



nelson mandela bay

M U N I C I P A L I T Y

PORT ELIZABETH | UITENHAGE | DESPATCH

2023/24 ADJUSTMENTS BUDGET

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PART 1 – 2023/24 ADJUSTMENTS BUDGET

1.1 EXECUTIVE MAYOR'S REPORT

1.1.1 Summary of reasons for the 2023/24 Adjustments Budget

In accordance with section 28 of the Local Government: Municipal Finance Management Act (56 of 2003) (MFMA), a municipality may revise its approved annual budget through an Adjustments Budget, in the following circumstances:

- (i) To adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue.
- (ii) To appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
- (iii) To authorise the utilisation of projected savings in one vote towards spending under another vote.
- (iv) To authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the annual budget for the current year was approved by the Council; and
- (v) To correct any errors in the annual budget.

The Municipal Budget and Reporting Regulations (32141 of 2009) stipulate that one adjustments budget may be tabled in the Municipal Council during a financial year. The Adjustments Budget referred to herein must be approved by Council on or before the end of February of each year.

In line with the MFMA and the Municipal Budget and Reporting Regulations (MBRR), the 2023/24 approved Budget has been adjusted. The adjustment has been mainly necessitated because of, amongst others, the following:

- The need to appropriate additional revenues that may have become available over and above those anticipated in the approved 2023/24 Budget (inclusion of the National Treasury approved rollover for the Urban Settlements Development Grant (USDG) and the Informal Settlements Upgrading Partnership Grant (ISUPG) as well as the additional Housing Top Structures Grants approved by Provincial Department of Human Settlements.
- Accounting for all the budget amendments as approved by Council, which include, amongst others, the various amendments necessitated by the Water Drought situation, reductions in certain conditional grants due to performance, incorporating the latest budget amendments as approved by Council.
- The need to authorise the utilisation of projected savings in one vote towards spending under another vote/s (across the Directorates).

The original budgeted collection rate of 80% for the 2023/24 financial year has been maintained in the 2023/24 Adjustments Budget.

The latest Collection Rate as at December 2023 has shown some improvement, compared to other previous periods. The following table demonstrates the Collection Rates that the City has achieved in previous years, compared to December 2023:

| PERIOD | MONTHLY COLLECTION RATE % | ACCUMULATIVE COLLECTION RATE % |
|----------------------|--------------------------------------|---|
| December 2018 | 92.2 | 95.4 |
| December 2019 | 83.0 | 88.7 |
| December 2020 | 77.3 | 83.1 |
| December 2021 | 78.8 | 71.9 |
| December 2022 | 54.5 | 60.7 |
| December 2023 | 85.4 | 77.7 |

The 2023/24 Adjustments Budget as tabled to Council in line with the requirements of Chapter 4 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) also incorporates all the previously Council approved budget amendments, such as Water Budget amendments, approved NT Rollover for the Informal Settlements Upgrading Partnership Grant (ISUPG) and the Urban Settlement Development Grant (USDG) and additional allocations for the Housing Top Structures Grant.

1.1.2 The Executive Mayor recommends that the Council approves the 2023/24 Adjustments Budget.

COUNCILLOR G VAN NIEKERK
EXECUTIVE MAYOR

1.2 2023/24 ADJUSTMENTS BUDGET RESOLUTIONS

1.2.1 Approval of the 2023/24 Adjustments Budget

- (i) The Executive Mayor recommends that the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the 2023/24 Consolidated Adjustments Budget as set-out in the following tables:
- Table B1 Adjustments Budget Summary: page 7 - 8.
 - Table B2 Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 9 - 10.
 - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 10 - 12.
 - Table B4 Adjustments Budget Financial Performance (revenue by source and expenditure by type): page 12 - 15;
 - Table B5 Adjustments Budget Capital Expenditure by vote and standard classification and funding source: page 15 - 17;
 - Table B6 Adjustments Budget Financial Position: page 17 - 19;
 - Table B7 Adjustments Budgeted Cash Flows: page 19 - 20;
 - Table B8 Cash backed reserves/accumulated surplus reconciliation: page 20 - 21;
 - Table B9 Asset Management : page 21 – 27;
 - Table B10 Basic Service Delivery: page 27 – 29;
- (ii) That the Chief Financial Officer be authorised to implement any changes that may be identified after the tabling of the 2023/24 Adjustments Budget in Council for approval, prior to submission to National Treasury and publication on the municipal website.

1.3 EXECUTIVE SUMMARY

The 2023/24 Consolidated Adjustments Budget amounts to R18.710 billion, comprising of R16.889 billion for the Operating Budget and R1.821 billion for the Capital Budget. The Operating Adjustments Budget reflects a decrease of R383.419 million, compared to the originally approved 2023/24 Operating Budget, whilst the Adjustments Capital Budget reflects a decrease of R174.480 million, compared to the originally approved budget.

The reduction in the Operating Budget of R383,419 million, is made up as follows:

| Operating Expenditure Category | Original Budget | Adjusted Budget | (Increase) / Reduction |
|---------------------------------------|------------------------|------------------------|-------------------------------|
| Employee related costs | 4,558,182 | 4,416,992 | 141,190 |
| Remuneration of councillors | 91,089 | 90,829 | 260 |
| Bulk purchases - electricity | 5,632,329 | 5,632,845 | -516 |
| Inventory consumed | 359,733 | 371,214 | -11,481 |
| Debt impairment | 1,874,177 | 1,872,117 | 2,060 |
| Depreciation and amortisation | 1,334,327 | 999,907 | 334,420 |
| Interest | 128,228 | 130,278 | -2,050 |
| Contracted services | 1,564,811 | 1,635,589 | -70,778 |
| Transfers and subsidies | 62,687 | 84,625 | -21,938 |
| Irrecoverable debts written off | 561,361 | 561,361 | 0 |
| Operational costs | 866,955 | 854,703 | 12,252 |
| Other Losses | 238,662 | 238,662 | 0 |
| Total Expenditure | 17,272,541 | 16,889,122 | 383,419 |

In terms of funding the Capital Budget, the Municipality mainly relies on grant funding, comprising 68.74% of the total capital budget. The funding sources, supporting the Municipality's capital expenditure, are summarised in the below table:

| Description | 2023/24 Original Budget | 2023/24 Adjustments Budget | Variance |
|-----------------------------|--------------------------------|-----------------------------------|-----------------|
| | R'000 | R'000 | R'000 |
| Total Capital Budget | 1,995,957 | 1,807,477 | 188,480 |
| Funded as follows: | | | |
| Grant funding | 1,347,960 | 1,242,427 | 105,533 |
| Internal funding | 571,659 | 506,184 | 65,475 |
| Borrowing | 76,338 | 58,865 | 17,473 |
| Total | 1,995,957 | 1,807,477 | 188,480 |

It must be noted that the 2023/24 consolidated adjustments budget includes an allocation to the municipal entity, which amounts to R54 407 330 for projects that are implemented by the entity as per agreement with the parent municipality.

1.4 CONSOLIDATED ADJUSTMENTS BUDGET TABLES

The ten main consolidated (i.e. Parent Municipality and its Entity) budget tables, as required in terms of the Municipal Budget and Reporting Regulations (MBRR), are included in this section. These tables set out the Municipality's 2023/24 Adjustments Budget to be considered for approval by Council. Each table is accompanied by *explanatory notes* summarising it.

Table B1 Consolidated Adjustments Budget Summary

| R thousands | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
|--|--------------------|----------------|--------------------|------------------|------------------|-------------------|
| | A | A1 | E | F | G | H |
| Financial Performance | | | | | | |
| Property rates | 2,980,757 | | | (36,678) | (36,678) | 2,944,079 |
| Service charges | 9,252,279 | | | 12,994 | 12,994 | 9,265,273 |
| Investment revenue | 208,088 | | | (210) | (210) | 207,878 |
| Transfers recognised - operational | 1,964,652 | | | 120,934 | 120,934 | 2,085,586 |
| Other own revenue | 1,649,504 | | | 269,457 | 269,457 | 1,918,961 |
| Total Revenue (excluding capital transfers and contributions) | 16,055,280 | | | 366,497 | 366,497 | 16,421,777 |
| Employee costs | 4,558,182 | | | (141,190) | (141,190) | 4,416,992 |
| Remuneration of councillors | 91,089 | | | (260) | (260) | 90,829 |
| Depreciation & asset impairment | 1,334,327 | | | (334,420) | (334,420) | 999,907 |
| Finance charges | 128,228 | | | 2,050 | 2,050 | 130,278 |
| Inventory consumed and bulk purchases | 5,992,062 | | | 11,997 | 11,997 | 6,004,059 |
| Transfers and grants | 62,687 | | | 21,938 | 21,938 | 84,625 |
| Other expenditure | 5,105,966 | | | 56,466 | 56,466 | 5,162,432 |
| Total Expenditure | 17,272,542 | | | (383,420) | (383,420) | 16,889,122 |
| Surplus/(Deficit) | (1,217,262) | | | 749,917 | 749,917 | (467,345) |
| Transfers and subsidies - capital (monetary allocations) | 1,434,548 | | | (151,017) | (151,017) | 1,283,531 |
| Transfers and subsidies - capital (in-kind - all) | | | | – | | |
| Surplus/(Deficit) after capital transfers & contributions | 217,286 | | | 598,900 | 598,900 | 816,186 |
| Share of surplus/ (deficit) of associate | – | | | – | | |
| Surplus/ (Deficit) for the year | 217,286 | | | 598,900 | 598,900 | 816,186 |
| | | | | | | |
| Capital expenditure & funds sources | | | | | | |
| Capital expenditure | 1,995,957 | | | 188,480 | 188,480 | 1,807,477 |
| Transfers recognised - capital | 1,347,960 | | | 105,533 | 105,533 | 1,242,427 |
| | | | | | | |
| Borrowing | 76,338 | | | 17,473 | 17,473 | 58,865 |
| Internally generated funds | 571,659 | | | 65,475 | 65,475 | 506,184 |
| Total sources of capital funds | 1,995,957 | | | 188,480 | 188,480 | 1,807,477 |
| | | | | | | |
| Financial position | | | | | | |
| Total current assets | 9,680,062 | | | 690,315 | 690,315 | 10,370,377 |

| R thousands | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
|--|------------------|----------------|--------------------|------------------|------------------|------------------|
| Total non-current assets | 19,311,371 | | | 310,426 | 310,426 | 19,621,797 |
| Total current liabilities | 5,506,360 | | | 275,063 | 275,063 | 5,781,423 |
| Total non-current liabilities | 5,928,608 | | | 193,431 | 193,431 | 6,122,039 |
| Community wealth/Equity | 19,152,742 | | | (1,064,030) | (1,064,030) | 18,088,712 |
| | | | | | | |
| Cash flows | | | | | | |
| Net cash from (used) operating | 1,444,436 | | | 426,576 | 426,576 | 1,871,012 |
| Net cash from (used) investing | (1,822,952) | | | (94,847) | (94,847) | (1,917,799) |
| Net cash from (used) financing | (139,993) | | | (52,382) | (52,382) | (192,376) |
| Cash/cash equivalents at the year end | 4,279,141 | | | 296,732 | 296,732 | 4,575,873 |
| | | | | | | |
| Cash backing/surplus reconciliation | | | | | | |
| Cash and investments available | 4,692,195 | | | (116,322) | (116,322) | 4,575,873 |
| Application of cash and investments | 565,006 | | | 212,495 | 212,495 | 777,501 |
| Balance - surplus (shortfall) | 4,127,189 | | | (328,817) | (328,817) | 3,798,372 |
| | | | | | | |
| Asset Management | | | | | | |
| Asset register summary (WDV) | 19,311,371 | | | (346,225) | (346,225) | 18,965,146 |
| Depreciation | 1,334,327 | | | (334,420) | (334,420) | 999,907 |
| Renewal and Upgrading of Existing Assets | 686,532 | | | (14,863) | (14,863) | 671,668 |
| Repairs and Maintenance | 672,327 | | | (93,692) | (93,692) | 578,635 |
| | | | | | | |
| Free services | | | | | | |
| Cost of Free Basic Services provided | 357,246 | | | 177,935 | 177,935 | 535,181 |
| Revenue cost of free services provided | 272,492 | | | 135,721 | 135,721 | 408,213 |
| | | | | | | |

Explanatory notes to Table B1 – Adjustments Budget Summary

The aim of the Adjustments Budget Summary is to provide a concise overview of the proposed Adjustments Budget from all the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the amounts to be approved by Council within the context of operating performance, resources utilised for capital expenditure, financial position, cash, and funding compliance, as well as the Municipality's commitment to eliminating basic service delivery backlogs.

NB: It must be noted that the figures illustrated above are inclusive of the entity.

Table B2 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure by functional classification)

| Standard Descriptions | Ref | Budget Year 2023/2024 | | | | | |
|--|----------|-----------------------|------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 6 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | D | E | F | G | H |
| Revenue - Functional | | | | | | | |
| Governance and administration | | 4,025,071 | - | - | 35,707 | 35,707 | 4,060,778 |
| Executive and council | | 1,142 | - | - | 58 | 58 | 1,200 |
| Finance and administration | | 4,023,928 | - | - | 35,650 | 35,650 | 4,059,578 |
| Internal audit | | | - | - | - | - | |
| Community and public safety | | 1,602,841 | - | - | (53,258) | (53,258) | 1,549,583 |
| Community and social services | | 39,766 | - | - | (895) | (895) | 38,871 |
| Sport and recreation | | 35,161 | - | - | (9,707) | (9,707) | 25,454 |
| Public safety | | 1,098,227 | - | - | (180,970) | (180,970) | 917,257 |
| Housing | | 427,196 | - | - | 138,250 | 138,250 | 565,446 |
| Health | | 2,491 | - | - | 64 | 64 | 2,555 |
| Economic and environmental services | | 842,004 | - | - | (160,965) | (160,965) | 681,039 |
| Planning and development | | 205,247 | - | - | (11,617) | (11,617) | 193,630 |
| Road transport | | 592,485 | - | - | (149,351) | (149,351) | 443,134 |
| Environmental protection | | 44,272 | - | - | 3 | 3 | 44,275 |
| Trading services | | 10,974,772 | - | - | 490,945 | 490,945 | 11,465,717 |
| Energy sources | | 5,523,802 | - | - | 136 | 136 | 5,523,938 |
| Water management | | 3,830,572 | - | - | 270,565 | 270,565 | 4,101,137 |
| Waste water management | | 1,179,150 | - | - | 139,007 | 139,007 | 1,318,157 |
| Waste management | | 441,249 | - | - | 81,235 | 81,235 | 522,484 |
| Other | | 45,140 | - | - | (1,934) | (1,934) | 43,206 |
| Total Revenue - Functional | 2 | 17,489,828 | - | - | 310,495 | 310,495 | 17,800,323 |
| Expenditure - Functional | | | | | | | |
| Governance and administration | | 2,067,897 | - | - | (100,287) | (100,287) | 1,967,610 |
| Executive and council | | 398,006 | - | - | 563 | 563 | 398,569 |
| Finance and administration | | 1,600,939 | - | - | (98,231) | (98,231) | 1,502,708 |
| Internal audit | | 68,952 | - | - | (2,619) | (2,619) | 66,333 |
| Community and public safety | | 2,321,182 | - | - | 74,222 | 74,222 | 2,395,404 |
| Community and social services | | 423,240 | - | - | (20,284) | (20,284) | 402,956 |
| Sport and recreation | | 609,396 | - | - | (34,703) | (34,703) | 574,693 |

| Standard Descriptions | Ref | Budget Year 2023/2024 | | | | | |
|--|----------|-----------------------|------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 6 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | D | E | F | G | H |
| Public safety | | 741,508 | - | - | (38,688) | (38,688) | 702,820 |
| Housing | | 335,943 | - | - | 171,476 | 171,476 | 507,419 |
| Health | | 211,096 | - | - | (3,580) | (3,580) | 207,516 |
| Economic and environmental services | | 1,442,938 | - | - | (177,539) | (177,539) | 1,265,399 |
| Planning and development | | 404,889 | - | - | (19,797) | (19,797) | 385,092 |
| Road transport | | 932,051 | - | - | (151,552) | (151,552) | 780,499 |
| Environmental protection | | 105,998 | - | - | (6,190) | (6,190) | 99,808 |
| Trading services | | 11,335,628 | - | - | (187,096) | (187,097) | 11,148,532 |
| Energy sources | | 6,659,747 | - | - | (46,108) | (46,108) | 6,613,639 |
| Water management | | 2,835,548 | - | - | (358) | (358) | 2,835,190 |
| Waste water management | | 1,156,750 | - | - | (125,038) | (125,038) | 1,031,712 |
| Waste management | | 683,583 | - | - | (15,593) | (15,593) | 667,990 |
| Other | | 104,897 | - | - | 7,281 | 7,281 | 112,178 |
| Total Expenditure - Functional | 3 | 17,272,542 | - | - | (383,419) | (383,420) | 16,889,123 |
| Surplus/ (Deficit) for the year | | 217,286 | - | - | 693,914 | 693,914 | 911,200 |

Explanatory notes to Table B2 – Adjustments Budget Financial Performance (revenue and expenditure by functional classification)

The “standard classification” refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities approve a budget in one common format, to facilitate comparison across all municipalities. It should be noted that the revenue by vote as reflected in this table, includes revenue attributable to capital grants.

Table B3 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

| Vote Description | Ref | Budget Year 2023/24 | | | | | |
|--|----------|---------------------|------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 6 | 7 | 8 | 9 | 10 |
| R thousands | | A | D | E | F | G | H |
| Revenue by Vote | 1 | | | | | | |
| Vote 1 - Budget & Treasury | | 3,939,870 | - | - | 38,267 | 38,267 | 3,978,137 |
| Vote 2 - Public Health | | 498,757 | - | - | 81,131 | 81,131 | 579,888 |
| Vote 3 - Human Settlements | | 421,143 | - | - | 171,478 | 171,478 | 592,621 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 54,448 | - | - | (9,685) | (9,685) | 44,763 |

| Vote Description | Ref | Budget Year 2023/24 | | | | | |
|---|----------|---------------------|------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | A | 6 D | 7 E | 8 F | 9 G | 10 H |
| R thousands | | | | | | | |
| Vote 5 - Corporate Services | | 17,163 | - | - | 1,001 | 1,001 | 18,164 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 595,255 | - | - | (150,616) | (150,616) | 444,639 |
| Vote 7 - Metro Water Service | | 3,830,572 | - | - | 270,565 | 270,565 | 4,101,137 |
| Vote 8 - Sanitation - Metro | | 1,179,150 | - | - | 139,008 | 139,008 | 1,318,157 |
| Vote 9 - Electricity & Energy | | 5,524,976 | - | - | (1,037) | (1,037) | 5,523,938 |
| Vote 10 - Executive & Council | | 151,362 | - | - | (6,479) | (6,479) | 144,883 |
| Vote 11 - Safety & Security | | 1,146,029 | - | - | (210,627) | (210,627) | 935,402 |
| Vote 12 - Mandela Bay Stadium | | 60,891 | - | - | - | - | 60,891 |
| Vote 13 - Special Projects and Programmes | | 29,816 | - | - | - | - | 29,816 |
| Vote 14 - Recreational & Cultural Services | | 40,398 | - | - | (11,131) | (11,131) | 29,267 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 17,489,828 | - | - | 311,875 | 311,875 | 17,801,704 |
| Expenditure by Vote | 1 | | | | | | |
| Vote 1 - Budget & Treasury | | 1,048,666 | - | - | (42,784) | (42,784) | 1,005,883 |
| Vote 2 - Public Health | | 1,089,649 | - | - | (66,816) | (66,816) | 1,022,834 |
| Vote 3 - Human Settlements | | 459,332 | - | - | 184,207 | 184,207 | 643,539 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 124,369 | - | - | 168,328 | 168,328 | 292,697 |
| Vote 5 - Corporate Services | | 583,940 | - | - | (12,387) | (12,387) | 571,552 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 1,231,898 | - | - | (189,722) | (189,722) | 1,042,176 |
| Vote 7 - Metro Water Service | | 2,827,152 | - | - | (60,625) | (60,625) | 2,766,527 |
| Vote 8 - Sanitation - Metro | | 907,278 | - | - | (59,560) | (59,560) | 847,718 |
| Vote 9 - Electricity & Energy | | 6,678,299 | - | - | (45,867) | (45,867) | 6,632,433 |
| Vote 10 - Executive & Council | | 492,142 | - | - | (190,079) | (190,079) | 302,063 |
| Vote 11 - Safety & Security | | 1,243,361 | - | - | (36,700) | (36,700) | 1,206,662 |
| Vote 12 - Mandela Bay Stadium | | 55,653 | - | - | - | - | 55,653 |
| Vote 13 - Special Projects and Programmes | | 30,736 | - | - | (2,084) | (2,084) | 28,652 |
| Vote 14 - Recreational & Cultural Services | | 500,067 | - | - | (29,333) | (29,333) | 470,734 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 17,272,542 | - | - | (383,420) | (383,420) | 16,889,122 |
| Surplus/ (Deficit) for the year | 2 | 217,286 | - | - | 695,295 | 695,295 | 912,582 |

Explanatory notes to Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the Adjustments Budget is presented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, to assign responsibility for the revenue and expenditure recorded against these votes to the City Manager and Executive Directors concerned. Operating revenue and expenditure are thus presented by 'vote'. A 'vote' is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003 as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table B4 - Consolidated Adjustments Budget Financial Performance (revenue and expenditure)

| Description | Ref | Budget Year 2023/2024 | | | | |
|---|-----|-----------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | E | F | G | H |
| Revenue By Source | | | | | | |
| Exchange Revenue | | | | | | |
| Service charges - Electricity | 2 | 5,159,121 | | 12,822 | 12,822 | 5,171,943 |
| Service charges - Water | 2 | 2,943,776 | | (30,777) | (30,777) | 2,912,999 |
| Service charges - Waste Water Management | 2 | 837,553 | | 30,949 | 30,949 | 868,502 |
| Service charges - Waste Management | 2 | 311,829 | | - | - | 311,829 |
| Sale of Goods and Rendering of Services | | 117,720 | | (4 016) | (4016) | 113,104 |
| Agency services | | 3,716 | | 154 | 154 | 3,870 |
| Interest | | - | | - | | - |
| Interest earned from Receivables | | 573,984 | | 309,738 | 309,738 | 883,722 |
| Interest earned from Current and Non-Current Assets | | 208,088 | | (210) | (210) | 207,878 |
| Dividends | | - | | - | | |
| Rent on Land | | | | - | - | |
| Rental from Fixed Assets | | 31,021 | | 6,563 | 6,563 | 37,584 |
| Licence and permits | | 18,157 | | 64 | 64 | 18,221 |
| Operational Revenue | | 38,583 | | (5,787) | (5,787) | 32,796 |
| Non-Exchange Revenue | | | | | | |
| Property rates | 2 | 2,980,757 | | (36,678) | (36,678) | 2,944,079 |
| Surcharges and Taxes | | | | | | |
| Fines, penalties and forfeits | | 82,843 | | (36,658) | (36,658) | 46,185 |
| Licences or permits | 1 | | | - | - | 1 |
| Transfer and subsidies - Operational | | 1,964,652 | | 120,934 | 120,934 | 2,085,586 |
| Interest | | | | - | | |
| Fuel Levy | | 783,478 | | - | - | 783,478 |
| Operational Revenue | | | | | | |
| Gains on disposal of Assets | | | | | | |

| Description | Ref | Budget Year 2023/2024 | | | | |
|--|-----|-----------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| R thousands | 1 | A | E | F | G | H |
| Other Gains | | | | | | |
| Discontinued Operations | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 16,055,279 | | 366,498 | 366,498 | 16,421,777 |
| Expenditure By Type | | | | | | |
| Employee related costs | 2 | 4,558,182 | | (141,190) | (141,190) | 4,416,992 |
| Remuneration of councillors | | 91,089 | | (260) | (260) | 90,829 |
| Bulk purchases - electricity | 2 | 5,632,329 | | 516 | 516 | 5,632,845 |
| Inventory consumed | 8 | 359,733 | | 11,481 | 11,481 | 371,214 |
| Debt impairment | 3 | 1,874,177 | | (2,060) | (2,060) | 1,872,117 |
| Depreciation and amortisation | | 1,334,327 | | (334,420) | (334,420) | 999,907 |
| Interest | | 128,228 | | 2,050 | 2,050 | 130,278 |
| Contracted services | | 1,564,811 | | 70,778 | 70,778 | 1,635,589 |
| Transfers and subsidies | | 62,687 | | 21,938 | 21,938 | 84,625 |
| Irrecoverable debts written off | | 561,361 | | - | - | 561,361 |
| Operational costs | | 866,955 | | (12,252) | (12,252) | 854,703 |
| Losses on disposal of Assets | | - | | | | |
| Other Losses | | 238,662 | | - | - | 238,662 |
| Total Expenditure | | 17,272,541 | | (383,419) | (383,419) | 16,889,122 |
| Surplus/(Deficit) | | (1,217,262) | | 749,917 | 749,917 | (467,345) |
| Transfers and subsidies - capital (monetary allocations) | | 1,434,548 | | (151,017) | (151,017) | 1,283,531 |
| Transfers and subsidies - capital (in-kind - all) | | | | - | | |
| Surplus/(Deficit) after capital transfers and contributions | | 217,286 | | 598,900 | 598,900 | 816,186 |
| Taxation | | - | | - | - | - |
| Surplus/(Deficit) after taxation | | 217,286 | | 598,900 | 598,900 | 816,186 |
| Attributable to minorities | | | | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 217,286 | | 598,900 | 598,900 | 816,186 |
| Share of surplus/ (deficit) of associate | 7 | | | | | |
| Surplus/(Deficit) for the year | | 217,286 | | 598,900 | 598,900 | 816,186 |

Explanatory notes to Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)

Revenue

1. The Financial Performance Adjustments Budget is required to be approved concurrently by revenue source and expenditure type, to ensure consistency with the annual reporting format requirements. A key aim is to facilitate comparison between the annual results and the Adjustments Budget, to assess performance.
2. Total Operating Revenue amounts to R16,421 billion in the 2023/24 Consolidated Adjustments Budget, compared to the amount of R16,055 billion in the original 2023/24 Budget. This represents an increase of R366.498 million or 2.28%. The revenue that is used to fund the adjusted operating expenditure is therefore R16.421 billion.
3. The significant variations in revenue, compared to the original budget are as follows:

3.1 Service Charges: Electricity Revenue

The Electricity revenue as projected in the 2023/24 Original Budget was increased by R12.822 million, in line with prevailing consumption patterns.

The Electricity Service is operating at a loss and requires urgent review, to ensure its financial sustainability. The total bulk purchases for the 2023/24 financial year are now exceeding the total electricity service charges, which means that electricity service (a trading service) is being subsidised by Property Rates, which is an undesirable situation.

3.2 Service Charges: Water Revenue

The Water revenue as projected in the 2023/24 Original Budget was reduced by R30.777 million, in line with prevailing consumption patterns.

3.3 Service Charges: Sanitation Revenue

The Sanitation revenue increased by R30,949 million from R837.553 million to R868.502 million, in line with the prevailing revenue trends.

3.4 Interest earned – Outstanding Debtors

This category has been adjusted upwards by an amount of R309.7 million from R573.984 million to R883.722 million due to the projected revenue to be realised at financial year-end).

Expenditure

4. Total Operating Expenditure amounts to R16.889 billion in the 2023/24 Adjustments Budget, compared to the amount of R17.273 billion in the original 2023/24 Budget. This represents a reduction of R383.419 million or 2.22%.
5. The significant variations in expenditure, compared to the original budget, are as follows:
- 5.1 **Employee Related Costs**
Employee Related Costs decreased by R141.190 million, as a result of a review of vacancy budget provisions.

5.2 Contracted Services

Contracted services increased by R70.778 million, compared to the original budget. This expenditure category was adjusted, based on the additional accreditation funding received from the Provincial Department of Human Settlements.

5.3 Depreciation and amortisation

Depreciation and amortisation have been reduced by R334.420 million, compared to the original budget due to a review of the useful lives of assets.

Table B5 - Consolidated Adjustment Capital Expenditure Budget by vote, standard classification, and funding source

| Description | Ref | Budget Year 2023/24 | | | | |
|---|-----|---------------------|--------------------|-----------------|-----------------|------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 9 | 10 | 11 | 12 |
| R thousands | | A | E | F | G | H |
| <u>Capital expenditure - Vote</u> | | | | | | |
| <u>Multi-year expenditure to be adjusted</u> | 2 | | | | | |
| Vote 1 - Budget & Treasury | | 19,451 | – | -17,051 | -17,051 | 2,400 |
| Vote 2 - Public Health | | 24,159 | – | -8,800 | -8,800 | 15,359 |
| Vote 3 - Human Settlements | | 130,225 | – | 0 | 0 | 130,225 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 56,909 | – | -54,409 | -54,409 | 2500 |
| Vote 5 - Corporate Services | | 5,950 | – | -5,630 | -5,630 | 320 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 529,215 | – | -112,913 | -112,913 | 416,302 |
| Vote 7 - Metro Water Service | | 436,623 | – | 8,142 | 8,142 | 444,765 |
| Vote 8 - Sanitation - Metro | | 123,412 | – | -2,950 | -2,950 | 120,462 |
| Vote 9 - Electricity & Energy | | 277,546 | – | -16,333 | -16,333 | 261,213 |
| Vote 10 - Executive & Council | | | – | 0 | 0 | 0 |
| Vote 11 - Safety & Security | | 11,650 | – | -3,823 | -3,823 | 7,827 |
| Vote 12 - Mandela Bay Stadium | | | 0 | 0 | 0 | 0 |
| Vote 13 - Special Projects and Programmes | | | 0 | 0 | 0 | 0 |
| Vote 14 - Recreational & Cultural Services | | 29,856 | – | -15,756 | -15,756 | 14,100 |
| Vote 15 - [NAME OF VOTE 15] | | 0 | 0 | 0 | 0 | 0 |
| Capital multi-year expenditure sub-total | 3 | 1,644,996 | 0 | -229,523 | -229,523 | 1,415,473 |
| <u>Single-year expenditure to be adjusted</u> | 2 | | | | | |
| Vote 1 - Budget & Treasury | | 2,452 | – | 860 | 860 | 3,312 |
| Vote 2 - Public Health | | 55,063 | – | 8,800 | 8,800 | 63,863 |
| Vote 3 - Human Settlements | | 20,127 | – | -16,041 | -16,041 | 4,086 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 510 | – | 59,117 | 59,117 | 59,627 |
| Vote 5 - Corporate Services | | 31,515 | – | 5,108 | 5,108 | 36,623 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 83,000 | – | 15,129 | 15,129 | 98,129 |
| Vote 7 - Metro Water Service | | 30,215 | – | -7,750 | -7,750 | 22,465 |
| Vote 8 - Sanitation - Metro | | 18,793 | – | 2,641 | 2,641 | 21,434 |

| Description | Ref | Budget Year 2023/24 | | | | |
|--|-----|---------------------|--------------------|-----------------|-----------------|------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 9 | 10 | 11 | 12 |
| R thousands | | A | E | F | G | H |
| Vote 9 - Electricity & Energy | | 38,265 | – | 4,904 | 4,904 | 43,169 |
| Vote 10 - Executive & Council | | | – | 0 | 0 | |
| Vote 11 - Safety & Security | | 49,300 | – | -20,710 | -20,710 | 28,590 |
| Vote 12 - Mandela Bay Stadium | | | – | 0 | 0 | 0 |
| Vote 13 - Special Projects and Programmes | | | – | 0 | 0 | 0 |
| Vote 14 - Recreational & Cultural Services | | 21,724 | – | -9,578 | -9,578 | 12,146 |
| Vote 15 - [NAME OF VOTE 15] | | – | 0 | 0 | 0 | 0 |
| Capital single-year expenditure sub-total | | 350,964 | 0 | 42,480 | 42,480 | 393,444 |
| Total Capital Expenditure - Vote | | 1,995,960 | 0 | -187,043 | -187,043 | 1,808,917 |
| | | | | | | |
| Capital Expenditure - Functional | | | | | | |
| Governance and administration | | 243,158 | 0 | -58,121 | -58,121 | 185,037 |
| Executive and council | | – | | 0 | 0 | 0 |
| Finance and administration | | 243,158 | | -58,121 | -58,121 | 185,037 |
| Internal audit | | – | | – | – | – |
| Community and public safety | | 128,758 | 0 | -31,708 | -31,708 | 97,050 |
| Community and social services | | 40,230 | | -16,930 | -16,930 | 23,300 |
| Sport and recreation | | 51,739 | | -10,254 | -10,254 | 41,485 |
| Public safety | | 30,422 | | – | – | 27,589 |
| Housing | | 4,417 | | 691 | 691 | 3,726 |
| Health | | 1,950 | | -1,000 | -1,000 | 950 |
| Economic and environmental services | | 574,965 | – | -47,196 | -47,196 | 527,768 |
| Planning and development | | 54,407 | | 3,183 | 3,183 | 57,590 |
| Road transport | | 520,557 | | -50,379 | -50,379 | 470,178 |
| Environmental protection | | | | – | – | 0 |
| Trading services | | 1,049,078 | – | -51,456 | -51,456 | 997,622 |
| Energy sources | | 315,211 | | -14,428 | -14,428 | 300,783 |
| Water management | | 481,371 | | -5,044 | -5,044 | 476,327 |
| Wastewater management | | 244,716 | | -28,984 | -28,984 | 215,732 |
| Waste management | | 7,780 | | -3,000 | -3,000 | 4,780 |
| Other | | | | – | – | |
| Total Capital Expenditure - Functional | 3 | 1,995,959 | 0 | -188,481 | -188,481 | 1,807,477 |
| | | | | | | |
| Funded by: | | | | | | |
| National Government | | 1,307,960 | | – | – | 1,187,427 |
| Provincial Government | | | | 120,533 | 120,533 | |
| District Municipality | | | | – | – | |

| Description | Ref | Budget Year 2023/24 | | | | |
|--------------------------------|-----|---------------------|--------------------|------------------|------------------|------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 9 | 10 | 11 | 12 |
| R thousands | | A | E | F | G | H |
| Other Transfers and Grants | | 40,000 | | 15,000 | 15,000 | 55,000 |
| Transfers recognised - capital | 4 | 1,347,960 | - | 105,533 | 105,533 | 1,242,427 |
| | | | | | | |
| Borrowing | | 76,338 | | 17,473 | 17,473 | 58,865 |
| Internally generated funds | | 571,662 | | 65,478 | 65,478 | 506,184 |
| Total Capital Funding | | 1,995,960 | | - 188,484 | - 188,484 | 1,807,476 |

Explanatory notes to Table B5 – Adjustments Capital Expenditure Budget by vote, standard classification, and funding source

1. Table B5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; 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.
 - a. The reduction in the capital grant funding is mainly attributable to various changes necessitated by the reduction of the USDG, ISUPG and IPTS allocations as determined in the adjusted Dora.

Table B6 - Consolidated Adjustments Budget Financial Position

| Description | Ref | Budget Year 2023/2024 | | | | |
|--|-----|-----------------------|--------------------|----------------|----------------|-------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | E | F | G | H |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 4,279,141 | | (221,777) | (221,777) | 4,575,873 |
| Trade and other receivables from exchange transactions | 1 | 3,301,835 | | 330,353 | 330,353 | 3,632,188 |
| Receivables from non-exchange transactions | 1 | 217,452 | | 280,329 | 280,329 | 497,781 |
| Current portion of non-current receivables | | | | | | |
| Inventory | | 260,285 | | 69,014 | 69,014 | 329,389 |
| VAT | | 1,102,841 | | 232,305 | 232,305 | 1,335,146 |
| Other current assets | | | | | | |
| Total current assets | | 9,680,063 | | 690,315 | 690,315 | 10,370,377 |
| Non-current assets | | | | | | |
| Investments | | | | | | |
| Investment property | | 153,640 | | (11,128) | (11,128) | 142,512 |
| Property, plant and equipment | | 18,706,291 | | 350,721 | 350,721 | 19,057,012 |
| Biological assets | | | | | | |

| Description | Ref | Budget Year 2023/2024 | | | | |
|---|-----|-----------------------|-----------------------|--------------------|--------------------|--------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | E | F | G | H |
| Living and non-living resources | | | | | | |
| Heritage assets | | 217,452 | | 2,745 | 2,745 | 220,197 |
| Intangible assets | | 63,351 | | (19,942) | (19,942) | 43,409 |
| Trade and other receivables from exchange transactions | | 115,638 | | – | – | 115,638 |
| Non-current receivables from non-exchange transactions | | 55,000 | | (11,970) | (11,970) | 43,030 |
| Other non-current assets | | | | – | – | |
| Total non-current assets | | 19,311,372 | | 310,426 | 310,426 | 19,621,797 |
| TOTAL ASSETS | | 28,991,435 | | 1,251,004 | 1,251,004 | 29,992,174 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | | | | | |
| Financial liabilities | | 192,379 | | – | – | 192,379 |
| Consumer deposits | | 176,659 | | (1,145) | (1,145) | 175,514 |
| Trade and other payables from exchange transactions | | 2,878,343 | | 110,020 | 110,020 | 2,988,363 |
| Trade and other payables from non-exchange transactions | | 312,695 | | – | – | 312,695 |
| Provision | | 229,572 | | 166,187 | 166,187 | 395,759 |
| VAT | | 1,716,713 | | – | – | 1,716,713 |
| Other current liabilities | | | | | | |
| Total current liabilities | | 5,506,361 | | 275,062 | 275,062 | 5,781,423 |
| Non-current liabilities | | | | | | |
| Financial liabilities | | 1,055,049 | | 314,529 | 314,529 | 1,369,578 |
| Provision | | 3,767,977 | | (398,579) | (398,579) | 3,369,398 |
| Long term portion of trade payables | | | | | | |
| Other non-current liabilities | | 1,105,582 | | 277,481 | 277,481 | 1,383,063 |
| Total non-current liabilities | | 5,928,608 | | 193,431 | 193,431 | 6,122,039 |
| TOTAL LIABILITIES | | 11,434,968 | | 468,494 | 468,494 | 11,903,462 |
| NET ASSETS | 2 | 17,556,467 | | | | 18,088,712 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 18,245,712 | | (741,588) | (741,588) | 17,504,124 |
| Reserves and funds | | 907,030 | | (322,442) | (322,442) | 584,588 |
| Other | | | | | | |
| TOTAL COMMUNITY WEALTH/EQUITY | | 19,152,742 | | (1,064,030) | (1,064,030) | 18,088,712 |

Explanatory notes to Table B6 – Adjustments Budget Financial Position\

1. The table presents Assets Less Liabilities as Community Wealth. The order of items within each group is also aligned to the requirement of showing items in order of liquidity, i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.
2. Any movement on the Adjustments Budgeted Financial Performance or the Capital Adjustments Budget will invariably impact on the Adjustments Budgeted Financial Position. For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year-end. Similarly, the collection rate assumption informs the budget provision for debt impairment, which in turn impacts on the provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.

Table B7 - Consolidated Adjustments Budgeted Cash Flow Statement

| Description | Ref | Budget Year 2023/2024 | | | |
|---|-----|-----------------------|----------------|----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 8 | 9 | 10 |
| R thousands | 1 | A | F | G | H |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Property rates | | 2,652,874 | | (25,000) | 2,627,874 |
| Service charges | | 7,144,625 | | 8,000 | 7,152,625 |
| Other revenue | | 2,410,416 | | (1,589,354) | 821,062 |
| Transfers and Subsidies - Operational | 1 | 1,964,652 | | (196,183) | 1,768,469 |
| Transfers and Subsidies - Capital | 1 | 1,387,960 | | (145,533) | 1,242,427 |
| Interest | | 208,088 | | (210) | 207,878 |
| Dividends | | - | | | |
| Payments | | | | | |
| Suppliers and employees | | (14,133,263) | | 2,398,843 | (11,734,420) |
| Finance charges | | (128,228) | | (2,050) | (130,278) |
| Transfers and Subsidies | 1 | (62,687) | | (21,938) | (84,625) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 1,444,436 | | 426,576 | 1,871,012 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Proceeds on disposal of PPE | | - | | - | - |
| Decrease (Increase) in non-current debtors (not used) | | - | | - | - |
| Decrease (increase) in non-current receivables | | - | | (16,572) | (16,572) |
| Decrease (increase) in non-current investments | | - | | - | - |
| Payments | | | | | |

| Description | Ref | Budget Year 2023/2024 | | | | | |
|---|----------|-----------------------|----------------|--------------------|------------------|------------------|------------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 3 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | A1 | E | F | G | H |
| Applications of cash and investments | | | | | | | |
| Unspent conditional transfers | | 55,600 | | – | 215,161 | 215,161 | 270,761 |
| Unspent borrowing | | – | | | – | | |
| Statutory requirements | | 613,872 | | | (613,872) | (613,872) | - |
| Other working capital requirements | 2 | (1,241,068) | | | 254,157 | 254,157 | (986,911) |
| Other provisions | | 229,572 | | | 679,491 | 679,491 | 909,063 |
| Long term investments committed | | – | | | – | – | – |
| Reserves to be backed by cash/investments | | 907,030 | | | (322,442) | (322,442) | 584,588 |
| Total Application of cash and investments: | | 565,006 | | – | 212,495 | 212,495 | 777,501 |
| Surplus(shortfall) | | 4,127,189 | | – | (328,817) | (328,817) | 3,798,372 |

Explanatory notes to Table B8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The table assesses 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.
2. It is to be noted that the 2023/24 Original Budget reflected a funding surplus of R4,127 billion, which is anticipated to slightly reduce to R3.798 billion in the 2023/24 Adjustments Budget.

Table B9 – Consolidated Asset Management

| Description | Ref | Budget Year 2023/24 | | | |
|---|----------|---------------------|----------------|----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| CAPITAL EXPENDITURE | | | | | |
| Total New Assets to be adjusted | 1 | 972,382 | 233,304 | 233,304 | 1,174,548 |
| <i>Roads Infrastructure</i> | | 259,860 | 131,897 | 131,897 | 391,757 |
| <i>Storm water Infrastructure</i> | | 20,935 | -446 | -446 | 20,489 |
| <i>Electrical Infrastructure</i> | | 124,871 | 34,276 | 34,276 | 159,147 |
| <i>Water Supply Infrastructure</i> | | 219,335 | 161,936 | 161,936 | 381,271 |
| <i>Sanitation Infrastructure</i> | | 57,195 | -15,533 | -15,533 | 41,662 |
| <i>Solid Waste Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Rail Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Coastal Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Information and Communication Infrastructure</i> | | 3,000 | -3,000 | -3,000 | |
| Infrastructure | | 685,196 | 295,129 | 295,129 | 980,325 |
| <i>Community Facilities</i> | | 51,956 | -44,552 | -44,552 | 7,404 |

| Description | Ref | Budget Year 2023/24 | | | |
|--|----------|---------------------|----------------|----------------|-----------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Sport and Recreation Facilities | | 6,000 | -4,445 | -4,445 | 1,555 |
| Community Assets | | 57,956 | -48,997 | -48,997 | 8,959 |
| Heritage Assets | | 7,200 | -7,200 | -7,200 | |
| Revenue Generating | | 0 | 0 | 0 | |
| Non-revenue Generating | | 0 | 0 | 0 | |
| Investment properties | | 0 | - | - | - |
| Operational Buildings | | 39,918 | -13,571 | -13,571 | 26,347 |
| Housing | | 0 | 0 | 0 | |
| Other Assets | 6 | 39,918 | -13,571 | -13,571 | 26,347 |
| Biological or Cultivated Assets | | 0 | #VALUE! | #VALUE! | - |
| Servitudes | | 2,000 | -2,000 | -2,000 | 0 |
| Licences and Rights | | 26,509 | -13,954 | -13,954 | 12,555 |
| Intangible Assets | | 28,509 | -15,954 | -15,954 | 12,555 |
| Computer Equipment | | 22,623 | 4,666 | 4,666 | 27,289 |
| Furniture and Office Equipment | | 5,256 | 1,189 | 1,189 | 6,445 |
| Machinery and Equipment | | 66,125 | -13,512 | -13,512 | 52,613 |
| Transport Assets | | 58,100 | -15,812 | -15,812 | 42,288 |
| Land | | 1,500 | 2,226 | 2,226 | 3,726 |
| Zoo's, Marine and Non-biological Animals | | 0 | - | - | - |
| | | | | | |
| Total Renewal of Existing Assets to be adjusted | <u>2</u> | 303,489 | 17,262 | 17,262 | 375,626 |
| <i>Roads Infrastructure</i> | | 61,700 | 5,550 | 5,550 | 67,250 |
| <i>Storm water Infrastructure</i> | | 7,500 | 2,500 | 2,500 | 10,000 |
| <i>Electrical Infrastructure</i> | | 58,939 | 15,985 | 15,985 | 74,924 |
| <i>Water Supply Infrastructure</i> | | 108,000 | -28,092 | -28,092 | 79,908 |
| <i>Sanitation Infrastructure</i> | | 33,000 | 28,092 | 28,092 | 61,092 |
| <i>Solid Waste Infrastructure</i> | | 4,050 | 14,602 | 14,602 | 18,652 |
| <i>Rail Infrastructure</i> | | 4,000 | -4,000 | -4,000 | 0 |
| <i>Coastal Infrastructure</i> | | - | - | - | - |
| <i>Information and Communication Infrastructure</i> | | - | - | - | - |
| Infrastructure | | 277,189 | 34,637 | 34,637 | 311,826 |
| Community Facilities | | 4,800 | 6,100 | 6,100 | 10,900 |
| Sport and Recreation Facilities | | 6,400 | -4,400 | -4,400 | 2,000 |
| Community Assets | | 11,200 | 1,700 | 1,700 | 12,900 |
| Heritage Assets | | 0 | 0 | 0 | 0 |
| Revenue Generating | | 0 | 0 | 0 | 0 |
| Non-revenue Generating | | - | - | - | - |

| Description | Ref | Budget Year 2023/24 | | | |
|--|-----------|---------------------|----------------|----------------|-----------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Investment properties | | - | - | - | - |
| Operational Buildings | | 4,900 | -2,100 | -2,100 | 2,800 |
| Housing | | 0 | 0 | 0 | 0 |
| Other Assets | 6 | 4,900 | -2,100 | -2,100 | 2,800 |
| Biological or Cultivated Assets | | 0 | 0 | 0 | 0 |
| Servitudes | | 0 | 0 | 0 | 0 |
| Licences and Rights | | 0 | 0 | 0 | 0 |
| Intangible Assets | | 0 | 0 | 0 | 0 |
| Computer Equipment | | 200 | -200 | -200 | 0 |
| Furniture and Office Equipment | | 0 | 0 | 0 | 0 |
| Machinery and Equipment | | 0 | 15,000 | 15,000 | 15,000 |
| Transport Assets | | 10,000 | 23,100 | 23,100 | 33,100 |
| Land | | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - |
| | - | | | | |
| Total Upgrading of Existing Assets to be adjusted | 2a | 362,747 | -10,830 | -10,830 | 271,303 |
| <i>Roads Infrastructure</i> | | 101,668 | -34,900 | -34,900 | 66,768 |
| <i>Storm water Infrastructure</i> | | 35,500 | -14,163 | -14,163 | 21,337 |
| <i>Electrical Infrastructure</i> | | 17,406 | 44,190 | 44,190 | 61,596 |
| <i>Water Supply Infrastructure</i> | | 16,500 | -6,000 | -6,000 | 10,500 |
| <i>Sanitation Infrastructure</i> | | 110,000 | -65,230 | -65,230 | 44,770 |
| <i>Solid Waste Infrastructure</i> | | 3,000 | -3,000 | -3,000 | |
| <i>Rail Infrastructure</i> | | - | - | - | |
| <i>Coastal Infrastructure</i> | | - | - | - | |
| <i>Information and Communication Infrastructure</i> | | 2,000 | -2,000 | -2,000 | |
| Infrastructure | | 286,074 | -81,103 | -81,103 | 204,971 |
| Community Facilities | | 46,050 | -4,143 | -4,143 | 41,907 |
| Sport and Recreation Facilities | | 18,600 | -5,709 | -5,709 | 12,891 |
| Community Assets | | 64,650 | -9,852 | -9,852 | 54,798 |
| Heritage Assets | | 0 | 0 | 0 | 0 |
| Revenue Generating | | - | - | - | - |
| Non-revenue Generating | | - | - | - | - |
| Investment properties | | - | - | - | - |
| Operational Buildings | | 8,723 | 1,810 | 1,810 | 10,533 |
| Housing | | 0 | 0 | 0 | |
| Other Assets | 6 | 8,723 | 1,810 | 1,810 | 10,533 |
| Biological or Cultivated Assets | | 0 | 0 | 0 | 0 |

| Description | Ref | Budget Year 2023/24 | | | |
|---|----------|---------------------|----------------|----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Servitudes | | 0 | 0 | 0 | 0 |
| Licences and Rights | | 1,800 | -1,800 | -1,800 | |
| Intangible Assets | | 1,800 | - | - | |
| Computer Equipment | | 1,500 | 650 | 650 | 1,000 |
| Furniture and Office Equipment | | - | - | - | - |
| Machinery and Equipment | | - | - | - | - |
| Transport Assets | | - | - | - | - |
| Land | | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - |
| | - | | | | |
| Total Capital Expenditure to be adjusted | 4 | 1,638,618 | 239,736 | 239,736 | 1,807,477 |
| <i>Roads Infrastructure</i> | | 423,229 | 102,546 | 102,546 | 525,775 |
| <i>Storm water Infrastructure</i> | | 63,935 | -12,109 | -12,109 | 51,826 |
| <i>Electrical Infrastructure</i> | | 201,216 | 94,450 | 94,450 | 295,666 |
| <i>Water Supply Infrastructure</i> | | 343,835 | 127,844 | 127,844 | 471,679 |
| <i>Sanitation Infrastructure</i> | | 200,195 | -52,671 | -52,671 | 147,524 |
| <i>Solid Waste Infrastructure</i> | | 7,050 | 11,602 | 11,602 | 18,652 |
| <i>Rail Infrastructure</i> | | 4,000 | -4,000 | -4,000 | |
| <i>Coastal Infrastructure</i> | | - | - | - | |
| <i>Information and Communication Infrastructure</i> | | 5,000 | -5,000 | -5,000 | |
| Infrastructure | | 1,248,459 | 248,663 | 248,663 | 1,497,122 |
| Community Facilities | | 102,806 | -42,595 | -42,595 | 60,211 |
| Sport and Recreation Facilities | | 31,000 | -14,554 | -14,554 | 16,446 |
| Community Assets | | 133,806 | -57,149 | -57,149 | 76,657 |
| Heritage Assets | | 7,200 | -7,200 | -7,200 | |
| Revenue Generating | | - | - | - | |
| Non-revenue Generating | | - | - | - | |
| Investment properties | | - | - | - | - |
| Operational Buildings | | 53,541 | -13,861 | -13,861 | 39,680 |
| Housing | | 0 | 0 | 0 | |
| Other Assets | | 53,541 | -13,861 | -13,861 | 39,680 |
| Biological or Cultivated Assets | | 0 | 0 | 0 | - |
| Servitudes | | 2,000 | -2,000 | -2,000 | |
| Licences and Rights | | 28,309 | -15,754 | -15,754 | 12,555 |
| Intangible Assets | | 30,309 | -17,754 | -17,754 | 12,555 |

| Description | Ref | Budget Year 2023/24 | | | |
|---|----------|---------------------|--------------------|--------------------|-------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Computer Equipment | | 24,323 | 3,966 | 3,966 | 28,289 |
| Furniture and Office Equipment | | 5,256 | 1,189 | 1,189 | 6,445 |
| Machinery and Equipment | | 66,125 | 1,488 | 1,488 | 67,613 |
| Transport Assets | | 68,100 | 7,288 | 7,288 | 75,388 |
| Land | | 1,500 | 2,226 | 2,226 | 3,726 |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - |
| TOTAL CAPITAL EXPENDITURE to be adjusted | 4 | 1,638,618 | 239,736 | 239,736 | 1,821,477 |
| | | | | | |
| ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 18,478,055 | 305,542 | 305,542 | 18,783,597 |
| <i>Roads Infrastructure</i> | | 4,202,088 | -3,810,968 | -3,810,968 | 391,120 |
| <i>Storm water Infrastructure</i> | | 497,841 | -467,484 | -467,484 | 30,357 |
| <i>Electrical Infrastructure</i> | | 2,671,846 | -2,638,198 | -2,638,198 | 33,648 |
| <i>Water Supply Infrastructure</i> | | 3,723,278 | -3,532,650 | -3,532,650 | 190,628 |
| <i>Sanitation Infrastructure</i> | | 1,810,824 | -1,884,467 | -1,884,467 | -73,643 |
| <i>Solid Waste Infrastructure</i> | | 345,186 | -436,790 | -436,790 | -91,604 |
| <i>Rail Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Coastal Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Information and Communication Infrastructure</i> | | 0 | 2,000 | 2,000 | 2,000 |
| Infrastructure | | 13,251,063 | -12,768,557 | -12,768,557 | 482,506 |
| | | | -65,122 | -65,122 | -65,122 |
| | | | | | |
| Community Assets | | 2,821,807 | -2,886,929 | -2,886,929 | -65,122 |
| Heritage Assets | | 141,298 | 76,154 | 76,154 | 217,452 |
| | | | 153,640 | 153,640 | 153,640 |
| | | | 0 | 0 | |
| Investment properties | | 153,934 | -294 | -294 | 153,640 |
| | | | 0 | 0 | |
| | | | 0 | 0 | |
| Other Assets | | 521,625 | 16,759,678 | 16,759,678 | 17,281,303 |
| Biological or Cultivated Assets | | | 29,558 | 29,558 | 29,558 |
| | | | | | |
| Intangible Assets | | 55,484 | -25,926 | -25,926 | 29,558 |
| Computer Equipment | | 77,863 | -48,434 | -48,434 | 29,429 |
| Furniture and Office Equipment | | 54,155 | -47,910 | -47,910 | 6,245 |

| Description | Ref | Budget Year 2023/24 | | | |
|---|----------|---------------------|----------------|----------------|-------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Machinery and Equipment | | 136,072 | 462,357 | 462,357 | 598,429 |
| Transport Assets | | 102,798 | -70,367 | -70,367 | 32,431 |
| Land | | 1,161,957 | -1,158,231 | -1,158,231 | 3,726 |
| Zoo's, Marine and Non-biological Animals | | | 0 | 0 | - |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 18,478,055 | 487,091 | 487,091 | 18,769,597 |
| EXPENDITURE OTHER ITEMS | | | | | |
| <u>Depreciation & asset impairment</u> | | 1,334,327 | -1,667 | -1,667 | 999,907 |
| <u>Repairs and Maintenance by asset class</u> | 3 | 672,327 | -13,761 | -13,761 | 681,235 |
| <i>Roads Infrastructure</i> | | 105,984 | -12,548 | -12,548 | 93,436 |
| <i>Storm water Infrastructure</i> | | 16,427 | 8,319 | 8,319 | 24,746 |
| <i>Electrical Infrastructure</i> | | 102,850 | 1,000 | 1,000 | 103,850 |
| <i>Water Supply Infrastructure</i> | | 130,713 | 9,315 | 9,315 | 140,028 |
| <i>Sanitation Infrastructure</i> | | 81,652 | 14 | 14 | 81,666 |
| <i>Solid Waste Infrastructure</i> | | | 0 | 0 | |
| <i>Rail Infrastructure</i> | | 2,310 | -1,000 | -1,000 | 1,310 |
| <i>Coastal Infrastructure</i> | | | 0 | 0 | |
| <i>Information and Communication Infrastructure</i> | | 1250 | 0 | 0 | 1,250 |
| Infrastructure | | 441,186 | 5,099 | 5,099 | 446,285 |
| Community Facilities | | 19,587 | 193 | 193 | 19,780 |
| Sport and Recreation Facilities | | 10,078 | -780 | -780 | 9,298 |
| Community Assets | | 29,665 | -587 | -587 | 29,078 |
| Heritage Assets | | 638 | -235 | -235 | 403 |
| Revenue Generating | | 0 | 0 | 0 | 0 |
| Non-revenue Generating | | 0 | 0 | 0 | 0 |
| Investment properties | | 0 | 0 | 0 | 0 |
| Operational Buildings | | 69,303 | 3,503 | 3,503 | 72,806 |
| Housing | | 4,989 | 3,724 | 3,724 | 8,713 |
| Other Assets | | 74,292 | 7,227 | 7,227 | 81,519 |
| Biological or Cultivated Assets | | - | - | - | - |
| Servitudes | | - | - | - | - |
| Licences and Rights | | 5,455 | -20 | -20 | 5,435 |
| Intangible Assets | | 5,455 | -20 | -20 | 5,435 |
| Computer Equipment | | 5,501 | -328 | -328 | 5,173 |
| Furniture and Office Equipment | | 4,347 | -557 | -557 | 3,790 |
| Machinery and Equipment | | 59,462 | -2,638 | -2,638 | 56,824 |
| Transport Assets | | 51,781 | 946 | 946 | 52,727 |
| Land | | - | - | - | - |

| Description | Ref | Budget Year 2023/24 | | | |
|---|-----|---------------------|-----------------|-----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Zoo's, Marine and Non-biological Animals | 6 | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | | 2,006,654 | -325,513 | -325,513 | 1,681,141 |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | | 40.70% | | | 36.70% |
| <i>Renewal and upgrading of Existing Assets as % of deprecn"</i> | | 51.50% | | | 51.90% |
| <i>R&M as a % of PPE</i> | | 3.20% | | | 3.10% |
| <i>Renewal and upgrading and R&M as a % of PPE</i> | | 6.80% | | | 6.60% |

Explanatory notes to Table B9 - Asset Management

- The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; it also reflects the relevant asset categories, the associated repairs and maintenance as well as depreciation of assets.

It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.

Table B10 –Consolidated Basic service delivery measurement

| Description | Ref | Budget Year 2023/24 | | | | | |
|--|-----|---------------------|----------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 11 | 12 | 13 | 14 |
| | | A | A1 | E | F | G | H |
| Household service targets | 1 | | | | | | |
| <u>Water:</u> | | | | | | | |
| Piped water inside dwelling | | 404,441 | | | 18,100 | 18,100 | 386,341 |
| Piped water inside yard (but not in dwelling) | | | | | - | - | - |
| Using public tap (at least min.service level) | 2 | 44,188 | | | 188 | 188 | 44,000 |
| Other water supply (at least min.service level) | | | | | - | - | |
| <i>Minimum Service Level and Above sub-total</i> | | 448,629 | | | 18 | 18 | 430,341 |
| Using public tap (< min.service level) | 3 | | | | | - | - |
| Other water supply (< min.service level) | 3,4 | | | | | | |
| No water supply | | | | | | | |
| <i>Below Minimum Servic Level sub-total</i> | | | | | - | - | - |
| Total number of households | 5 | 448,629 | | | 18 | 18 | 430,341 |
| <u>Sanitation/sewerage:</u> | | | | | | | |
| Flush toilet (connected to sewerage) | | 399,841 | | | 3,500 | 3,500 | 396,341 |
| Flush toilet (with septic tank) | | 4,200 | | | 398 | 398 | 3,802 |

| Description | Ref | Budget Year 2023/24 | | | | | |
|--|-----|---------------------|----------------|--------------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 11 | 12 | 13 | 14 |
| | | A | A1 | E | F | G | H |
| Chemical toilet | | 2,953 | | | 119 | 119 | 2,834 |
| Pit toilet (ventilated) | | 184 | | | 17 | 17 | 167 |
| Other toilet provisions (> min.service level) | | - | | | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | 407,178 | | | 4,034 | 4,034 | 403,144 |
| Bucket toilet | | 6,190 | | | | - | 6,010 |
| Other toilet provisions (< min.service level) | | | | | | | |
| No toilet provisions | | | | | | | |
| <i>Below Minimum Servic Level sub-total</i> | | 6,190 | | | - | - | 6,010 |
| Total number of households | 5 | 413,368 | | | 4,034 | 4,034 | 409,154 |
| <u>Energy:</u> | | | | | | | |
| Electricity (at least min. service level) | | 24,172 | | | 2,607 | 2,607 | 21,565 |
| Electricity - prepaid (> min.service level) | | 306,024 | | | - | (36,525) | 342,549 |
| <i>Minimum Service Level and Above sub-total</i> | | 330,735 | | | (33,918) | (33,918) | 364,114 |
| Electricity (< min.service level) | | | | | | | |
| Electricity - prepaid (< min. service level) | | | | | | | |
| Other energy sources | | | | | | | |
| <i>Below Minimum Servic Level sub-total</i> | | - | | | - | - | |
| Total number of households | 5 | 330,735 | | | (33,918) | (33,918) | 364,114 |
| <u>Refuse:</u> | | | | | | | |
| Removed at least once a week (min.service) | | 236,822 | | | - | (560) | 237,382 |
| Minimum Service Level and Above sub-total | | 236,822 | | | 1,178 | 1,178 | 235,644 |
| Removed less frequently than once a week | | - | | | | | - |
| Using communal refuse dump | | 39,143 | | | (4,947) | (4,947) | 44,090 |
| Using own refuse dump | | - | | | | | - |
| Other rubbish disposal | | - | | | | | - |
| No rubbish disposal | | 23,581 | | | 6,879 | 6,879 | 16,702 |
| <i>Below Minimum Servic Level sub-total</i> | | 62,724 | | | 1,932 | 1,932 | 60,792 |
| Total number of households | 5 | 299,546 | | | 3,110 | 3,110 | 296,436 |
| <u>Households receiving Free Basic Service</u> | 15 | | | | | | |
| Water (6 kilolitres per household per month) | | 90,626 | | | 17,258 | 17,258 | 73,368 |
| Sanitation (free minimum level service) | | 92,156 | | | 17,940 | 17,940 | 74,216 |
| Electricity/other energy (50kwh per household per month) | | 73,526 | | | 39,621 | 39,621 | 33,905 |
| Refuse (removed at least once a week) | | 86,954 | | | 21,764 | 21,764 | 65,190 |

| Description | Ref | Budget Year 2023/24 | | | | | |
|---|-----|---------------------|----------------|--------------------|------------------|------------------|-----------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 11 | 12 | 13 | 14 |
| | | A | A1 | E | F | G | H |
| Cost of Free Basic Services provided (R'000) | 16 | | | | | | |
| Water (6 kilolitres per indigent household per month) | | 119,336 | | | (26,363) | (26,363) | 145,699 |
| Sanitation (free sanitation service to indigent households) | | 120,128 | | | (89,675) | (89,675) | 209,803 |
| Electricity/other energy (50kwh per indigent household per month) | | 27,639 | | | 0 | 0 | 27,639 |
| Refuse (removed once a week for indigent households) | | 90,143 | | | (61,897) | (61,897) | 152,040 |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | - | | | - | | - |
| Total cost of FBS provided | | 357,246 | | | (177,935) | (177,935) | 535,181 |
| Highest level of free service provided | | | | | | | |
| Property rates (R'000 value threshold) | | 130,000 | | | - | - | 130,000 |
| Water (kilolitres per household per month) | | 8 | | | - | - | 8 |
| Sanitation (kilolitres per household per month) | | 11 | | | - | - | 11 |
| Sanitation (Rand per household per month) | | 137 | | | - | - | 137 |
| Electricity (kw per household per month) | | 75 | | | - | - | 75 |
| Refuse (average litres per week) | | 178 | | | - | - | 178 |
| Revenue cost of free services provided (R'000) | 17 | | | | | | |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | | | | | - | |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) | | 114,371 | | | - | - | 114,371 |
| Water (more than 6 kilolitres per indigent household per month) | | 29,834 | | | (1,502) | (1,502) | 31,336 |
| Sanitation (more than free sanitation service to indigent households) | | | | | | | 21,558 |
| Electricity/other energy (more than 50 kwh per indigent household per month) | | 30,018 | | | 484 | 484 | 29,534 |
| Refuse (more than one removal a week for indigent households) | | 16,662 | | | 943 | 943 | 15,719 |
| Municipal Housing - rental rebates | | | | | | | |
| Housing - top structure subsidies | 6 | 81,606 | | | (168,779) | (168,779) | 250,385 |
| Other | | | | | | - | |
| Total revenue cost of subsidised services provided | | 272,491 | | | (168,854) | (168,854) | 462,903 |

Explanatory notes to Table B10 - Basic Service Delivery Measurement

- Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services. The information provided in this table originates from the respective Directorates.

1.5 ADJUSTMENTS BUDGET TABLES – PARENT MUNICIPALITY (i.e., NMBM)

The ten main budget tables of the parent municipality (i.e., NMBM), as required in terms of the Municipal Budget and Reporting Regulations (MBRR), are included in this section. The purpose and form of these tables are the same as the consolidated tables that have already been discussed in the previous paragraph 1.4. As such this part of the report will not include any explanatory notes as they will be repetitive, for ease of reporting.

Table B1 – Budget Summary

| R thousands | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
|--|--------------------|----------------|--------------------|------------------|------------------|-------------------|
| | A | A1 | E | F | G | H |
| Financial Performance | | | | | | |
| Property rates | 2,980,757 | | | 36,678 | 36,678 | 2,944,079 |
| Service charges | 9,252,279 | | | (12,994) | (12,994) | 9,265,273 |
| Investment revenue | 204,088 | | | 210 | 210 | 203,878 |
| Transfers recognised - operational | 1,964,652 | | | (120,934) | (120,934) | 2,085,586 |
| Other own revenue | 1,647,494 | | | (269,457) | (269,457) | 1,916,951 |
| Total Revenue (excluding capital transfers and contributions) | 16,049,270 | | | (366,497) | (366,497) | 16,415,767 |
| Employee costs | 4,515,923 | | | 141,190 | 141,190 | 4,374,733 |
| Remuneration of councillors | 91,089 | | | 3,194 | 3,194 | 87,895 |
| Depreciation & asset impairment | 1,334,327 | | | (1,537,697) | (1,537,697) | 2,872,024 |
| Finance charges | 128,228 | | | 128,098 | 128,098 | 130,278 |
| Inventory consumed and bulk purchases | 5,992,062 | | | 925,740 | 925,740 | 5,066,322 |
| Transfers and grants | 196,230 | | | (21,937) | (21,937) | 218,167 |
| Other expenditure | 5,063,079 | | | 660,291 | 660,291 | 4,402,787 |
| Total Expenditure | 17,320,938 | | | 383,419 | 383,419 | 16,937,519 |
| Surplus/(Deficit) | (1,271,669) | | | (749,916) | (749,916) | (521,752) |
| Transfers and subsidies - capital (monetary allocations) | 1,434,548 | | | 151,017 | 151,017 | 1,283,531 |
| Transfers and subsidies - capital (in-kind - all) | | | | – | | |
| Surplus/(Deficit) after capital transfers & contributions | 162,879 | | | (598,899) | (598,899) | 761,779 |
| Share of surplus/ (deficit) of associate | – | | | – | | |
| Surplus/ (Deficit) for the year | 162,879 | | | (598,899) | (598,899) | 761,779 |
| | | | | | | |
| Capital expenditure & funds sources | | | | | | |
| Capital expenditure | 1,995,957 | | | 174,480 | 174,480 | 1,821,477 |
| Transfers recognised - capital | 1,347,960 | | | 105,533 | 105,533 | 1,242,427 |
| | | | | | | |

| R thousands | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
|---|------------------------|-----------------------|---------------------------|-----------------------|-----------------------|------------------------|
| Borrowing | 76,338 | | | 17,473 | 17,473 | 58,865 |
| Internally generated funds | 571,659 | | | 51,474 | 51,474 | 520,185 |
| Total sources of capital funds | 1,995,957 | | | 174,480 | 174,480 | 1,821,477 |
| <u>Financial position</u> | | | | | | |
| Total current assets | 9,680,062 | | | (114,237) | (114,237) | 9,794,299 |
| Total non-current assets | 19,311,371 | | | (310,426) | (310,426) | 19,621,797 |
| Total current liabilities | 5,506,360 | | | (275,063) | (275,063) | 5,781,423 |
| Total non-current liabilities | 5,928,608 | | | (193,431) | (193,431) | 6,122,039 |
| Community wealth/Equity | 19,152,742 | | | (8,717) | (8,717) | 19,161,459 |
| <u>Cash flows</u> | | | | | | |
| Net cash from (used) operating | 1,444,436 | | | (420,566) | (420,566) | 1,865,002 |
| Net cash from (used) investing | (1,822,952) | | | 94,847 | 94,847 | (1,917,799) |
| Net cash from (used) financing | (139,993) | | | (229,560) | (229,560) | 89,567 |
| Cash/cash equivalents at the year end | 4,279,141 | | | (555,279) | (555,279) | 4,820,128 |
| <u>Cash backing/surplus reconciliation</u> | | | | | | |
| Cash and investments available | 4,692,195 | | | (127,933) | (127,933) | 4,820,128 |
| Application of cash and investments | 565,006 | | | (212,495) | (212,495) | 777,501 |
| Balance - surplus (shortfall) | 4,127,189 | | | 84,563 | 84,563 | 4,042,626 |
| <u>Asset Management</u> | | | | | | |
| Asset register summary (WDV) | 19,311,371 | | | 346,225 | 346,225 | 18,965,146 |
| Depreciation | 1,334,327 | | | 334,420 | 334,420 | 999,907 |
| Renewal and Upgrading of Existing Assets | 686,532 | | | 14,863 | 14,863 | 671,668 |
| Repairs and Maintenance | 672,327 | | | (8,908) | (8,908) | 681,235 |
| <u>Free services</u> | | | | | | |
| Cost of Free Basic Services provided | 357,246 | | | (177,935) | (177,935) | 535,181 |
| Revenue cost of free services provided | 272,492 | | | (135,721) | (135,721) | 408,213 |

Table B2 – Budget Financial Performance by Function

| Standard Descriptions | Ref | Budget Year 2023/2024 | | | | | |
|--|----------|-----------------------|------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 6 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | D | E | F | G | H |
| Revenue - Functional | | | | | | | |
| Governance and administration | | 4,025,071 | - | - | (35,707) | (35,707) | 4,060,778 |
| Executive and council | | 1,142 | - | - | (58) | (58) | 1,200 |
| Finance and administration | | 4,023,928 | - | - | (35,650) | (35,650) | 4,059,578 |
| Internal audit | | | - | - | - | - | |
| Community and public safety | | 1,602,841 | - | - | 53,258 | 53,258 | 1,549,583 |
| Community and social services | | 39,766 | - | - | 895 | 895 | 38,871 |
| Sport and recreation | | 35,161 | - | - | 9,707 | 9,707 | 25,454 |
| Public safety | | 1,098,227 | - | - | 180,970 | 180,970 | 917,257 |
| Housing | | 427,196 | - | - | (138,250) | (138,250) | 565,446 |
| Health | | 2,491 | - | - | (64) | (64) | 2,555 |
| Economic and environmental services | | 842,004 | - | - | 160,965 | 160,965 | 681,039 |
| Planning and development | | 453,286 | - | - | 11,617 | 11,617 | 433,489 |
| Road transport | | 592,485 | - | - | 149,351 | 149,351 | 443,134 |
| Environmental protection | | 44,272 | - | - | (3) | (3) | 44,275 |
| Trading services | | 10,974,772 | - | - | (490,945) | (490,945) | 11,465,717 |
| Energy sources | | 5,523,802 | - | - | (136) | (136) | 5,523,938 |
| Water management | | 3,830,572 | - | - | (270,565) | (270,565) | 4,101,137 |
| Waste water management | | 1,179,150 | - | - | (139,007) | (139,007) | 1,318,157 |
| Waste management | | 441,249 | - | - | (81,235) | (81,235) | 522,484 |
| Other | | 45,140 | - | - | 1,934 | 1,934 | 43,206 |
| Total Revenue - Functional | 2 | 17,489,828 | - | - | (310,495) | (310,495) | 17,800,323 |
| Expenditure - Functional | | | | | | | |
| Governance and administration | | 2,067,897 | - | - | 100,287 | 100,287 | 1,967,610 |
| Executive and council | | 398,006 | - | - | (563) | (563) | 398,569 |
| Finance and administration | | 1,600,939 | - | - | 98,231 | 98,231 | 1,502,708 |
| Internal audit | | 68,952 | - | - | 2,619 | 2,619 | 66,333 |
| Community and public safety | | 2,321,182 | - | - | (74,222) | (74,222) | 2,395,404 |
| Community and social services | | 423,240 | - | - | 20,284 | 20,284 | 402,956 |
| Sport and recreation | | 609,396 | - | - | 34,703 | 34,703 | 574,693 |
| Public safety | | 741,508 | - | - | 38,688 | 38,688 | 702,820 |

| Standard Descriptions | Ref | Budget Year 2023/2024 | | | | | |
|--|-----|-----------------------|------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 6 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | D | E | F | G | H |
| Housing | | 335,943 | – | – | (171,476) | (171,476) | 507,419 |
| Health | | 211,096 | – | – | 3,580 | 3,580 | 207,516 |
| Economic and environmental services | | 1,442,938 | – | – | 262,684 | 177,539 | 1,313,796 |
| Planning and development | | 453,286 | – | – | 19,797 | 19,797 | 433,489 |
| Road transport | | 932,051 | – | – | 151,552 | 151,552 | 780,499 |
| Environmental protection | | 105,998 | – | – | 6,190 | 6,190 | 99,808 |
| Trading services | | 11,335,628 | – | – | 187,096 | 187,097 | 11,148,532 |
| Energy sources | | 6,659,747 | – | – | 46,108 | 46,108 | 6,613,639 |
| Water management | | 2,835,548 | – | – | 358 | 358 | 2,835,190 |
| Waste water management | | 1,156,750 | – | – | 125,038 | 125,038 | 1,031,712 |
| Waste management | | 683,583 | – | – | 15,593 | 15,593 | 667,990 |
| Other | | 104,897 | – | – | (7,280) | (7,280) | 112,177 |
| Total Expenditure - Functional | 3 | 17,320,939 | – | – | 383,420 | 383,421 | 16,937,519 |
| Surplus/ (Deficit) for the year | | 168,889 | – | – | (693,915) | (693,915) | 862,804 |

Table B3 – Budget Financial Performance by Vote

| Vote Description | Ref | Budget Year 2023/24 | | | | | |
|---|-----|---------------------|------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 6 | 7 | 8 | 9 | 10 |
| <i>[Insert departmental structure etc]</i> | | A | D | E | F | G | H |
| R thousands | | | | | | | |
| Revenue by Vote | 1 | | | | | | |
| Vote 1 - Budget & Treasury | | 3,939,870 | – | – | (38,267) | (38,267) | 3,978,137 |
| Vote 2 - Public Health | | 498,757 | – | – | (81,131) | (81,131) | 579,888 |
| Vote 3 - Human Settlements | | 421,143 | – | – | (171,478) | (171,478) | 592,621 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 54,448 | – | – | 9,685 | 9,685 | 44,763 |
| Vote 5 - Corporate Services | | 17,163 | – | – | (1,001) | (1,001) | 18,164 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 595,255 | – | – | 150,616 | 150,616 | 444,639 |
| Vote 7 - Metro Water Service | | 3,830,572 | – | – | (270,565) | (270,565) | 4,101,137 |
| Vote 8 - Sanitation - Metro | | 1,179,150 | – | – | (139,008) | (139,008) | 1,318,157 |
| Vote 9 - Electricity & Energy | | 5,524,976 | – | – | 1,037 | 1,037 | 5,523,938 |
| Vote 10 - Executive & Council | | 145,352 | – | – | 6,479 | 6,479 | 138,873 |
| Vote 11 - Safety & Security | | 1,146,029 | – | – | 210,627 | 210,627 | 935,402 |

| Vote Description <i>[Insert departmental structure etc]</i> | Ref | Budget Year 2023/24 | | | | | |
|--|----------|---------------------|------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | A | 6 D | 7 E | 8 F | 9 G | 10 H |
| R thousands | | | | | | | |
| Vote 12 - Mandela Bay Stadium | | 60,891 | - | - | - | - | 60,891 |
| Vote 13 - Special Projects and Programmes | | 29,816 | - | - | - | - | 29,816 |
| Vote 14 - Recreational & Cultural Services | | 40,398 | - | - | 11,131 | 11,131 | 29,267 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 17,489,828 | - | - | (311,875) | (311,875) | 17,795,694 |
| Expenditure by Vote | 1 | | | | | | |
| Vote 1 - Budget & Treasury | | 1,048,666 | - | - | 42,784 | 42,784 | 1,005,883 |
| Vote 2 - Public Health | | 1,089,649 | - | - | 66,816 | 66,816 | 1,022,834 |
| Vote 3 - Human Settlements | | 459,332 | - | - | (184,207) | (184,207) | 643,539 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 124,369 | - | - | (168,328) | (168,328) | 292,697 |
| Vote 5 - Corporate Services | | 583,940 | - | - | 12,387 | 12,387 | 571,552 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 1,231,898 | - | - | 189,722 | 189,722 | 1,042,176 |
| Vote 7 - Metro Water Service | | 2,827,152 | - | - | 60,625 | 60,625 | 2,766,527 |
| Vote 8 - Sanitation - Metro | | 907,278 | - | - | 59,560 | 59,560 | 847,718 |
| Vote 9 - Electricity & Energy | | 6,678,299 | - | - | 45,867 | 45,867 | 6,632,433 |
| Vote 10 - Executive & Council | | 540,539 | - | - | 190,079 | 190,079 | 350,460 |
| Vote 11 - Safety & Security | | 1,243,361 | - | - | 36,700 | 36,700 | 1,206,662 |
| Vote 12 - Mandela Bay Stadium | | 55,653 | - | - | - | - | 55,653 |
| Vote 13 - Special Projects and Programmes | | 30,736 | - | - | 2,084 | 2,084 | 28,652 |
| Vote 14 - Recreational & Cultural Services | | 500,067 | - | - | 29,333 | 29,333 | 470,734 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 17,320,939 | - | - | 383,420 | 383,420 | 16,937,519 |
| Surplus/ (Deficit) for the year | 2 | 168,889 | - | - | (695,295) | (695,295) | 858,174 |

Table B4 – Budget Financial Performance Revenue and Expenditure

| Description | Ref | Budget Year 2023/2024 | | | | |
|-------------------------------|----------|-----------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | A | 7 E | 8 F | 9 G | 10 H |
| R thousands | 1 | | | | | |
| Revenue By Source | | | | | | |
| Exchange Revenue | | | | | | |
| Service charges - Electricity | 2 | 5,159,121 | | (12,822) | (12,822) | 5,171,943 |

| Description | Ref | Budget Year 2023/2024 | | | | |
|--|-----|-----------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | 7 | 8 | 9 | 10 | |
| R thousands | 1 | A | E | F | G | H |
| Service charges - Water | 2 | 2,943,776 | | 30,777 | 30,777 | 2,912,999 |
| Service charges - Waste Water Management | 2 | 837,553 | | (30,949) | (30,949) | 868,502 |
| Service charges - Waste Management | 2 | 311,829 | | - | - | 311,829 |
| Sale of Goods and Rendering of Services | | 117,720 | | - | | 113,104 |
| Agency services | | 3,716 | | - | | 3,870 |
| Interest | | - | | - | | - |
| Interest earned from Receivables | | 573,984 | | (309,738) | (309,738) | 883,722 |
| Interest earned from Current and Non-Current Assets | | 204,088 | | 210 | 210 | 203,878 |
| Dividends | | - | | - | | |
| Rent on Land | | | | - | - | |
| Rental from Fixed Assets | | 30,521 | | (6,563) | (6,563) | 37,084 |
| Licence and permits | | 18,157 | | (64) | (64) | 18,221 |
| Operational Revenue | | 37,073 | | 5,787 | 5,787 | 31,286 |
| Non-Exchange Revenue | | | | | | |
| Property rates | 2 | 2,980,757 | | 36,678 | 36,678 | 2,944,079 |
| Surcharges and Taxes | | | | | | |
| Fines, penalties and forfeits | | 82,843 | | 36,658 | 36,658 | 46,185 |
| Licences or permits | 1 | | | - | - | 1 |
| Transfer and subsidies - Operational | | 1,964,652 | | (120,934) | (120,934) | 2,085,586 |
| Interest | | | | - | | |
| Fuel Levy | | 783,478 | | - | - | 783,478 |
| Operational Revenue | | | | | | |
| Gains on disposal of Assets | | | | | | |
| Other Gains | | | | | | |
| Discontinued Operations | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 16,049,269 | | (366,498) | (366,498) | 16,415,767 |
| Expenditure By Type | | | | | | |
| Employee related costs | 2 | 4,515,923 | | 141,190 | 141,190 | 4,374,733 |
| Remuneration of councillors | | 91,089 | | 260 | 260 | 90,829 |
| Bulk purchases - electricity | 2 | 5,632,329 | | (516) | (516) | 5,632,845 |
| Inventory consumed | 8 | 359,733 | | (11,481) | (11,481) | 371,214 |
| Debt impairment | 3 | 1,874,177 | | 2,060 | 2,060 | 1,872,117 |
| Depreciation and amortisation | | 1,334,327 | | 334,420 | 334,420 | 999,907 |

| Description | Ref | Budget Year 2023/2024 | | | | |
|--|-----|-----------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| R thousands | 1 | A | E | F | G | H |
| Interest | | 128,228 | | (2,050) | (2,050) | 130,278 |
| Contracted services | | 1,551,608 | | (70,778) | (70,778) | 1,622,386 |
| Transfers and subsidies | | 196,320 | | (21,938) | (21,938) | 218,168 |
| Irrecoverable debts written off | | 561,361 | | - | - | 561,361 |
| Operational costs | | 837,272 | | 12,252 | 12,252 | 825,020 |
| Losses on disposal of Assets | | - | | | | |
| Other Losses | | 238,662 | | - | - | 238,662 |
| Total Expenditure | | 17,320,937 | | 383,419 | 383,419 | 16,937,519 |
| Surplus/(Deficit) | | (1,271,669) | | (749,917) | (749,917) | (521,752) |
| Transfers and subsidies - capital (monetary allocations) | | 1,434,548 | | 151,017 | 151,017 | 1,283,531 |
| Transfers and subsidies - capital (in-kind - all) | | | | - | | |
| Surplus/(Deficit) after capital transfers and contributions | | 162,879 | | (598,900) | (598,900) | 761,779 |
| Taxation | | - | | - | - | - |
| Surplus/(Deficit) after taxation | | 162,879 | | (598,900) | (598,900) | 761,779 |
| Attributable to minorities | | | | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 162,879 | | (598,900) | (598,900) | 761,779 |
| Share of surplus/ (deficit) of associate | 7 | | | | | |
| Surplus/(Deficit) for the year | | 162,879 | | (598,900) | (598,900) | 761,779 |

Table B5 – Budget Capital Expenditure – Standard Classification

| Description | Ref | Budget Year 2023/24 | | | | |
|---|-----|---------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| R thousands | | A | E | F | G | H |
| Capital expenditure - Vote | | | | | | |
| Multi-year expenditure to be adjusted | 2 | | | | | |
| Vote 1 - Budget & Treasury | | 19,451 | | -17,051 | -17,051 | 2,400 |
| Vote 2 - Public Health | | 24,159 | | -8,800 | -8,800 | 15,359 |
| Vote 3 - Human Settlements | | 130,225 | | 0 | 0 | 130,225 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 2,500 | | 0 | 0 | 2,500 |
| Vote 5 - Corporate Services | | 5,950 | | -5,630 | -5,630 | 320 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 529,215 | | -112,913 | -112,913 | 416,302 |
| Vote 7 - Metro Water Service | | 436,623 | | 8,142 | 8,142 | 444,765 |

| Description | Ref | Budget Year 2023/24 | | | | |
|---|-----|---------------------|--------------------|-----------------|-----------------|------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 9 | 10 | 11 | 12 |
| R thousands | | A | E | F | G | H |
| Vote 8 - Sanitation - Metro | | 123,412 | | -2,950 | -2,950 | 120,462 |
| Vote 9 - Electricity & Energy | | 277,546 | | -16,333 | -16,333 | 261,213 |
| Vote 10 - Executive & Council | | | | 0 | 0 | 0 |
| Vote 11 - Safety & Security | | 11,650 | | -3,823 | -3,823 | 7,827 |
| Vote 12 - Mandela Bay Stadium | | | | 0 | 0 | 0 |
| Vote 13 - Special Projects and Programmes | | | | 0 | 0 | 0 |
| Vote 14 - Recreational & Cultural Services | | 29,856 | | -15,756 | -15,756 | 14,100 |
| Vote 15 - [NAME OF VOTE 15] | | 0 | | 0 | 0 | 0 |
| Capital multi-year expenditure sub-total | 3 | 1,590,587 | | -175,114 | -175,114 | 1,415,473 |
| | | | | | | |
| Single-year expenditure to be adjusted | 2 | | | | | |
| Vote 1 - Budget & Treasury | | 2,452 | | 860 | 860 | 3,312 |
| Vote 2 - Public Health | | 55,063 | | 8,800 | 8,800 | 63,863 |
| Vote 3 - Human Settlements | | 20,127 | | -16,041 | -16,041 | 4,086 |
| Vote 4 - Economic Development, Tourism & Agriculture | | 510 | | 3,270 | 3,270 | 3,780 |
| Vote 5 - Corporate Services | | 31,515 | | 5,108 | 5,108 | 36,623 |
| Vote 6 - Infrastructure & Engineering Unit - Rate & General | | 83,000 | | 15,129 | 15,129 | 98,129 |
| Vote 7 - Metro Water Service | | 30,215 | | -7,750 | -7,750 | 22,465 |
| Vote 8 - Sanitation - Metro | | 18,793 | | 2,641 | 2,641 | 21,434 |
| Vote 9 - Electricity & Energy | | 38,265 | | 4,904 | 4,904 | 43,169 |
| Vote 10 - Executive & Council | | | | 0 | 0 | 0 |
| Vote 11 - Safety & Security | | 49,300 | | -20,710 | -20,710 | 28,590 |
| Vote 12 - Mandela Bay Stadium | | | | 0 | 0 | 0 |
| Vote 13 - Special Projects and Programmes | | | | 0 | 0 | 0 |
| Vote 14 - Recreational & Cultural Services | | 21,724 | | -9,578 | -9,578 | 12,146 |
| Vote 15 - [NAME OF VOTE 15] | | - | | 0 | 0 | 0 |
| Capital single-year expenditure sub-total | | 350,964 | | -13,367 | -13,367 | 337,597 |
| Total Capital Expenditure - Vote | | 1,941,551 | | -188,481 | -188,481 | 1,753,070 |
| | | | | | | -68,407 |
| Capital Expenditure - Functional | | | | | | |
| Governance and administration | | 243,158 | | -58,121 | -58,121 | 185,037 |
| Executive and council | | - | | 0 | 0 | 0 |
| Finance and administration | | 243,158 | | -58,121 | -58,121 | 185,037 |
| Internal audit | | - | | - | - | - |
| Community and public safety | | 128,758 | | -31,708 | -31,708 | 97,050 |
| Community and social services | | 40,230 | | -16,930 | -16,930 | 23,300 |
| Sport and recreation | | 51,739 | | -10,254 | -10,254 | 41,485 |

| Description | Ref | Budget Year 2023/24 | | | | |
|---|-----|---------------------|--------------------|-----------------|-----------------|------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 9 | 10 | 11 | 12 |
| R thousands | | A | E | F | G | H |
| Public safety | | 30,422 | | 2,833 | 2,833 | 27,589 |
| Housing | | 4,417 | | 691 | 691 | 3,726 |
| Health | | 1,950 | | -1,000 | -1,000 | 950 |
| Economic and environmental services | | 520,557 | | 4,028 | 4,028 | 541,768 |
| Planning and development | | | | 54,407 | 54,407 | 54,407 |
| Road transport | | 520,557 | | -50,379 | -50,379 | 470,178 |
| Environmental protection | | | | - | - | 0 |
| Trading services | | 1,049,078 | | -51,456 | -51,456 | 997,622 |
| Energy sources | | 315,211 | | -14,428 | -14,428 | 300,783 |
| Water management | | 481,371 | | -5,044 | -5,044 | 476,327 |
| Wastewater management | | 244,716 | | -28,984 | -28,984 | 215,732 |
| Waste management | | 7,780 | | -3,000 | -3,000 | 4,780 |
| Other | | | | - | - | |
| Total Capital Expenditure - Functional | 3 | 1,941,551 | | -137,257 | -137,257 | 1,821,477 |
| | | | | | | 68,407 |
| Funded by: | | | | | | |
| National Government | | 1,307,960 | | 120,533 | 120,533 | 1,187,427 |
| Provincial Government | | | | - | - | |
| District Municipality | | | | - | - | |
| Other Transfers and Grants | | 40,000 | | 15,000 | 15,000 | 55,000 |
| Transfers recognised - capital | 4 | 1,347,960 | | 105,533 | 105,533 | 1,242,427 |
| | | | | | | |
| Borrowing | | 76,338 | | 17,473 | 17,473 | 58,865 |
| Internally generated funds | | 571,662 | | 51,477 | 51,477 | 520,185 |
| Total Capital Funding | | 1,995,959 | | 68,950 | 68,950 | 1,807,477 |

Table B6 – Budget Financial Position

| Description | Ref | Budget Year 2023/2024 | | | | |
|--|-----|-----------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | E | F | G | H |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 4,273,131 | | (553,007) | (553,007) | 4,826,138 |
| Trade and other receivables from exchange transactions | 1 | 3,301,835 | | (330,353) | (330,353) | 3,632,188 |

| Description | Ref | Budget Year 2023/2024 | | | | |
|---|-----|-----------------------|--------------------|------------------|------------------|-------------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | E | F | G | H |
| Receivables from non-exchange transactions | 1 | 217,452 | | 216,954 | 216,954 | 497,781 |
| Current portion of non-current receivables | | | | | | |
| Inventory | | 260,285 | | 259,956 | 259,956 | 329,389 |
| VAT | | 1,102,841 | | (232,305) | (232,305) | 1,335,146 |
| Other current assets | | | | | | |
| Total current assets | | 9,680,063 | | (638,755) | (638,755) | 9,794,299 |
| Non-current assets | | | | | | |
| Investments | | | | | | |
| Investment property | | 153,640 | | 11,128 | 11,128 | 142,512 |
| Property, plant and equipment | | 18,706,291 | | (350,721) | (350,721) | 19,057,012 |
| Biological assets | | | | | | |
| Living and non-living resources | | | | | | |
| Heritage assets | | 217,452 | | (2,745) | (2,745) | 220,197 |
| Intangible assets | | 63,351 | | 19,942 | 19,942 | 43,409 |
| Trade and other receivables from exchange transactions | | 115,638 | | – | – | 115,638 |
| Non-current receivables from non-exchange transactions | | 55,000 | | 11,970 | 11,970 | 43,030 |
| Other non-current assets | | | | – | – | |
| Total non-current assets | | 19,311,372 | | (310,426) | (310,426) | 19,621,797 |
| TOTAL ASSETS | | 28,991,435 | | (424,662) | (424,662) | 29,416,096 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | | | | | |
| Financial liabilities | | 192,379 | | – | – | 192,379 |
| Consumer deposits | | 176,659 | | 1,145 | 1,145 | 175,514 |
| Trade and other payables from exchange transactions | | 2,878,343 | | (110,020) | (110,020) | 2,988,363 |
| Trade and other payables from non-exchange transactions | | 312,695 | | – | – | 312,695 |
| Provision | | 229,572 | | (166,187) | (166,187) | 395,759 |
| VAT | | 1,716,713 | | – | – | 1,716,713 |
| Other current liabilities | | | | | | |
| Total current liabilities | | 5,506,361 | | (275,062) | (275,062) | 5,781,423 |
| Non-current liabilities | | | | | | |
| Financial liabilities | | 1,055,049 | | (314,529) | (314,529) | 1,369,578 |
| Provision | | 3,767,977 | | 398,579 | 398,579 | 3,369,398 |
| Long term portion of trade payables | | | | | | |
| Other non-current liabilities | | 1,105,582 | | (277,481) | (277,481) | 1,383,063 |

| Description | Ref | Budget Year 2023/2024 | | | | |
|--------------------------------------|-----|-----------------------|--------------------|----------------|----------------|-----------------|
| | | Original Budget | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | E | F | G | H |
| Total non-current liabilities | | 5,928,608 | | (193,431) | (193,431) | 6,122,039 |
| TOTAL LIABILITIES | | 11,434,968 | | (468,494) | (468,494) | 11,903,462 |
| NET ASSETS | 2 | 17,556,467 | | | | 17,512,634 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 18,245,712 | | (331,159) | (331,159) | 18,576,871 |
| Reserves and funds | | 907,030 | | 322,442 | 322,442 | 584,588 |
| Other | | | | | | |
| TOTAL COMMUNITY WEALTH/EQUITY | | 19,152,742 | | (8,717) | (8,717) | 19,161,459 |

Table B7 – Budgeted Cash Flows

| Description | Ref | Budget Year 2023/2024 | | | |
|---|-----|-----------------------|----------------|----------------|-----------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 8 | 9 | 10 |
| R thousands | 1 | A | F | G | H |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Property rates | | 2,652,874 | | (25,000) | 2,627,874 |
| Service charges | | 7,144,625 | | 8,000 | 7,152,625 |
| Other revenue | | 2,408,406 | | (1,589,354) | 819,052 |
| Transfers and Subsidies - Operational | 1 | 1,964,652 | | (196,183) | 1,768,469 |
| Transfers and Subsidies - Capital | 1 | 1,387,960 | | (145,533) | 1,242,427 |
| Interest | | 204,088 | | (210) | 203,878 |
| Dividends | | - | | | |
| Payments | | | | | |
| Suppliers and employees | | (14,133,263) | | 2,398,843 | (11,734,420) |
| Finance charges | | (128,228) | | (2,050) | (130,278) |
| Transfers and Subsidies | 1 | (62,687) | | (21,938) | (84,625) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 1,438,426 | | 426,576 | 1,865,002 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Proceeds on disposal of PPE | | - | | - | - |
| Decrease (Increase) in non-current debtors (not used) | | - | | - | - |

| Description | Ref | Budget Year 2023/2024 | | | |
|--|-----|-----------------------|----------------|-----------------|--------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 8 | 9 | 10 |
| R thousands | 1 | A | F | G | H |
| Decrease (increase) in non-current receivables | | - | | (16,572) | (16,572) |
| Decrease (increase) in non-current investments | | - | | - | - |
| Payments | | | | | |
| Capital assets | | (1,822,952) | | (78,275) | (1,901,227) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (1,822,952) | | (94,847) | (1,917,799) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Short term loans | | - | | - | - |
| Borrowing long term/refinancing | | - | | 281,943 | 281,943 |
| Increase (decrease) in consumer deposits | | - | | - | - |
| Payments | | | | | |
| Repayment of borrowing | | (139,993) | | (52,382) | (192,376) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (139,993) | | 229,560 | 89,567 |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (524,519) | | 561,289 | 36,770 |
| Cash/cash equivalents at the year begin: | 2 | 4,797,650 | | (14,292) | 4,783,358 |
| Cash/cash equivalents at the year-end: | 2 | 4,273,131 | | 546,997 | 4,820,128 |

Table B8 – Cash backed Reserves.

| Description | Ref | Budget Year 2023/2024 | | | | | |
|---|-----|-----------------------|----------------|--------------------|------------------|------------------|------------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 3 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | A1 | E | F | G | H |
| Cash and investments available | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 4,273,131 | | - | (546,997) | (546,997) | 4,820,128 |
| Other current investments > 90 days | | 413,054 | | - | | | |
| Non-current assets - Investments | 1 | - | | - | - | - | - |
| Cash and investments available: | | 4,686,185 | | - | (546,997) | (546,997) | 4,820,128 |
| Applications of cash and investments | | | | | | | |
| Unspent conditional transfers | | 55,600 | | - | 326,361 | 326,361 | 270,761 |
| Unspent borrowing | | - | | | - | | |
| Statutory requirements | | 613,872 | | | - | | |

| Description | Ref | Budget Year 2023/2024 | | | | | |
|---|-----|-----------------------|----------------|--------------------|------------------|------------------|------------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 3 | 7 | 8 | 9 | 10 |
| R thousands | 1 | A | A1 | E | F | G | H |
| Other working capital requirements | 2 | (1,241,068) | | | (254,157) | (254,157) | (986,911) |
| Other provisions | | 229,572 | | | (679,491) | (679,491) | 909,063 |
| Long term investments committed | | – | | | – | – | – |
| Reserves to be backed by cash/investments | | 907,030 | | | 322,442 | 322,442 | 584,588 |
| Total Application of cash and investments: | | 565,006 | | – | (284,845) | (284,845) | 777,501 |
| Surplus(shortfall) | | 4,121,179 | | – | (262,152) | (262,152) | 4,042,626 |

Table B9 – Asset Management

| Description | Ref | Budget Year 2023/24 | | | |
|---|-----|---------------------|----------------|----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| CAPITAL EXPENDITURE | | | | | |
| <u>Total New Assets to be adjusted</u> | 1 | 972,382 | 233,304 | 233,304 | 1,174,548 |
| <i>Roads Infrastructure</i> | | 259,860 | 131,897 | 131,897 | 391,757 |
| <i>Storm water Infrastructure</i> | | 20,935 | -446 | -446 | 20,489 |
| <i>Electrical Infrastructure</i> | | 124,871 | 34,276 | 34,276 | 159,147 |
| <i>Water Supply Infrastructure</i> | | 219,335 | 161,936 | 161,936 | 381,271 |
| <i>Sanitation Infrastructure</i> | | 57,195 | -15,533 | -15,533 | 41,662 |
| <i>Solid Waste Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Rail Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Coastal Infrastructure</i> | | 0 | 0 | 0 | |
| <i>Information and Communication Infrastructure</i> | | 3,000 | -3,000 | -3,000 | |
| Infrastructure | | 685,196 | 309,129 | 309,129 | 994,325 |
| Community Facilities | | 51,956 | -44,552 | -44,552 | 7,404 |
| Sport and Recreation Facilities | | 6,000 | -4,445 | -4,445 | 1,555 |
| Community Assets | | 57,956 | -48,997 | -48,997 | 8,959 |
| Heritage Assets | | 7,200 | -7,200 | -7,200 | |
| Revenue Generating | | 0 | 0 | 0 | |
| Non-revenue Generating | | 0 | 0 | 0 | |
| Investment properties | | 0 | – | – | – |
| Operational Buildings | | 39,918 | -13,571 | -13,571 | 26,347 |
| Housing | | 0 | 0 | 0 | |
| Other Assets | 6 | 39,918 | -13,571 | -13,571 | 26,347 |
| Biological or Cultivated Assets | | | | | |
| Servitudes | | 2,000 | -2,000 | -2,000 | 0 |

| Description | Ref | Budget Year 2023/24 | | | |
|--|----------|---------------------|----------------|----------------|-----------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Licences and Rights | | 26,509 | -13,954 | -13,954 | 12,555 |
| Intangible Assets | | 28,509 | -15,954 | -15,954 | 12,555 |
| Computer Equipment | | 22,623 | 4,666 | 4,666 | 27,289 |
| Furniture and Office Equipment | | 5,256 | 1,189 | 1,189 | 6,445 |
| Machinery and Equipment | | 66,125 | -13,512 | -13,512 | 52,613 |
| Transport Assets | | 58,100 | -15,812 | -15,812 | 42,288 |
| Land | | 1,500 | 2,226 | 2,226 | 3,726 |
| Zoo's, Marine and Non-biological Animals | | 0 | - | - | - |
| | | | | | |
| Total Renewal of Existing Assets to be adjusted | <u>2</u> | 303,489 | 17,262 | 17,262 | 375,626 |
| <i>Roads Infrastructure</i> | | 61,700 | 5,550 | 5,550 | 67,250 |
| <i>Storm water Infrastructure</i> | | 7,500 | 2,500 | 2,500 | 10,000 |
| <i>Electrical Infrastructure</i> | | 58,939 | 15,985 | 15,985 | 74,924 |
| <i>Water Supply Infrastructure</i> | | 108,000 | -28,092 | -28,092 | 79,908 |
| <i>Sanitation Infrastructure</i> | | 33,000 | 28,092 | 28,092 | 61,092 |
| <i>Solid Waste Infrastructure</i> | | 4,050 | 14,602 | 14,602 | 18,652 |
| <i>Rail Infrastructure</i> | | 4,000 | -4,000 | -4,000 | 0 |
| <i>Coastal Infrastructure</i> | | - | - | - | - |
| <i>Information and Communication Infrastructure</i> | | - | - | - | - |
| Infrastructure | | 277,189 | 34,637 | 34,637 | 311,826 |
| Community Facilities | | 4,800 | 6,100 | 6,100 | 10,900 |
| Sport and Recreation Facilities | | 6,400 | -4,400 | -4,400 | 2,000 |
| Community Assets | | 11,200 | 1,700 | 1,700 | 12,900 |
| Heritage Assets | | 0 | 0 | 0 | 0 |
| Revenue Generating | | 0 | 0 | 0 | 0 |
| Non-revenue Generating | | - | - | - | - |
| Investment properties | | - | - | - | - |
| Operational Buildings | | 4,900 | -2,100 | -2,100 | 2,800 |
| Housing | | 0 | 0 | 0 | 0 |
| Other Assets | 6 | 4,900 | -2,100 | -2,100 | 2,800 |
| Biological or Cultivated Assets | | 0 | 0 | 0 | 0 |
| Servitudes | | 0 | 0 | 0 | 0 |
| Licences and Rights | | 0 | 0 | 0 | 0 |
| Intangible Assets | | 0 | 0 | 0 | 0 |
| Computer Equipment | | 200 | -200 | -200 | 0 |
| Furniture and Office Equipment | | 0 | 0 | 0 | 0 |
| Machinery and Equipment | | 0 | 15,000 | 15,000 | 15,000 |

| Description | Ref | Budget Year 2023/24 | | | |
|--|-----------|---------------------|----------------|----------------|-----------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Transport Assets | | 10,000 | 23,100 | 23,100 | 33,100 |
| Land | | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - |
| | - | | | | |
| Total Upgrading of Existing Assets to be adjusted | 2a | 362,747 | -10,830 | -10,830 | 271,303 |
| <i>Roads Infrastructure</i> | | 101,668 | -34,900 | -34,900 | 66,768 |
| <i>Storm water Infrastructure</i> | | 35,500 | -14,163 | -14,163 | 21,337 |
| <i>Electrical Infrastructure</i> | | 17,406 | 44,190 | 44,190 | 61,596 |
| <i>Water Supply Infrastructure</i> | | 16,500 | -6,000 | -6,000 | 10,500 |
| <i>Sanitation Infrastructure</i> | | 110,000 | -65,230 | -65,230 | 44,770 |
| <i>Solid Waste Infrastructure</i> | | 3,000 | -3,000 | -3,000 | |
| <i>Rail Infrastructure</i> | | - | - | - | |
| <i>Coastal Infrastructure</i> | | - | - | - | |
| <i>Information and Communication Infrastructure</i> | | 2,000 | -2,000 | -2,000 | |
| Infrastructure | | 286,074 | -81,103 | -81,103 | 204,971 |
| Community Facilities | | 46,050 | -4,143 | -4,143 | 41,907 |
| Sport and Recreation Facilities | | 18,600 | -5,709 | -5,709 | 12,891 |
| Community Assets | | 64,650 | -9,852 | -9,852 | 54,798 |
| Heritage Assets | | - | | | - |
| Revenue Generating | | - | - | - | - |
| Non-revenue Generating | | - | - | - | - |
| Investment properties | | - | - | - | - |
| Operational Buildings | | 8,723 | 1,810 | 1,810 | 10,533 |
| Housing | | 0 | 0 | 0 | |
| Other Assets | 6 | 8,723 | 1,810 | 1,810 | 10,533 |
| Biological or Cultivated Assets | | 0 | 0 | 0 | 0 |
| Servitudes | | 0 | 0 | 0 | 0 |
| Licences and Rights | | 1,800 | -1,800 | -1,800 | |
| Intangible Assets | | 1,800 | - | - | |
| Computer Equipment | | 1,500 | 650 | 650 | 1,000 |
| Furniture and Office Equipment | | - | - | - | - |
| Machinery and Equipment | | - | - | - | - |
| Transport Assets | | - | - | - | - |
| Land | | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - |
| | - | | | | |

| Description | Ref | Budget Year 2023/24 | | | |
|---|-----|---------------------|----------------|----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| Total Capital Expenditure to be adjusted | 4 | 1,638,618 | 239,736 | 239,736 | 1,821,477 |
| <i>Roads Infrastructure</i> | | 423,229 | 102,546 | 102,546 | 525,775 |
| <i>Storm water Infrastructure</i> | | 63,935 | -12,109 | -12,109 | 51,826 |
| <i>Electrical Infrastructure</i> | | 201,216 | 94,450 | 94,450 | 295,666 |
| <i>Water Supply Infrastructure</i> | | 343,835 | 127,844 | 127,844 | 471,679 |
| <i>Sanitation Infrastructure</i> | | 200,195 | -52,671 | -52,671 | 147,524 |
| <i>Solid Waste Infrastructure</i> | | 7,050 | 11,602 | 11,602 | 18,652 |
| <i>Rail Infrastructure</i> | | 4,000 | -4,000 | -4,000 | |
| <i>Coastal Infrastructure</i> | | - | - | - | |
| <i>Information and Communication Infrastructure</i> | | 5,000 | -5,000 | -5,000 | |
| Infrastructure | | 1,248,459 | 262,663 | 262,663 | 1,511,122 |
| Community Facilities | | 102,806 | -42,595 | -42,595 | 60,211 |
| Sport and Recreation Facilities | | 31,000 | -14,554 | -14,554 | 16,446 |
| Community Assets | | 133,806 | -57,149 | -57,149 | 76,657 |
| Heritage Assets | | 7,200 | -7,200 | -7,200 | |
| Revenue Generating | | - | - | - | |
| Non-revenue Generating | | - | - | - | |
| Investment properties | | - | - | - | - |
| Operational Buildings | | 53,541 | -13,861 | -13,861 | 39,680 |
| Housing | | 0 | 0 | 0 | |
| Other Assets | | 53,541 | -13,861 | -13,861 | 39,680 |
| Biological or Cultivated Assets | | 0 | 0 | 0 | - |
| Servitudes | | 2,000 | -2,000 | -2,000 | |
| Licences and Rights | | 28,309 | -15,754 | -15,754 | 12,555 |
| Intangible Assets | | 30,309 | -17,754 | -17,754 | 12,555 |
| Computer Equipment | | 24,323 | 3,966 | 3,966 | 28,289 |
| Furniture and Office Equipment | | 5,256 | 1,189 | 1,189 | 6,445 |
| Machinery and Equipment | | 66,125 | 1,488 | 1,488 | 67,613 |
| Transport Assets | | 68,100 | 7,288 | 7,288 | 75,388 |
| Land | | 1,500 | 2,226 | 2,226 | 3,726 |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - |
| TOTAL CAPITAL EXPENDITURE to be adjusted | 4 | 1,638,618 | 239,736 | 239,736 | 1,821,477 |

| Description | Ref | Budget Year 2023/24 | | | |
|---|-----|---------------------|--------------------|--------------------|-------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 18,478,055 | 305,542 | 305,542 | 18,783,597 |
| <i>Roads Infrastructure</i> | | 4,202,088 | -3,796,968 | -3,796,968 | 405,120 |
| <i>Storm water Infrastructure</i> | | 497,841 | -467,484 | -467,484 | 30,357 |
| <i>Electrical Infrastructure</i> | | 2,671,846 | -2,638,198 | -2,638,198 | 33,648 |
| <i>Water Supply Infrastructure</i> | | 3,723,278 | -3,532,650 | -3,532,650 | 190,628 |
| <i>Sanitation Infrastructure</i> | | 1,810,824 | -1,884,467 | -1,884,467 | -73,643 |
| <i>Solid Waste Infrastructure</i> | | 345,186 | -436,790 | -436,790 | -91,604 |
| <i>Rail Infrastructure</i> | | | | | |
| <i>Coastal Infrastructure</i> | | | | | |
| <i>Information and Communication Infrastructure</i> | | 0 | 2,000 | 2,000 | 2,000 |
| Infrastructure | | 13,251,063 | -12,754,557 | -12,754,557 | 496,506 |
| | | | -65,122 | -65,122 | -65,122 |
| Community Assets | | 2,821,807 | -2,886,929 | -2,886,929 | -65,122 |
| Heritage Assets | | 141,298 | 76,154 | 76,154 | 217,452 |
| | | | 153,640 | 153,640 | 153,640 |
| Investment properties | | 153,934 | -294 | -294 | 153,640 |
| | | | 0 | 0 | |
| | | | 0 | 0 | |
| Other Assets | | 521,625 | 16,759,678 | 16,759,678 | 17,281,303 |
| Biological or Cultivated Assets | | | 29,558 | 29,558 | 29,558 |
| Intangible Assets | | 55,484 | -25,926 | -25,926 | 29,558 |
| Computer Equipment | | 77,863 | -48,434 | -48,434 | 29,429 |
| Furniture and Office Equipment | | 54,155 | -47,910 | -47,910 | 6,245 |
| Machinery and Equipment | | 136,072 | 462,357 | 462,357 | 598,429 |
| Transport Assets | | 102,798 | -70,367 | -70,367 | 32,431 |
| Land | | 1,161,957 | -1,158,231 | -1,158,231 | 3,726 |
| Zoo's, Marine and Non-biological Animals | | | | | |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 18,478,055 | 487,091 | 487,091 | 18,783,597 |
| EXPENDITURE OTHER ITEMS | | | | | |
| Depreciation & asset impairment | | 1,334,327 | -1,667 | -1,667 | 999,907 |
| Repairs and Maintenance by asset class | 3 | 672,327 | -13,761 | -13,761 | 681,235 |

| Description | Ref | Budget Year 2023/24 | | | |
|---|-----|---------------------|-----------------|-----------------|------------------|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 12 | 13 | 14 |
| R thousands | | A | F | G | H |
| <i>Roads Infrastructure</i> | | 105,984 | -12,548 | -12,548 | 93,436 |
| <i>Storm water Infrastructure</i> | | 16,427 | 8,319 | 8,319 | 24,746 |
| <i>Electrical Infrastructure</i> | | 102,850 | 1,000 | 1,000 | 103,850 |
| <i>Water Supply Infrastructure</i> | | 130,713 | 9,315 | 9,315 | 140,028 |
| <i>Sanitation Infrastructure</i> | | 81,652 | 14 | 14 | 81,666 |
| <i>Solid Waste Infrastructure</i> | | | | | |
| <i>Rail Infrastructure</i> | | 2,310 | -1,000 | -1,000 | 1,310 |
| <i>Coastal Infrastructure</i> | | | | | |
| <i>Information and Communication Infrastructure</i> | | 1250 | 0 | 0 | 1,250 |
| Infrastructure | | 441,186 | 5,099 | 5,099 | 446,285 |
| Community Facilities | | 19,587 | 193 | 193 | 19,780 |
| Sport and Recreation Facilities | | 10,078 | -780 | -780 | 9,298 |
| Community Assets | | 29,665 | -587 | -587 | 29,078 |
| Heritage Assets | | 638 | -235 | -235 | 403 |
| Revenue Generating | | 0 | 0 | 0 | 0 |
| Non-revenue Generating | | 0 | 0 | 0 | 0 |
| Investment properties | | 0 | 0 | 0 | 0 |
| Operational Buildings | | 69,303 | 3,503 | 3,503 | 72,806 |
| Housing | | 4,989 | 3,724 | 3,724 | 8,713 |
| Other Assets | | 74,292 | 7,227 | 7,227 | 81,519 |
| Biological or Cultivated Assets | | - | - | - | - |
| Servitudes | | - | - | - | - |
| Licences and Rights | | 5,455 | -20 | -20 | 5,435 |
| Intangible Assets | | 5,455 | -20 | -20 | 5,435 |
| Computer Equipment | | 5,501 | -328 | -328 | 5,173 |
| Furniture and Office Equipment | | 4,347 | -557 | -557 | 3,790 |
| Machinery and Equipment | | 59,462 | -2,638 | -2,638 | 56,824 |
| Transport Assets | | 51,781 | 946 | 946 | 52,727 |
| Land | | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | 6 | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | | 2,006,654 | -325,513 | -325,513 | 1,681,141 |
| | | | | | |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | | 40.70% | | | 36.70% |
| <i>Renewal and upgrading of Existing Assets as % of deprecn"</i> | | 51.50% | | | 51.90% |
| <i>R&M as a % of PPE</i> | | 3.20% | | | 3.10% |
| <i>Renewal and upgrading and R&M as a % of PPE</i> | | 6.80% | | | 6.60% |
| | | | | | |

Table B10 – Basic Service Delivery Measurement

| Description | Ref | Budget Year 2023/24 | | | | | |
|--|-----|---------------------|----------------|--------------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 11 | 12 | 13 | 14 |
| | | A | A1 | E | F | G | H |
| Household service targets | 1 | | | | | | |
| Water: | | | | | | | |
| Piped water inside dwelling | | 404,441 | | | 18,100 | 18,100 | 386,341 |
| Piped water inside yard (but not in dwelling) | | | | | - | - | - |
| Using public tap (at least min.service level) | 2 | 44,188 | | | 188 | 188 | 44,000 |
| Other water supply (at least min.service level) | | | | | - | - | |
| <i>Minimum Service Level and Above sub-total</i> | | 448,629 | | | 18 | 18 | 430,341 |
| Using public tap (< min.service level) | 3 | | | | | - | - |
| Other water supply (< min.service level) | 3,4 | | | | | | |
| No water supply | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | | | | - | - | - |
| Total number of households | 5 | 448,629 | | | 18 | 18 | 430,341 |
| Sanitation/sewerage: | | | | | | | |
| Flush toilet (connected to sewerage) | | 399,841 | | | 3,500 | 3,500 | 396,341 |
| Flush toilet (with septic tank) | | 4,200 | | | 398 | 398 | 3,802 |
| Chemical toilet | | 2,953 | | | 119 | 119 | 2,834 |
| Pit toilet (ventilated) | | 184 | | | 17 | 17 | 167 |
| Other toilet provisions (> min.service level) | | - | | | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | 407,178 | | | 4,034 | 4,034 | 403,144 |
| Bucket toilet | | 6,190 | | | | - | 6,010 |
| Other toilet provisions (< min.service level) | | | | | | | |
| No toilet provisions | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | 6,190 | | | - | - | 6,010 |
| Total number of households | 5 | 413,368 | | | 4,034 | 4,034 | 409,154 |
| Energy: | | | | | | | |
| Electricity (at least min. service level) | | 24,172 | | | 2,607 | 2,607 | 21,565 |
| Electricity - prepaid (> min.service level) | | 306,024 | | | - | 36,525 | 342,549 |
| <i>Minimum Service Level and Above sub-total</i> | | 330,735 | | | (33,918) | (33,918) | 364,114 |
| Electricity (< min.service level) | | | | | | | |
| Electricity - prepaid (< min. service level) | | | | | | | |
| Other energy sources | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | - | | | - | - | |
| Total number of households | 5 | 330,735 | | | (33,918) | (33,918) | 364,114 |
| Refuse: | | | | | | | |

| Description | Ref | Budget Year 2023/24 | | | | | |
|---|-----|---------------------|----------------|--------------------|------------------|------------------|-----------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 11 | 12 | 13 | 14 |
| | | A | A1 | E | F | G | H |
| Removed at least once a week (min.service) | | 236,822 | | | - | (560) | 237,382 |
| Minimum Service Level and Above sub-total | | 236,822 | | | 1,178 | 1,178 | 235,644 |
| Removed less frequently than once a week | | - | | | | | - |
| Using communal refuse dump | | 39,143 | | | (4,947) | (4,947) | 44,090 |
| Using own refuse dump | | - | | | | | - |
| Other rubbish disposal | | - | | | | | - |
| No rubbish disposal | | 23,581 | | | 6,879 | 6,879 | 16,702 |
| <i>Below Minimum Service Level sub-total</i> | | 62,724 | | | 1,932 | 1,932 | 60,792 |
| Total number of households | 5 | 299,546 | | | 3,110 | 3,110 | 296,436 |
| Households receiving Free Basic Service | 15 | | | | | | |
| Water (6 kilolitres per household per month) | | 90,626 | | | 17,258 | 17,258 | 73,368 |
| Sanitation (free minimum level service) | | 92,156 | | | 17,940 | 17,940 | 74,216 |
| Electricity/other energy (50kwh per household per month) | | 73,526 | | | 39,621 | 39,621 | 33,905 |
| Refuse (removed at least once a week) | | 86,954 | | | 21,764 | 21,764 | 65,190 |
| Cost of Free Basic Services provided (R'000) | 16 | | | | | | |
| Water (6 kilolitres per indigent household per month) | | 119,336 | | | (26,363) | (26,363) | 145,699 |
| Sanitation (free sanitation service to indigent households) | | 120,128 | | | (89,675) | (89,675) | 209,803 |
| Electricity/other energy (50kwh per indigent household per month) | | 27,639 | | | 0 | 0 | 27,639 |
| Refuse (removed once a week for indigent households) | | 90,143 | | | (61,897) | (61,897) | 152,040 |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | - | | | - | | - |
| Total cost of FBS provided | | 357,246 | | | (177,935) | (177,935) | 535,181 |
| Highest level of free service provided | | | | | | | |
| Property rates (R'000 value threshold) | | 130,000 | | | - | - | 130,000 |
| Water (kilolitres per household per month) | | 8 | | | - | - | 8 |
| Sanitation (kilolitres per household per month) | | 11 | | | - | - | 11 |
| Sanitation (Rand per household per month) | | 137 | | | - | - | 137 |
| Electricity (kw per household per month) | | 75 | | | - | - | 75 |
| Refuse (average litres per week) | | 178 | | | - | - | 178 |
| Revenue cost of free services provided (R'000) | 17 | | | | | | |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | | | | | - | |

| Description | Ref | Budget Year 2023/24 | | | | | |
|---|-----|---------------------|----------------|--------------------|------------------|------------------|-----------------|
| | | Original Budget | Prior Adjusted | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget |
| | | | 7 | 11 | 12 | 13 | 14 |
| | | A | A1 | E | F | G | H |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) | | 114,371 | | | - | - | 114,371 |
| Water (more than 6 kilolitres per indigent household per month) | | 29,834 | | | (1,502) | (1,502) | 31,336 |
| Sanitation (more than free sanitation service to indigent households) | | | | | | | 21,558 |
| Electricity/other energy (more than 50 kwh per indigent household per month) | | 30,018 | | | 484 | 484 | 29,534 |
| Refuse (more than one removal a week for indigent households) | | 16,662 | | | 943 | 943 | 15,719 |
| Municipal Housing - rental rebates | | | | | | | |
| Housing - top structure subsidies | 6 | 81,606 | | | (168,779) | (168,779) | 250,385 |
| Other | | | | | | - | |
| Total revenue cost of subsidised services provided | | 272,491 | | | (168,854) | (168,854) | 462,903 |

PART 2 – SUPPORTING DOCUMENTATION

2.1 Adjustments to Budget Assumptions

The original collection rate of 80% has been kept the same, taking into account the revenue collection performance during the first six months of the 2023/24 financial year.

2.2 Adjustments to Budget Funding

2.2.1 Funding the Adjustments Budget

2.2.1.1 Funding of Operating Expenditure

The Municipality's operating expenditure is mainly funded from sources such as property rates, service charges and government grants. The table below reflects the various funding sources:

| REVENUE CATEGORY | 2022/2023 Actuals "R" | 2022/2024 Budget "R" | %ntage Allocation vs. Total | 2023/2024 Revised "R" | %ntage Allocation vs. Total | Variance "R" | %Ntage Variance |
|---|-----------------------------|----------------------------|-----------------------------------|-----------------------------|-----------------------------------|---------------------|--------------------|
| Property Rates | 2,738,407,162 | 2,980,757,290 | 18.30% | 2,944,079,040 | 17.93% | 36678250 | 1.23% |
| Electricity | 4,817,229,974 | 5,159,121,000 | 31.69% | 5,171,943,090 | 31.49% | -12,822,090 | -0.25% |
| Water | 4,851,512,138 | 2,943,776,280 | 18.07% | 2,912,998,980 | 17.74% | 30,777,300 | 1.05% |
| Sanitation | 790,169,701 | 837,553,460 | 5.14% | 868,502,020 | 5.29% | -30,948,560 | -3.70% |
| Refuse | 323,272,851 | 311,828,840 | 1.91% | 311,828,840 | 1.90% | 0 | 0.00% |
| Interest Earned - External Investments | 331,112,632 | 204,087,870 | 1.25% | 207,878,000 | 1.27% | -3,790,130 | -1.86% |
| Interest Earned - Outstanding Debtors | 901,628,821 | 573,984,090 | 3.52% | 883,721,980 | 5.38% | -309,737,890 | -53.96% |
| Fines | 70,024,033 | 82,843,310 | 0.51% | 46,185,000 | 0.28% | 36,658,310 | 44.25% |
| Licences and permits | 21,456,924 | 18,158,130 | 0.11% | 18,222,030 | 0.11% | -63,900 | -0.35% |
| Government Grants and Subsidies | 1,844,471,040 | 1,964,652,000 | 12.06% | 2,085,586,000 | 12.70% | -120,934,000 | -6.16% |
| Rental of Facilities and Equipment | 30,750,095 | 31,021,410 | 0.19% | 37,583,920 | 0.23% | -6,562,510 | -21.15% |
| Income for Agency Services | 4,329,093 | 3,715,510 | 0.02% | 3,870,400 | 0.02% | -154890 | -4.17% |
| Gains on Disposal of PPE | 359,800 | 0 | | 0 | 0.00% | 0 | 0.00% |
| Sale of Goods and Rendering of Services | 73,658,345 | 117,719,860 | 0.72% | 113,104,240 | 0.69% | 4,615,620 | 3.92% |
| Operational Revenue | 783,892,372 | 826,059,950 | 5.03% | 816,273,460 | 4.97% | 9,786,490 | 1.18% |
| TOTAL | 17,582,274,981 | 16,055,279,000 | 100.00% | 16,421,777,000 | 100.00% | -366,498,000 | 28.85% |

2.2.2 Adjustments to estimated collection levels

The 2023/24 Original Operating Budget was based on a debtors' collection rate of 80% and in terms of this adjustments budget has been kept the same at 80%.

2.2.3 Adjustments to NMBM's monetary investments

Below is an analysis of the investments by type and maturity.

| INVESTMENT PARTICULARS BY TYPE | | | | | | |
|---|----------------------------|----------------------------------|-------------------------|-----------------------|------------------------------|-------------------|
| INVESTMENT PARTICULARS BY TYPE | Original Budget 2023/24 | Adjustments Budget 2023/24 | | | | |
| | R'000 | R'000 | | | | |
| Investment Type | | | | | | |
| DEPOSITS WITH BANKS | 4,977,524 | 4,150,900 | | | | |
| TOTAL INVESTMENTS | 4,977,524 | 4,150,900 | | | | |
| INVESTMENT PARTICULARS BY MATURITY | | | | | | |
| INVESTMENT PARTICULARS BY MATURITY | | | Period of Investment | Type of Investment | Expiry date of Investment | Monetary Value |
| Investment | | | | | | R'000 |
| 2023/24 Original Budget | | | | | | |
| DEPOSITS WITH BANKS | | | 1 - 3 Months | Fixed Term | Various | 3,977,524 |
| DEPOSITS WITH BANKS | | | 12 Months | Fixed Term | Various | 1,000,000 |
| | | | | | | 4,977,524 |
| 2023/24 Adjustments Budget | | | | | | |
| DEPOSITS WITH BANKS | | | 1 - 3 Months | Fixed Term | Various | 3,150,900 |
| DEPOSITS WITH BANKS | | | 12 months | Fixed Term | Various | 1,000,000 |
| | | | | | | 4,150,900 |

2.2.4 Summarised funding sources of the NMBM's Capital Budget

Below is a summarised version of the funding sources for the 2023/24 adjusted Capital Budget:

| Sources of Finance | 2023/24 Approved Capital Budget | 2023/24 Draft Capital Adjustments Budget | Variance "R" | %Ntage Funding Allocation |
|--|---------------------------------------|---|--------------------|---------------------------------|
| Total CRR - 901 | 126,200,500 | 79,486,600 | 46,713,900 | 4.40% |
| Total Levies Replacement Grant Funding - 959 | 391,052,000 | 372,290,240 | 18,761,760 | 20.60% |
| Total Public Contributions Funding - 923 | 40,000,000 | 55,000,000 | -15,000,000 | 3.04% |
| Urban Settlements Development Grant - 951 | 526,676,930 | 493,533,016 | 33,143,914 | 27.31% |
| Informal Settlements Upgrading Partnership Grant - 972 | 294,465,205 | 305,333,377 | -10,868,172 | 16.89% |
| IPTS Grant - 918 | 185,200,000 | 88,039,000 | 97,161,000 | 4.87% |
| Neighbourhood Development Grant - 919 | 8,434,780 | 8,434,780 | 0 | 0.47% |
| External Finance Fund - 962 | 76,338,080 | 58,865,396 | 17,472,684 | 3.26% |
| Reginal Bulk Infrastructure Grant | 285,356,520 | 285,356,520 | 0 | 15.79% |
| European Union - 965 | | | | |
| Energy Efficiency & Demand Side Management Grant - 976 | 7,826,080 | 6,730,428 | 1,095,652 | 0.37% |
| MBDA (CRR) (Internal Funding Source) | 54,407,330 | 54,407,330 | 0 | 3.01% |
| Total Capital Budget Funding | 1,995,957,425 | 1,807,476,687 | 188,480,738 | 100.00% |

The relevant details, reflecting the capital projects in question, are attached as a separate Annexure to this Budget Report.

2.3 Adjustments to expenditure on allocations and grant programmes

2.3.1 The adjustments made to planned capital expenditure of allocations and grants received.

The adjustments made to planned capital expenditure, including the capital projects in question, are attached as a separate Annexure to this report.

2.4 Consolidated Adjustments to Councillors and Employee benefits

Below is a summary of the adjustments made to Councillors' Remuneration and Employee Related Costs (Parent Municipality and Entity):

| Description R'000 | Budget Year 2023/24 | | |
|-----------------------------|---------------------|-----------------|-----------|
| | Original Budget | Adjusted Budget | Variance |
| Employee related costs | 4,558,182 | 4,416,992 | (141,190) |
| Remuneration of councillors | 91,089 | 90,829 | (260) |

2.5 Adjustments to Service Delivery and Budget Implementation Plan (SDBIP)

In accordance with the MFMA, adjustments to the SDBIP will be tabled, by the Chief Operating Officer's (COO) office, in Council after the adoption of the 2023/24 Adjustments Budget.

2.6 Adjustments to Capital Expenditure

Attached as a separate Annexure to this report is the listing of all the adjusted capital programmes and projects of the Municipality, per Directorate (Vote), as well as the Ward Allocation that is informed or formulated together with respective Directorates.

2.7 Attachments to the Budget Report

Attached to this Adjustment Budget report are the following documents:

- Revised 2023/24 Capital Budget Works Plan
- Revised 2023/24 Ward Budget

2.8 Acting City Manager's Quality Certification

I, **Mr Luvuyo Magalela**, Acting City Manager of the Nelson Mandela Bay Metropolitan Municipality, hereby certify that the adjustments budget and supporting documentations have been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and the Municipal Budget and Reporting Regulations (32141 dated 17 April 2009) made under that Act.

Print Name : **Mr Luvuyo Magalela**

Acting City Manager of Nelson Mandela Bay Municipality (EC000)

Signature : _____

Date : _____