAND TT NK 3552	16	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	35	37	38
Sports Grounds and Stadiums:ESTATE	Transport Assets:NEW HOLLAND NK 6939	17	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	225	235	246
Sports Grounds and Stadiums:ESTATE	Transport Assets:ALL TRAILERS	18	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Sports Grounds and Stadiums:ESTATE	Transport Assets:ISUZU KB NK 5596	19	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Sports Grounds and Stadiums:ESTATE	Transport Assets:NEW HOLLAND TT NK 3552	20	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Sports Grounds and Stadiums:ESTATE	Transport Assets:NEW HOLLAND NK 6939	21	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Disaster Management:DISASTER MANA	Transport Assets:NK 5616	22	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	130	136	142
Disaster Management:DISASTER MANA	Disaster Relief:PUBLLIC AWARENESS CAMPAIGN	23	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Disaster Management:DISASTER MANA	Disaster Relief:PUBLLIC AWARENESS CAMPAIGN	24	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Disaster Management:DISASTER MANA	Disaster Management:DISASTER MGMNT	25	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	10	10	11
Disaster Management:DISASTER MANA	Disaster Management:DISASTER MGMNT	26	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	1,429	1,494	1,563
Disaster Management:DISASTER MANA	Disaster Relief:PUBLLIC AWARENESS CAMPAIGN	27	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Disaster Management:DISASTER MANA	Disaster Relief:PUBLLIC AWARENESS CAMPAIGN	28	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Finance:Default	Municipal Minimum Competency Level:Municipal Training	29	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	160	167	175
Finance:Default	Public Participation Meeting:IDP BUDGET AND STRATEGIC PLANNING	30	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	30	31	33
Finance:Default	Public Participation Meeting:IDP BUDGET AND STRATEGIC PLANNING	31	Typical Work Streams	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	50	52	55
Finance:Default	Workshops: Seminars and Subject Matter Training:OTHER	32	Typical Work Streams	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	200	209	219
Community Halls and Facilities:INKLAZ	Buildings:INKLAZA HALL	33	Corrective Maintenance	Africa and contribute to a better Afric	Spatial integration	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	70	73	77
Community Halls and Facilities:HOPEW	Buildings:HOPEWELL HALL	34	Corrective Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Community Halls and Facilities:NKUMA	Buildings:NKUMANA HALL	35	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	12	13	13
Community Halls and Facilities:MZINOL	Buildings:MZINOLOVU HALL	36	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	10	10	11
Community Halls and Facilities:INDALE	Buildings:NDALENI HALL	37	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	10	10	11
Community Halls and Facilities:SMOZO	Buildings:SMOZOMOR HALL	38	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Community Halls and Facilities:PATHEN	Buildings:PATHENI HALL	39	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	10	10	11
Community Halls and Facilities:SYABA	Buildings:SLAHLA HALL	40	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	17
Community Halls and Facilities:AGRICU	Transport Assets:NK 9408	41	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	85	89	93
Community Halls and Facilities:AGRICU	Transport Assets:NK 9527	42	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	67	70	73
Community Halls and Facilities:AGRICU	Machinery and Equipment:BRUSH CUTTERS AND LAWNMOWERS	43	Preventative Maintenance	Africa and contribute to a better Afric	Spatial integration	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	60	63	66
Community Halls and Facilities:AGRICU	Buildings:Richmond Sports Complex	44	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	71	74	78
Community Halls and Facilities:AGRICU	Assistance and Support:Agricultural Support	45	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	3	3	3
Community Halls and Facilities:AGRICU	Youth Development:YOUTH MONTH PROGRAMMES	46	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	6	6	7
Community Halls and Facilities:AGRICU	Indigent and Cultural Management and Services:Review of indigent register	47	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Community Halls and Facilities:AGRICU	Community Initiatives:Umkhosi Womhlanga	48	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	81	85	89
Community Halls and Facilities:AGRICU	Youth Advisory Centre:CAREER EXPO	49	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To capacitate youth and empower youth on resources available	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Community Halls and Facilities:AGRICU	Municipal Games:SALGA GAMES	50	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	16	17	18
Community Halls and Facilities:AGRICU	Workshops: Seminars and Subject Matter Training:OTHER	51	Typical Work Streams	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	10	10	11
Community Halls and Facilities:AGRICU	Workshops: Seminars and Subject Matter Training:OTHER	52	Typical Work Streams	Africa and contribute to a better Afric	Governance	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	66	69	72
Community Halls and Facilities:AGRICU	Disability:DISABILITY PROGRAMMES	53	Typical Work Streams	Africa and contribute to a better Afric	Spatial integration	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	25	26	27
Community Halls and Facilities:AGRICU	Youth Development:YOUTH- ARTS AND CULTURE	54	Typical Work Streams	Africa and contribute to a better Afric	Governance	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	25	26	27
Community Halls and Facilities:AGRICU	Youth Advisory Centre:CAREER EXPO	55	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Community Halls and Facilities:AGRICU	Community Initiatives:Umkhosi Womhlanga	56	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Community Halls and Facilities:AGRICU	Municipal Games:SALGA GAMES	57	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To capacitate youth and empower youth on resources available	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	110	115	120
Community Halls and Facilities:AGRICU	Youth Development:YOUTH COUNCIL	58	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To capacitate youth and empower youth on resources available	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	40	42	44
Community Halls and Facilities:AGRICU	Indigent and Cultural Management and Services:Review of indigent register	59	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To capacitate youth and empower youth on resources available	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	10	10	11
Community Halls and Facilities:AGRICU	Youth Advisory Centre:CAREER EXPO	60	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To capacitate youth and empower youth on resources available	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	50	52	55
Community Halls and Facilities:AGRICU	Community Initiatives:Umkhosi Womhlanga	61	Typical Work Streams	Africa and contribute to a better Afric	Governance	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	70	73	77
Community Halls and Facilities:AGRICU	Gender Development:GENDER DEVELOPMENT	62	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Community Halls and Facilities:AGRICU	Municipal Games:SALGA GAMES	63	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	80	84	88
Community Halls and Facilities:AGRICU	Workshops: Seminars and Subject Matter Training:OTHER	64	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	69	73	76
Community Halls and Facilities:AGRICU	Municipal Games:SALGA GAMES	65	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	80	84	88
Community Halls and Facilities:Richmo	Youth Development:YOUTH- ARTS AND CULTURE	66	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Community Halls and Facilities:Richmo	Youth Development:YOUTH COUNCIL	67	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Community Halls and Facilities:Richmo	Gender Development:GENDER DEVELOPMENT	68	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Community Halls and Facilities:Richmo	Youth Development:YOUTH COUNCIL	69	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Community Halls and Facilities:Richmo	Youth Development:YOUTH COUNCIL	70	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Community Halls and Facilities:Richmo	Youth Advisory Centre:CAREER EXPO	71	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Community Halls and Facilities:Richmo	Disability:DISABILITY PROGRAMMES	72	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	18	19	20
Community Halls and Facilities:Richmo	Youth Development:YOUTH- ARTS AND CULTURE	73	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	17	17	18
Community Halls and Facilities:Richmo	Youth Development:YOUTH COUNCIL	74	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Community Halls and Facilities:Richmo	Gender Development:GENDER DEVELOPMENT	75	Typical Work Streams	Africa and contribute to a better Afric	Governance	To eradicate the past perception of the municipality	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	15	16	16
Road and Traffic Regulation:Traffic	Transport Assets:ISUZU KB 250 NK 2154	76	Preventative Maintenance	Africa and contribute to a better Afric	Governance	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	48	50	53
Road and Traffic Regulation:Traffic	Transport Assets:NK 9619	77	Preventative Maintenance	Africa and contribute to a better Afric	Spatial integration	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	61	64	67
Road and Traffic Regulation:Traffic	Transport Assets:NK 9620	78	Preventative Maintenance	Africa and contribute to a better Afric	Governance	Implement service delivery programmes and reduce services and infrastructure backlogs	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	64	67	70
Road and Traffic Regulation:Traffic	Transport Assets:NK 9622	79	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	69	73	76
Road and Traffic Regulation:Traffic	Transport Assets:ISUZU KB 250 NK 2154	80	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	12	13	13
Road and Traffic Regulation:Traffic	Transport Assets:CHEVROLET CRUZE NK 6274	81	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	11	11	12
Road and Traffic Regulation:Traffic	Transport Assets:ISUZU KB 250 NK 2154	82	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	48	50	53
Road and Traffic Regulation:Traffic	Public Protection and Safety:AMMUNITION-TRAFFIC	83	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	30	31	33
Corporate Wide Strategic Planning (IDP	Transport Assets:NK 9427	84	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	50	52	55
Corporate Wide Strategic Planning (IDP	Public Participation Meeting:IDP BUDGET AND STRATEGIC PLANNING	85	Typical Work Streams	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	85	89	93
Libraries and Archives:LIBRARY (16252	Transport Assets:LIBRARY BAKKER 6275	86	Preventative Maintenance	Africa and contribute to a better Afric	Governance	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	65	68	71
Libraries and Archives:LIBRARY (16252	Buildings:FUMIGATION LIBRARY	87	Preventative Maintenance	Africa and contribute to a better Afric	Spatial integration	IMPLEMENT PLANS TO MAINTAIN ASSETS THUS ENSURING ITS SUSTAINABILITY OVER ITS LIFE SPAN	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	48	50	53
Libraries and Archives:LIBRARY (16252	Buildings:LIBRARY BUILDING MAINTENANCE	88	Corrective Maintenance	Africa and contribute to a better Afric	Governance	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	20	21	22
Libraries and Archives:LIBRARY (16252	Transport Assets:LIBRARY BAKKER 6275	89	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	40	42	44
Libraries and Archives:LIBRARY (16252	Buildings:GENERATOR MAINTENANCE FOR LIBRARIES	90	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	5	5	5
Cemeteries, Funeral Parlours and Creme	Burials:INDIGENT BURIALS	91	Typical Work Streams	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	150	157	164
Roads:Roads (16469)	Transport Assets:CAT 320	92	Preventative Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	250	261	274
Roads:Roads (16469)	Transport Assets:BOMAG GENERATOR WACKER AND TAR	93	Corrective Maintenance	Africa and contribute to a better Afric	Inclusion and access	To enhance the lives of the poor thus alleviating poverty	Roads Infrastructure	Roads	Regional Regio	30.3097085	-29.8527287	–	–	150	157	164
Roads:Roads (16469)	Transport Ass

2.13 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 Richmond'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 Budget and Treasury Office. Since the introduction of the Internship programme the municipality has successfully employed and trained 15 interns through this programme.

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. **Service Delivery and Implementation Plan**

   The detail SDBIP document is at a final stage and will be finalized after approval of the 2023/24 MTREF in May 2023 directly aligned and informed by the 2023/24 MTREF.

6. **Annual Report**

   Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. **MFMA Training**

   The MFMA training module in electronic format is presented at the Richmond's internal centre and training is ongoing.

8. **Policies**

   All financial policies are reviewed and adopted annually as part of the budget process

2.14 Other supporting documents

Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance

KZN227 Richmond - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates		18,494	19,285	27,115	29,146	29,146	29,146	29,146	29,869	31,243	32,680
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		–	–	–	700	700	700	700	980	1,025	1,073
Net Property Rates		**18,494**	**19,285**	**27,115**	**28,446**	**28,446**	**28,446**	**28,446**	**28,889**	**30,218**	**31,608**
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity									–	–	–
Less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - Electricity		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Water	6										
Total Service charges - Water									–	–	–
Less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - Water		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Waste Water Management											
Total Service charges - Waste Water Management									–	–	–
Less Revenue Foregone ***(in excess of free sanitation service to indigent households)***		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Water Management		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Waste Management	6										
Total refuse removal revenue		1,056	1,216	1,269	1,477	1,477	1,477	1,477	1,410	1,475	1,543
Total landfill revenue									–	–	–
Less Revenue Foregone ***(in excess of one removal a week to indigent households)***		279	294	303	332	332	332	332	332	347	363
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Management		**777**	**923**	**966**	**1,145**	**1,145**	**1,145**	**1,145**	**1,079**	**1,128**	**1,180**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	38,170	40,509	44,692	49,619	49,619	49,619	49,619	52,849	54,830	57,392
Pension and UIF Contributions		5,564	5,705	6,039	6,489	6,489	6,489	6,489	6,958	7,265	7,599
Medical Aid Contributions		2,053	2,034	2,133	2,406	2,406	2,406	2,406	2,463	2,576	2,695
Overtime		1,677	1,877	1,326	1,074	1,074	1,074	1,074	2,100	2,197	2,298
Performance Bonus		2,941	2,722	3,121	3,215	3,215	3,215	3,215	3,221	3,369	3,524
Motor Vehicle Allowance		1,903	2,002	2,493	2,509	2,509	2,509	2,509	2,424	2,563	2,681
Cellphone Allowance		406	399	437	543	543	543	543	435	455	476
Housing Allowances		95	95	165	98	98	98	98	326	341	356
Other benefits and allowances		179	689	182	729	729	729	729	792	828	866
Payments in lieu of leave		829	2,988	2,301	1,930	1,930	1,930	1,930	1,563	1,635	1,710
Long service awards		145	326	387	–	–	–	–			
Post-retirement benefit obligations	4	710	969	962	–	–	–	–			
Entertainment		–	–	–	–	–	–	–			
Scarcity		–	–	–	–	–	–	–			
Acting and post related allowance		–	–	–	–	–	–	–			
In kind benefits		–	–	–	–	–	–	–			
sub-total	5	**54,672**	**60,315**	**64,238**	**68,613**	**68,613**	**68,613**	**68,613**	**73,130**	**76,059**	**79,597**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–			
Total Employee related costs	1	**54,672**	**60,315**	**64,238**	**68,613**	**68,613**	**68,613**	**68,613**	**73,130**	**76,059**	**79,597**
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		19,759	19,494	15,903	21,908	19,430	19,430	19,430	20,382	21,320	22,300
Lease amortisation		454	191	113	334	70	70	70	73	77	80
Capital asset impairment		2,634	783	(1,061)	–	–	–	–			
Total Depreciation and amortisation	1	**22,847**	**20,469**	**14,955**	**22,241**	**19,500**	**19,500**	**19,500**	**20,456**	**21,396**	**22,381**
Bulk purchases - electricity											
Electricity bulk purchases		–	–	–	–	–	–	–			
Total bulk purchases	1	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transfers and grants											
Cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Non-cash transfers and grants		563	590	556	600	600	600	355	–	–	–
Total transfers and grants	1	**563**	**590**	**556**	**600**	**600**	**600**	**355**	**–**	**–**	**–**
Contracted Services											
Outsourced Services		10,039	12,926	14,574	14,016	16,083	16,083	16,083	14,177	14,829	15,511
Consultants and Professional Services		7,476	5,112	3,123	3,201	12,207	12,207	12,207	1,481	1,549	1,620
Contractors		7,950	10,051	12,897	14,001	13,685	13,685	13,685	17,667	19,360	15,945
Total contracted services		**25,464**	**28,089**	**30,594**	**31,217**	**41,975**	**41,975**	**41,975**	**33,324**	**35,738**	**33,077**
Operational Costs											
Collection costs		–	–	–	–	–	–	–	–	–	–
Contributions to 'other' provisions		–	–	–	350	350	350	350	367	384	402
Audit fees		2,232	1,815	1,772	1,960	2,040	2,040	2,040	2,140	2,238	2,341
Other Operational Costs		9,186	14,355	16,636	20,208	24,096	24,096	24,096	22,353	23,370	24,445
Total Operational Costs	1	**11,419**	**16,170**	**18,408**	**22,517**	**26,486**	**26,486**	**26,486**	**24,860**	**25,992**	**27,187**
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		–	–	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		2,878	3,688	5,205	5,582	1,297	1,297	1,297	1,251	1,308	1,368
Contracted Services		1,473	2,542	4,202	3,977	4,815	4,815	4,815	4,733	4,950	5,178
Operational Costs		539	721	3,512	3,785	7,187	7,187	7,187	5,671	5,932	6,205

Table 52 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

KZN227 Richmond - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	###	Vote 1 - Executive And Council	Vote 2 - Finance and administration	Vote 3 - Housing	Vote 4 - Community and Social Services	Vote 5 - Internal Audit	Vote 6 - Planning and Development	Vote 7 - Road Transport	Vote 8 - Sport and Recreation	Vote 9 - Waste Management	Vote 10 - Waste Water Management	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Exchange Revenue																	
Service charges - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		–	–	–	–	–	–	–	–	1,079	–	–	–	–	–	–	1,079
Sale of Goods and Rendering of Services		–	92	–	157	–	130	3,105	10	77	–	–	–	–	–	–	3,571
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest		–	144	–	–	–	–	–	–	–	–	–	–	–	–	–	144
Interest earned from Receivables		–	–	–	–	–	–	–	–	299	–	–	–	–	–	–	299
Interest earned from Current and Non Current Assets		–	3,602	–	–	–	–	–	–	–	–	–	–	–	–	–	3,602
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	601	–	52	–	258	–	–	–	–	–	–	–	–	–	910
Licence and permits		–	–	–	–	–	–	13	–	–	–	–	–	–	–	–	13
Operational Revenue		–	735	–	–	–	8	202	–	–	–	–	–	–	–	–	945
Non-Exchange Revenue																	
Property rates		–	28,889	–	–	–	–	–	–	–	–	–	–	–	–	–	28,889
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	2,346	–	–	–	–	30	–	–	–	–	–	–	–	–	2,376
Licences or permits		–	–	–	–	–	19	2,704	–	–	–	–	–	–	–	–	2,723
Transfer and subsidies - Operational		–	101,305	–	3,860	–	1,049	–	–	–	–	–	–	–	–	–	106,214
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributi		**–**	**137,713**	**–**	**4,068**	**–**	**1,463**	**6,054**	**10**	**1,454**	**–**	**–**	**–**	**–**	**–**	**–**	**150,764**
Expenditure																	
Employee related costs		5,508	23,402	486	10,513	1,584	7,382	18,022	3,095	2,666	473	–	–	–	–	–	73,130
Remuneration of councillors		7,219	–	–	–	–	–	–	–	–	–	–	–	–	–	–	7,219
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		40	953	–	2,138	–	43	1,246	80	170	40	–	–	–	–	–	4,710
Debt impairment		–	6,429	–	–	–	–	–	–	353	–	–	–	–	–	–	6,782
Depreciation and amortisation		–	–	–	–	–	–	20,456	–	–	–	–	–	–	–	–	20,456
Interest		10	378	–	11	–	15	7	–	–	–	–	–	–	–	–	421
Contracted services		1,363	8,092	–	8,013	–	2,410	9,783	88	3,531	–	–	–	–	–	–	33,279
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational costs		5,017	11,495	9	1,297	59	574	4,814	793	709	4	–	–	–	–	–	24,770
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**19,157**	**50,749**	**496**	**21,971**	**1,643**	**10,424**	**54,326**	**4,056**	**7,429**	**516**	**–**	**–**	**–**	**–**	**–**	**170,767**
Surplus/(Deficit)		**(19,157)**	**86,964**	**(496)**	**(17,902)**	**(1,643)**	**(8,960)**	**(48,272)**	**(4,046)**	**(5,975)**	**(516)**	**–**	**–**	**–**	**–**	**–**	**(20,003)**
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	22,125	–	–	–	–	–	–	–	–	–	22,125
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(19,157)**	**86,964**	**(496)**	**(17,902)**	**(1,643)**	**13,165**	**(48,272)**	**(4,046)**	**(5,975)**	**(516)**	**–**	**–**	**–**	**–**	**–**	**172,762**
References																	
1. Departmental columns to be based on municipal organisation structure																	
check balance																	-149,616

Table 53 MBRR Table SA3 – Supporting detail to Statement of Financial Position

KZN227 Richmond - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		–	–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–	–
Waste		2,733	3,370	3,343	(185)	(195)	(195)	(195)	150	155	161
Waste Water		–	–	–	–	–	–	–	–	–	–
Other trade receivables from exchange transactions		1,668	1,721	1,580	5,908	5,046	5,046	5,046	4,221	4,439	4,659
Gross: Trade and other receivables from exchange transactions		**4,402**	**5,091**	**4,923**	**5,723**	**4,851**	**4,851**	**4,851**	**4,372**	**4,595**	**4,820**
Less: Impairment for debt		**(3,299)**	**(4,327)**	**(4,559)**	**(4,980)**	**(4,980)**	**(4,980)**	**(4,980)**	**(3,346)**	**(3,371)**	**(3,397)**
Impairment for Electricity		–	–	–	–	–	–	–	–	–	–
Impairment for Water		–	–	–	–	–	–	–	–	–	–
Impairment for Waste		(3,299)	(4,327)	(4,474)	(3,712)	(3,712)	(3,712)	(3,712)	(3,531)	(3,547)	(3,564)
Impairment for Waste Water		–	–	–	–	–	–	–	–	–	–
Impairment for other trade receivalbes from exchange transactions		–	–	(84)	(1,269)	(1,269)	(1,269)	(1,269)	185	176	168
Total net Trade and other receivables from Exchange Transactions		**1,103**	**763**	**365**	**742**	**(130)**	**(130)**	**(130)**	**1,025**	**1,224**	**1,423**
-											
Receivables from non-exchange transactions											
Property rates		48,145	46,871	41,663	44,383	42,383	42,383	42,383	45,968	46,344	46,647
Less: Impairment of Property rates		(35,027)	(38,659)	(38,578)	(46,831)	(46,831)	(46,831)	(46,831)	(41,218)	(41,505)	(41,806)
Net Property rates		**13,118**	**8,212**	**3,086**	**(2,448)**	**(4,448)**	**(4,448)**	**(4,448)**	**4,750**	**4,839**	**4,841**
Other receivables from non-exchange transactions		3,695	4,642	4,530	9,092	9,092	9,092	9,092	2,443	2,444	2,445
Impairment for other receivalbes from non-exchange transactions		(1,759)	(1,694)	(1,734)	–	–	–	–	–	–	–
Net other receivables from non-exchange transactions		**1,937**	**2,947**	**2,796**	**9,092**	**9,092**	**9,092**	**9,092**	**2,443**	**2,444**	**2,445**
Total net Receivables from non-exchange transactions		**15,055**	**11,160**	**5,882**	**6,645**	**4,645**	**4,645**	**4,645**	**7,192**	**7,282**	**7,287**
Inventory											
Water											
Opening Balance		–	–	–	–	–	–	–	–	–	–
System Input Volume		–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–
Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Natural Sources		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	–	–	–	–	–	–	–	–	–
Billed Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Billed Metered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Meter		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	–	–	–	–	–	–
Closing Balance Water		–	–	–	–	–	–	–	–	–	–
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–
Consumables											
Standard Rated											
Opening Balance		–	0	(0)	–	–	–	–	–	–	–
Acquisitions		0	234	1,327	5,399	5,399	5,399	5,399	–	–	–
Issues	7	–	(234)	(1,327)	(5,399)	(2,304)	(2,304)	(2,304)	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		**0**	**(0)**	**–**	**0**	**3,095**	**3,095**	**3,095**	**–**	**–**	**–**
Zero Rated											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	18	–	–	–	–	–	–	–
Issues	7	–	–	(18)	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		–	–	–	–	–	–	–	–	–	–
Finished Goods											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		–	–	–	–	–	–	–	–	–	–
Materials and Supplies											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	235	1,006	3,265	3,265	3,265	3,265	–	–	–
Issues	7	–	(235)	(1,006)	(3,265)	(2,860)	(2,860)	(2,860)	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		–	–	0	0	405	405	405	–	–	–
Work-in-progress											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–	–

Table 54 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

KZN227 Richmond - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		Community Survey - Stats SA 2016				66	72	72	72	72	72	72
Females aged 5 - 14		Community Survey - Stats SA 2016				7	47	47	47	47	47	47
Males aged 5 - 14		Community Survey - Stats SA 2016				7	7	7	7	7	7	7
Females aged 15 - 34		Community Survey - Stats SA 2016				12	12	12	12	12	12	12
Males aged 15 - 34		Community Survey - Stats SA 2016				12	12	12	12	12	12	12
Unemployment		Community Survey - Stats SA 2016										
Monthly household income (no. of households)	1, 12											
No income		Community Survey - Stats SA 2016				24,612	24,612	24,612	24,612	24,612	24,612	24,612
R1 - R1 600		Community Survey - Stats SA 2016				28,132	28,132	28,132	28,132	28,132	28,132	28,132
R1 601 - R3 200		Community Survey - Stats SA 2016				2,732	2,732	2,732	2,732	2,732	2,732	2,732
R3 201 - R6 400		Community Survey - Stats SA 2016				999	999	999	999	999	999	999
R6 401 - R12 800		Community Survey - Stats SA 2016				859	859	859	859	859	859	859
R12 801 - R25 600		Community Survey - Stats SA 2016				591	591	591	591	591	591	591
R25 601 - R51 200		Community Survey - Stats SA 2016				230	230	230	230	230	230	230
R52 201 - R102 400		Community Survey - Stats SA 2016				36	36	36	36	36	36	36
R102 401 - R204 800		Community Survey - Stats SA 2016				21	21	21	21	21	21	21
R204 801 - R409 600		Community Survey - Stats SA 2016										
R409 601 - R819 200		Community Survey - Stats SA 2016										
> R819 200		Community Survey - Stats SA 2016										
Poverty profiles (no. of households)												
< R5 500 per household per month	13											
Insert description	2	Community Survey - Stats SA 2016							29334.27	29334.27	29334.27	29334.27
Household/demographics (000)												
Number of people in municipal area		Community Survey - Stats SA 2016							72	72	72	72
Number of poor people in municipal area		Community Survey - Stats SA 2016							55	55	55	55
Number of households in municipal area		Community Survey - Stats SA 2016							18	18	18	18
Number of poor households in municipal area		Community Survey - Stats SA 2016							14	14	14	14
Definition of poor household (R per month)		Community Survey - Stats SA 2016							2 STATE PENSI	2 STATE PENSI	2 STATE PENSI	2 STATE PENSI
Housing statistics	3											
Formal		Community Survey - Stats SA 2016							12,236	12,236	12,236	12,236
Informal		Community Survey - Stats SA 2016							5,389	5,389	5,389	5,389
Total number of households			-	-	-	-	-	-	17,625	17,625	17,625	17,625
Dwellings provided by municipality	4	Community Survey - Stats SA 2016							1,000	1,000	1,000	1,000
Dwellings provided by province/s		Community Survey - Stats SA 2016										
Dwellings provided by private sector	5	Community Survey - Stats SA 2016							16,624	16,624	16,624	16,624
Total new housing dwellings			-	-	-	-	-	-	17,624	17,624	17,624	17,624

Table 55 MBRR SA32 – List of external mechanisms

KZN227 Richmond - Supporting Table SA32 List of external mechanisms					
External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
HARVEY WORLD TRAVEL			HARVEY WORLD TRAVEL	16 April 2024	553
HLELA ATTORNEYS			HLELA ATTORNEYS	21 April 2024	184
SN ATTORNEYS INC			SN ATTORNEYS INC	21 April 2024	384
MKHIZE MIYA ATTORNEYS INC			MKHIZE MIYA ATTORNEYS INC	21 April 2024	56
HAMSA CONSULTING ENGINEERING SERVICES			HAMSA CONSULTING ENGINEERING SERVICES	05 May 2024	5,400
ELEMENT CONSULTING ENGINEERING			ELEMENT CONSULTING ENGINEERING	05 May 2024	3,420
SURG SUT (PTY) LTD			SURG SUT (PTY) LTD	05 November 2024	8,813
SIGMA INFO TECH			SIGMA INFO TECH	31 January 2025	690
FLEET AFRICA DIVISION OF SUPER GROUP AFRICA (PTY) LTD			FLEET AFRICA DIVISION OF SUPER GROUP AFRICA	31 January 2024	6,839
VIMTSIRE PROTECTION SERVICES			VIMTSIRE PROTECTION SERVICES	30 November 2023	33,998
MILLS FITCHET (NATAL) PTY LTD			MILLS FITCHET (NATAL) PTY LTD	30 June 2027	1,698

2.15 Municipal manager's quality certificate

I BE Mswane, municipal manager of Richmond, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.