



treasury

Department:

Treasury

PROVINCE OF KWAZULU-NATAL

Municipal Finance

1st Quarter Review

2018/19

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Data Source and Reliability

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All information in this report is based on the Section 71 MFMA reports that each Municipal Manager and Chief Financial Officer were required to verify, sign and submit to National Treasury. Therefore, any queries on the budget, revenue or expenditure figures reflected in the report must be referred to the relevant Municipal Manager or Chief Financial Officer.

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Methodology and Approach

The methodology and approach used for the compilation of this report included the following:

The data for the analysis used in this report was extracted from the 2018/19 Municipal Budget Information: First Quarter Financial Results as at 30 September 2018. The non-delegated municipalities, namely, eThekweni, Msunduzi and uMhlathuze are included in the report. By the time of publishing the first quarter information by National Treasury, some municipalities did not submit all the required monthly MFMA Section 71 performance returns. This has distorted the review of the budget performance as at the end of the first quarter for the respective municipalities, the district totals and the aggregated provincial total.

The mechanical straight line method of projection was used as the benchmark for expenditure and revenue as at the end of the first quarter. In terms of the straight line method of projection, all municipalities should have generated and spent approximately 25 percent of their Original Budgets as at the end of the first quarter.

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Introduction

This consolidated municipal budget performance review covers the financial performance of municipalities in KwaZulu-Natal as at the end of the first quarter of the 2018/19 financial year ending 30 September 2018.

The consolidated statement provides the in-year financial performance of municipalities against their budgeted revenue and expenditure. It includes the capital and operating budget performances as well as the debtors, creditors, conditional grants and compliance with the DoRA and MFMA reporting requirements. It also provides a status reports on the implementation of the Municipal Regulations on the Standard Chart of Accounts (mSCOA) and other municipal support and oversight.

Assessing the expenditure performance of municipalities assists in serving as a control and management tool and also serves as an early warning signal for the identification of financial problems.

Legislative Framework

In terms of Section 71(7) of the MFMA, *the Provincial Treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for Finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.*

2. Provincial and District Overview

2.1 Operating Revenue and Expenditure – Provincial Total

Table 1: Operating Revenue and Expenditure as at the end of Quarter 1 - 2018/19

	2018/19					2017/18		Q1 of 2017/18 to Q1 of 2018/19
	Budget	First Quarter		Year to Date		First Quarter		
	Main appropriation	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands								
Operating Revenue and Expenditure								
Operating Revenue	62 172 519	17 674 751	28.4	17 674 751	28.4	16 959 845	28.8	4.2
Property rates	11 627 374	3 266 954	28.1	3 266 954	28.1	3 215 251	30.0	1.6
Property rates - penalties and collection charges	23 431	17 220	73.5	17 220	73.5	22 936	28.1	-24.9
Service charges - electricity revenue	20 001 213	4 576 859	22.9	4 576 859	22.9	4 908 584	25.3	-6.8
Service charges - water revenue	6 746 722	1 631 192	24.2	1 631 192	24.2	1 479 170	24.0	10.3
Service charges - sanitation revenue	1 684 326	346 427	20.6	346 427	20.6	389 805	24.5	-11.1
Service charges - refuse revenue	1 315 994	327 970	24.9	327 970	24.9	310 008	26.6	5.8
Service charges - other	4 427	50 069	1 131.1	50 069	1 131.1	78 598	49.9	-36.3
Rental of facilities and equipment	1 048 818	239 319	22.8	239 319	22.8	131 190	23.0	82.4
Interest earned - external investments	848 532	210 136	24.8	210 136	24.8	211 851	12.5	-0.8
Interest earned - outstanding debtors	691 182	785 296	113.6	785 296	113.6	92 699	17.0	747.1
Dividends received	-	-	-	-	-	2 070	-	-100.0
Fines	448 131	(34 088)	-7.6	(34 088)	-7.6	52 352	16.2	-165.1
Licences and permits	128 801	25 723	20.0	25 723	20.0	28 325	22.2	-9.2
Agency services	57 106	10 237	17.9	10 237	17.9	9 132	7.8	12.1
Transfers recognised - operational	16 077 909	5 952 298	37.0	5 952 298	37.0	4 510 259	36.3	32.0
Other own revenue	1 433 036	266 972	18.6	266 972	18.6	1 514 228	41.0	-82.4
Gains on disposal of PPE	35 516	2 167	6.1	2 167	6.1	3 388	6.3	-36.0
Operating Expenditure	63 263 739	12 728 318	20.1	12 728 318	20.1	13 461 390	22.9	-5.4
Employee related costs	19 121 423	4 207 779	22.0	4 207 779	22.0	4 040 007	22.8	4.2
Remuneration of councillors	804 119	174 138	21.7	174 138	21.7	168 438	22.9	3.4
Debt impairment	1 927 464	74 879	3.9	74 879	3.9	151 564	10.1	-50.6
Depreciation and asset impairment	5 701 305	1 063 561	18.7	1 063 561	18.7	1 186 868	24.3	-10.4
Finance charges	1 141 559	49 415	4.3	49 415	4.3	74 769	4.2	-33.9
Bulk purchases	17 413 749	4 216 409	24.2	4 216 409	24.2	5 020 111	30.0	-16.0
Other Materials	1 861 540	215 500	11.6	215 500	11.6	179 928	21.4	19.8
Contracted services	8 526 990	1 633 645	19.2	1 633 645	19.2	1 373 168	19.6	19.0
Transfers and grants	784 441	126 956	16.2	126 956	16.2	121 275	20.1	4.7
Other expenditure	5 980 210	964 359	16.1	964 359	16.1	1 128 372	16.5	-14.5
Loss on disposal of PPE	939	1 675	178.4	1 675	178.4	16 889	98.1	-90.1
Surplus/(Deficit)	(1 091 220)	4 946 434		4 946 434		3 498 455		
Transfers recognised - capital	8 586 580	695 196	8.1	695 196	8.1	1 524 660	16.3	-54.4
Contributions recognised - capital	-	-	-	-	-	-	-	-
Contributed assets	30 348	2 191	7.2	2 191	7.2	1 159	0.8	89.1
Surplus/(Deficit) after capital transfers and contributions	7 525 708	5 643 820		5 643 820		5 024 274		

Source NT Igdatabase

- The municipalities in KwaZulu-Natal have generated Operating revenue amounting to R17.7 billion or 28.4 percent of the Approved Budget of R62.2 billion. The revenue generated is slightly above the expected straight line projection of 25 percent as at the end of the first quarter of the 2018/19 financial year.
- Sources of Operating revenue that generated more than 25 percent of their budgeted amounts include *Property rates* at R3.3 billion or 28.1 percent, *Property rates – penalties and collection charges* at R17.2 million or 73.5 percent, *Service charges – other* at R50.1 million or 1 131.1 percent, *Interest earned – outstanding debtors* at R785.3 million or 113.6 percent and *Transfers recognised – operational* at R6 billion or 37 percent.
- Municipalities in the province have under-generated revenue against the Approved Budget for *Service charges – sanitation revenue* at R346.4 million or 20.6 percent, *Licences and permits* at R25.7 million or 20 percent, *Agency services* at R10.2 million or 17.9 percent, *Other own revenue* at R267 million or 18.6 percent while revenue generated from *Gains on disposal of PPE* was R2.2 million or 6.1 percent.
- eThekweni Metro reported negative *Fines* of R50.6 million due to the incorrect processing of *Water and Sanitation* rebates to the *Fines* account, which resulted in the province reflecting a negative performance of R34.1 million for *Fines*. When the performance of the province is considered without the Metro, revenue of R16.5 million (4.4 percent) has been generated for *Fines* against the budget of R375.3 million.
- The municipalities in KwaZulu-Natal have incurred Operating expenditure amounting to R12.7 billion or 20.1 percent of the total budgeted expenditure of R63.3 billion. The overall spending is below the projected baseline of 25 percent.
- Significantly low expenditure for *Debt impairment* at R74.9 million or 3.9 percent, *Finance charges* at R49.4 million or 4.3 percent, *Other materials* at R215.5 million or 11.6 percent, *Other expenditure* at R964.4 million or 16.1 percent, *Transfers and grants* at R127 million or 16.2 percent and *Depreciation and asset impairment* of R1.1 billion or 18.7 percent were reported as at the end of September 2018 against their respective budgets.
- A number of municipalities did not account for *Debt impairment* and *Depreciation and asset impairment* on a monthly basis. This has contributed to the overall low expenditure against the budget as at the end of September 2018.
- Loss on disposal of PPE* at R1.7 million or 178.4 percent significantly exceeded the straight line projection of 25 percent as at the end of Quarter 1. This is mainly attributable to Ugu District Municipality reporting R1.4 million as at the end of September 2018 which was not budgeted for.

2.2 Operating Revenue – District Total

Table 2: Operating Revenue per source and per district as at the end of Quarter 1 - 2018/19

R000	Original Budget	Unaudited Actual	% Generated	Detail						
				Property rates ¹	Service charges			Transfers recognised - operational	Other own revenue	Other revenue ³
					Electricity revenue	Water revenue	Other ²			
eThekweni	35 175 463	9 149 046	26.0	1 865 737	2 809 167	1 045 030	354 022	1 961 466	146 969	966 655
Ugu	2 512 249	814 756	32.4	213 623	40 191	64 539	46 860	409 616	15 117	24 809
uMgungundlovu	6 801 668	1 910 121	28.1	314 750	618 316	211 772	78 147	576 470	37 706	72 960
uThukela	2 281 594	783 930	34.4	124 401	185 817	69 037	15 034	358 284	2 409	28 949
uMzinyathi	1 404 141	636 041	45.3	93 845	51 937	10 427	10 459	437 603	1 761	30 008
Amajuba	2 225 933	643 504	28.9	86 417	199 484	51 768	51 393	239 636	4 759	10 046
Zululand	1 913 673	746 989	39.0	141 142	35 541	13 049	57 191	464 396	16 189	19 480
uMkhanyakude	1 216 650	427 420	35.1	38 465	1 806	5 327	4 092	359 788	5 808	12 134
King Cetshwayo	4 525 678	1 338 339	29.6	188 166	457 474	121 354	66 220	462 103	10 517	32 504
iLembe	2 769 234	727 542	26.3	121 315	146 873	26 108	26 486	361 882	21 502	23 375
Harry Gwala	1 346 237	497 064	36.9	96 312	30 252	12 780	14 561	321 054	4 235	17 871
Total	62 172 519	17 674 752	28.4	3 284 174	4 576 859	1 631 192	724 465	5 952 298	266 972	1 238 791

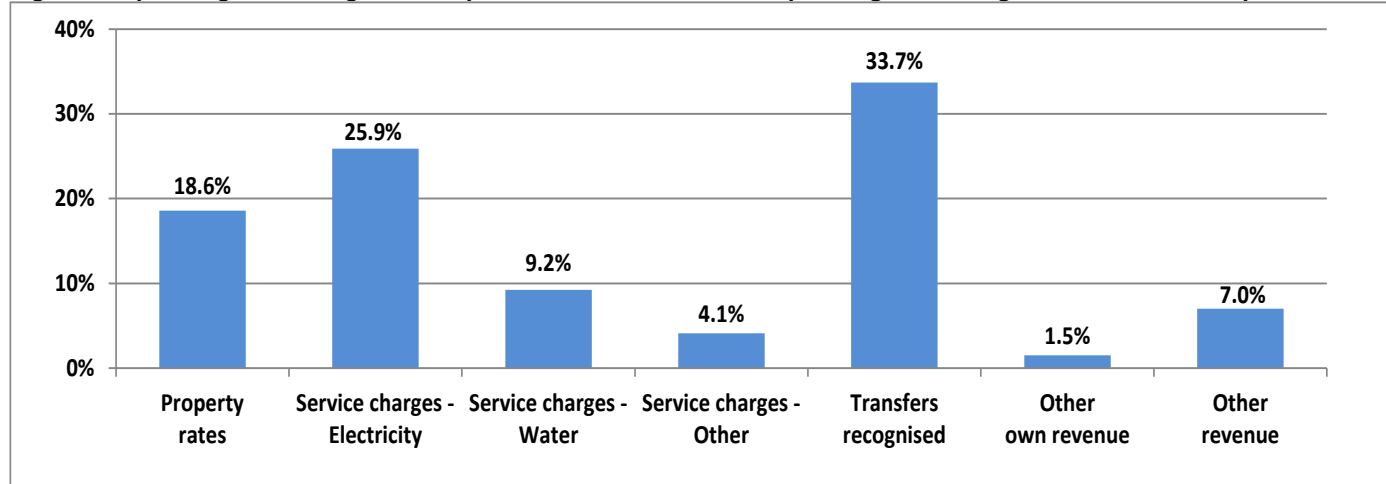
Source NT Igdatabase

1 Include Property Rates and Property Rate – penalties and collection charges.

2 Include Service charges revenue for Sanitation, Refuse and Other.

3 Include Rental of facilities and equipment, Interest earned on external investments & outstanding debtors, Dividends received, Fines, Licences and permits, Agency services and Gains on disposal of PPE

Figure 1: Operating Revenue generated per source as a % of Total Operating Revenue generated as at 30 September 2018



- The bulk of the Operating revenue as at the end of the first quarter was generated by eThekweni Metro at R9.1 billion, followed by uMgungundlovu District at R1.9 billion and King Cetshwayo District at R1.3 billion.
- All districts exceeded the benchmark of 25 percent against their respective Approved Budgets for the first quarter. The uMzinyathi District recorded the highest percentage of 45.3 percent or R636 million revenue generated against the Approved Budget of R1.4 billion.
- Transfers recognised—operational* at R6 billion or 33.7 percent contributed the most to total Operating revenue generated, followed by *Service charges – electricity revenue* at R4.6 billion or 25.9 percent and *Property rates* (which includes *Penalties and collection charges*) at R3.3 billion or 18.6 percent.
- Actual Operating revenue generated as at the end of the first quarter for the uMkhanyakude, uMzinyathi, Harry Gwala and Zululand Districts is largely due to grants at 84.2 percent, 68.8 percent, 64.6 percent and 62.2 percent respectively, while eThekweni Metro, uMgungundlovu, King Cetshwayo and Amajuba Districts are the least dependent on grant funding at 21.4 percent, 30.2 percent, 34.5 percent and 37.2 percent, respectively.
- With the exception of eThekweni Metro (R1.9 billion), the uMgungundlovu (R314.8 million) and Ugu (R213.6 million) Districts generated the largest amounts for *Property rates revenue*; whilst the uMkhanyakude District (R38.5 million) contributed the least to total *Property rates* revenue.
- Excluding eThekweni Metro (R2.8 billion), the uMgungundlovu (R618.3 million) and King Cetshwayo (R457.5 million) Districts generated the bulk of the *Service charges-electricity* revenue. The uMkhanyakude District (R1.8 million) has generated the least towards the revenue for *Service charges-electricity*.
- Similar to *Service charges - electricity*, uMgungundlovu (R211.8 million) and King Cetshwayo (R121.4 million) Districts contributed the most towards *Services charges - water* (without considering eThekweni Metro with R1 billion), whilst uMkhanyakude District (R5.3 million) contributed the least.

2.3 Operating Expenditure – District Total

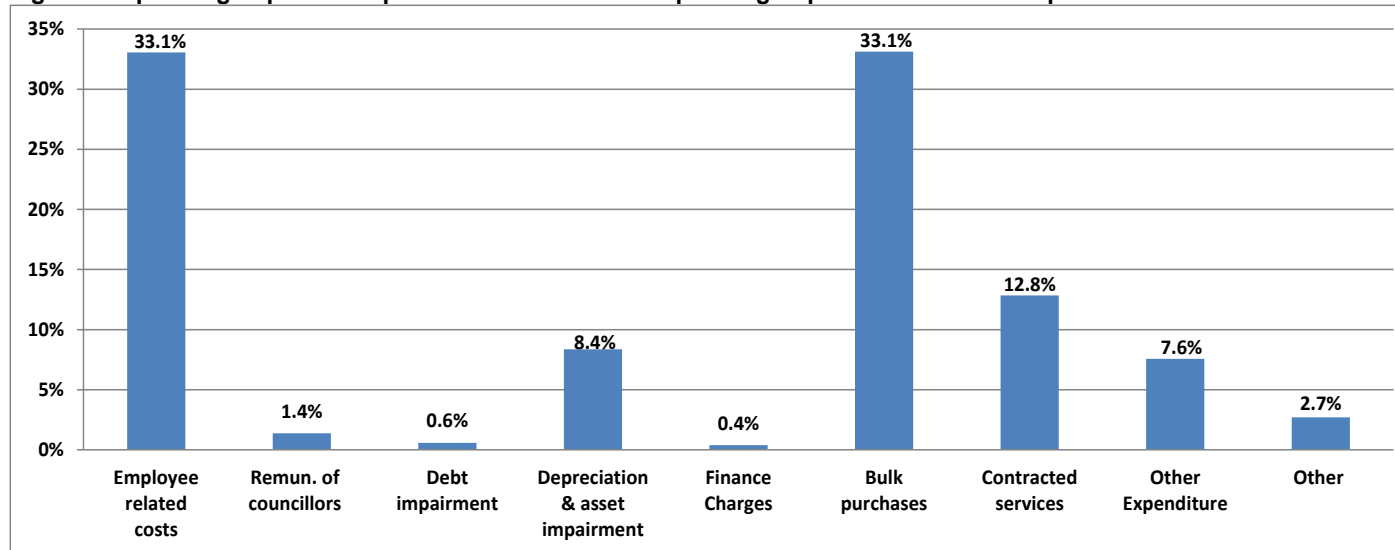
Table 3: Operating Expenditure per item and per district as at the end of Quarter 1 – 2018/19

R'000	Original Budget	Unaudited Actual	% Spent	Detail								
				Employee related costs	Remun. of councillors	Debt impairment	Depreciation and asset impairment	Finance charges	Bulk purchases	Contracted services	Other expenditure	Other ¹
eThekweni	35 227 111	6 934 967	19.7	2 324 099	27 898	610	629 007	(5 127)	2 588 123	834 336	337 077	198 944
Ugu	2 501 663	444 853	17.8	169 829	14 584	472	-	637	40 682	125 027	86 416	7 204
uMgungundlovu	6 751 660	1 454 968	21.5	405 158	20 546	24 756	137 384	15 869	622 917	133 183	66 053	29 102
uThukela	2 398 516	354 026	14.8	195 165	13 759	-	-	2 014	58 903	35 284	43 290	5 611
uMzinyathi	1 479 310	282 827	19.1	108 230	10 534	-	6 956	170	51 397	31 863	57 579	16 097
Amajuba	2 759 796	566 169	20.5	180 570	10 313	24 492	99 988	12 455	166 483	11 055	60 028	784
Zululand	2 059 806	405 204	19.7	140 175	12 761	-	10 734	662	72 191	106 339	55 437	6 905
uMkhanyakude	1 216 412	272 494	22.4	108 025	15 098	-	12 353	1 122	30 933	50 419	49 883	4 661
King Cetshwayo	4 666 531	1 171 160	25.1	291 325	21 121	18 329	118 995	17 015	361 968	203 744	92 283	46 379
iLembe	2 793 225	567 772	20.3	169 000	14 833	5 456	30 733	4 292	184 483	67 680	65 299	25 995
Harry Gwala	1 409 709	273 878	19.4	116 203	12 689	763	17 411	305	38 329	34 715	51 012	2 450
Total	63 263 739	12 728 318	20.1	4 207 779	174 138	74 879	1 063 561	49 415	4 216 409	1 633 645	964 359	344 132

Source NT Igdatabase

1 Include Other Materials, Transfers and grants and Loss on Disposal of PPE

Figure 2: Operating Expenditure per item as a % of Total Operating Expenditure as at 30 September 2018



- Municipalities in KwaZulu-Natal spent R12.7 billion or 20.1 percent of the total budgeted expenditure of R63.3 billion which is below the straight line projection of 25 percent as at the end of the first quarter.
- With the exception of King Cetshwayo District (25.1 percent), all other districts in the province reported Operating expenditure of below 25 percent, including eThekweni Metro (19.7 percent). The districts that reported the lowest expenditure rate as at the end of the first quarter are uThukela (14.8 percent), Ugu (17.8 percent), uMzinyathi (19.1 percent) Harry Gwala (19.4 percent) and Zululand (19.7 percent) Districts.
- The majority of the municipalities (43) in the province have not reported against *Debt impairment*. Furthermore, no municipality within the uThukela, uMzinyathi, Zululand and uMkhanyakude Districts reported any expenditure against *Debt impairment* whilst these municipalities reported debtors in the *over 90 Days* category as at the end of the first quarter.
- In addition to the above, it was noted that 33 municipalities within the province did not reflect expenditure against *Depreciation and asset impairment*. None of the municipalities within the Ugu and uThukela Districts reported any expenditure against *Depreciation and asset impairment* at the end of the first quarter.
- Richmond, Dannhauser and uMuziwabantu, Local Municipalities reported significantly low Operating expenditure of 2.5 percent, 4.9 percent and 9.4 percent, respectively against their Approved Budgets at the end of the first quarter. Dannhauser Local Municipality did not submit their Section 71 returns for Month 1 and Month 2, while Richmond and uMuziwabantu Local Municipalities did not account for *Employee related costs* accurately due to system errors and also did not report on *Debt impairment* and *Depreciation and asset impairment*.
- The above factors imply that the reported Operating expenditure is possibly understated as at 30 September 2018.
- *Bulk purchases* and *Employee related costs* both contributed the most towards the total Operating expenditure at R4.2 billion or 33.1 percent each. It is expected that *Bulk purchases* will contribute the most considering that revenue from Trading services, namely, *Service charges – electricity* also contributed significantly towards Operating revenue.

2.4 Capital Revenue and Expenditure - Provincial Total

Table 4: Capital Revenue and Expenditure as at the end of Quarter 1 - 2018/19

	2018/19					2017/18		Q1 of 2017/18 to Q1 of 2018/19
	Budget	First Quarter		Year to Date		First Quarter		
	Main appropriation	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands								
Capital Revenue and Expenditure								
Source of Finance	14 164 647	1 712 404	12.1	1 712 404	12.1	1 846 601	12.7	-7.3
National Government	7 781 448	956 814	12.3	956 814	12.3	1 166 755	14.0	-18.0
Provincial Government	784 240	115 015	14.7	115 015	14.7	170 302	17.3	-32.5
District Municipality	-	-	-	-	-	-	-	-
Other transfers and grants	13 541	358	2.6	358	2.6	2 374	73.1	-84.9
Transfers recognised - capital	8 579 229	1 072 187	12.5	1 072 187	12.5	1 339 430	14.4	-20.0
Borrowing	1 548 975	48 326	3.1	48 326	3.1	17 747	1.4	172.3
Internally generated funds	4 013 843	591 891	14.7	591 891	14.7	487 064	12.6	21.5
Public contributions and donations	22 600	-	-	-	-	2 359	2.6	-100.0
Capital Expenditure Standard Classification	14 164 647	1 712 404	12.1	1 712 404	12.1	1 846 601	12.7	-7.3
Governance and Administration	1 230 804	159 769	13.0	159 769	13.0	92 070	10.5	73.5
Executive & Council	551 203	32 540	5.9	32 540	5.9	27 260	36.4	19.4
Budget & Treasury Office	611 029	54 047	8.8	54 047	8.8	60 965	9.4	-11.3
Corporate Services	68 573	73 182	106.7	73 182	106.7	3 844	2.5	1 803.8
Community and Public Safety	2 487 441	271 817	10.9	271 817	10.9	294 225	12.3	-7.6
Community & Social Services	659 085	86 782	13.2	86 782	13.2	72 442	10.4	19.8
Sport And Recreation	444 786	16 720	3.8	16 720	3.8	13 142	5.8	27.2
Public Safety	107 145	10 839	10.1	10 839	10.1	13 155	12.3	-17.6
Housing	1 252 221	155 774	12.4	155 774	12.4	192 630	14.2	-19.1
Health	24 204	1 702	7.0	1 702	7.0	2 855	17.5	-40.4
Economic and Environmental Services	4 091 676	444 849	10.9	444 849	10.9	508 420	11.1	-12.5
Planning and Development	681 630	107 450	15.8	107 450	15.8	65 202	7.1	64.8
Road Transport	3 398 156	337 399	9.9	337 399	9.9	443 089	12.1	-23.9
Environmental Protection	11 890	-	-	-	-	129	3.6	-100.0
Trading Services	6 172 636	833 335	13.5	833 335	13.5	943 075	14.6	-11.6
Electricity	1 434 299	172 587	12.0	172 587	12.0	226 490	16.6	-23.8
Water	3 511 316	400 297	11.4	400 297	11.4	531 282	13.7	-24.7
Waste Water Management	1 094 256	246 014	22.5	246 014	22.5	178 259	17.1	38.0
Waste Management	132 765	14 438	10.9	14 438	10.9	7 044	4.0	105.0
Other	182 090	2 635	1.4	2 635	1.4	8 811	3.8	-70.1

Source NT Igdatabase

- The total Capital revenue recognised as at 30 September 2018 for the province is R1.7 billion.
- The highest contributor towards the total Capital sources of finance as at the end of the first quarter of the 2018/19 financial year was *National Government* transfers at R956.8 million followed by *Internally generated funds* at R591.9 million and *Provincial Government* transfers at R115 million. *Other transfers and grants* and *Borrowing* with a total of R48.7 million made up the remaining Capital sources of finance.
- Capital expenditure of R1.7 billion (12.1 percent) is below the benchmark of 25 percent as at 30 September 2018. Furthermore, this constitutes a decrease in the spending rate as compared to the same period in the previous financial year which amounted to 12.7 percent.
- The bulk of the Capital expenditure spent as at the end of the first quarter was on *Trading services* (R833.3 million or 48.7 percent) of which R400.3 million was spent on *Water*, followed by R246 million spent on *Waste Water Management*, R172.6 million spent on *Electricity* and R14.4 million spent on *Waste Management*.
- *Economic and Environmental Services* (R444.8 million or 26 percent) was the second largest contributor to total Capital expenditure, where *Road Transport* contributed R337.4 million and *Planning and Development* contributed R107.5 million in this expenditure category.
- *Community and Public Safety* (R271.8 million or 15.9 percent) was the third largest contributor towards total Capital expenditure. This was mainly attributable to *Housing* of R155.8 million and *Community and Social Services* of R86.8 million.
- *Governance and Administration* contributed the second least towards total Capital expenditure (R159.8 million or 9.3 percent). The highest spending in this category was *Corporate Services* with R73.2 million.
- *Other* contributed the least towards total Capital expenditure with R2.6 million or 0.2 percent.

2.5 Capital Revenue - District Total

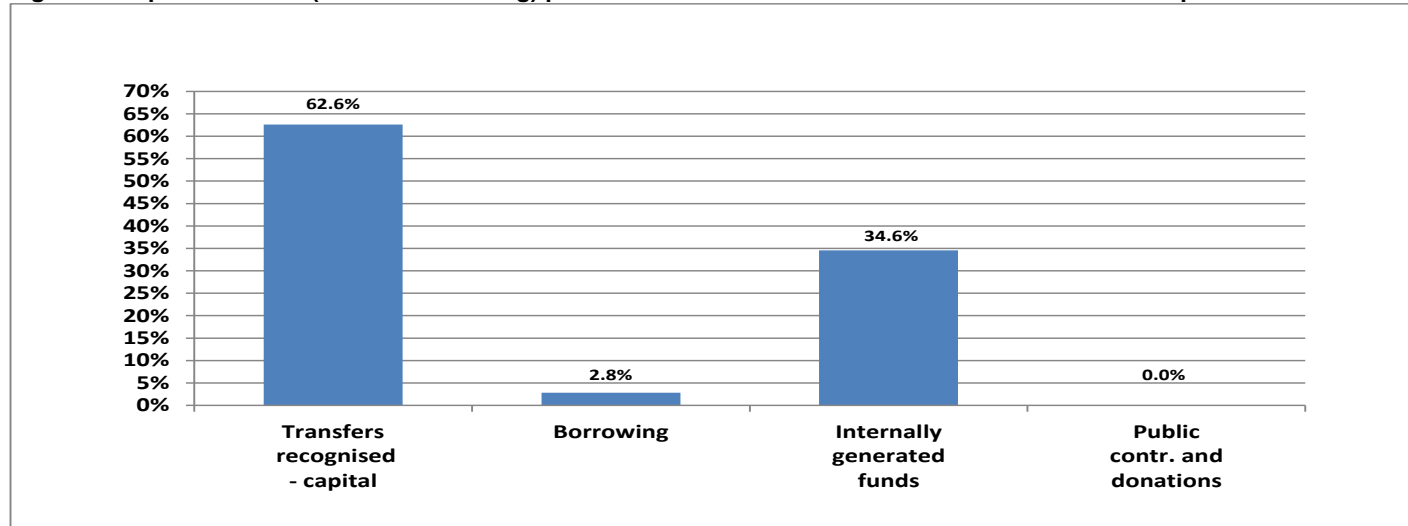
Table 5: Capital Revenue (Source of Finance) per district as at the end of Quarter 1 – 2018/19

R'000	Original Budget	Unaudited Actual	% Generated	Detail			
				Transfers recognised - capital ¹	Borrowing	Internally generated funds	Public contr. and donations
eThekwini	7 110 162	825 714	11.6	289 547	-	536 167	-
Ugu	725 523	117 418	16.2	109 255	-	8 163	-
uMgungundlovu	920 069	120 991	13.2	106 584	14 228	179	-
uThukela	624 802	111 315	17.8	102 621	-	8 694	-
uMzinyathi	682 174	51 236	7.5	50 676	-	561	-
Amajuba	426 061	55 666	13.1	42 898	3 364	9 404	-
Zululand	661 824	118 918	18.0	118 918	-	-	-
uMkhanyakude	426 037	38 677	9.1	37 852	-	826	-
King Cetshwayo	1 044 990	108 843	10.4	71 172	30 593	7 078	-
iLembe	870 824	91 523	10.5	82 612	141	8 771	-
Harry Gwala	672 183	72 102	10.7	60 052	-	12 050	-
Total	14 164 647	1 712 404	12.1	1 072 187	48 326	591 891	-

Source: NT Igdatabase

¹ Include National Government, Provincial Government, District Municipality and Other transfers and grants.

Figure 3: Capital Revenue (Source of Funding) per source as % of Total 'Source of Finance' as at 30 September 2018



- Including the eThekwini Metro, all districts in the province have recognised Capital revenue below the 25 percent straight line projection expected at the end of first quarter.
- An overview of the Capital source of funding by district shows that municipalities in the province are dependent on grants to fund their Capital expenditure as *Transfers recognised – capital* contributes 62.6 percent or R1.1 billion of the R1.7 billion of the total Capital source of funding as at the end of the first quarter of the 2018/19 financial year.
- The second largest source of funding was *Internally generated funds* at 34.6 percent or R591.9 million, followed by *Borrowing* at 2.8 percent or R48.3 million.
- The eThekwini Metro contributed R825.7 million to total Capital revenue of R1.7 billion. The eThekwini Metro financed their Capital expenditure with *Internally generated funds* of R536.2 million and *Transfers recognised – capital* of R289.5 million.
- Four districts utilised *Borrowings* amounting to R48.3 million in total as at the end of the first quarter. The King Cetshwayo District utilised the highest *Borrowings* with an amount of R30.6 million followed by the uMgungundlovu District with an amount of R14.2 million, the Amajuba District with an amount of R3.4 million and the iLembe District with an amount of R141 000.
- None of the Capital expenditure in the first quarter of 2018/19 was financed by *Public contributions and donations* despite a budget of R22.6 million for this source of funding.

2.6 Capital Expenditure - District Total

Table 6: Capital Expenditure per item and per district as at the end of Quarter 1 – 2018/19

R'000	Original Budget	Unaudited Actual	% Spent	Detail									
				Governance and Admin. ¹	Community and Public Safety			Economic and Environmental Services		Trading Services			Other
					Housing	Health	Other ²	Road Transport	Other ³	Electricity	Water and Waste Water Mgt.	Waste Mgt	
eThekweni	7 110 162	825 714	11.6	60 011	154 874	1 702	52 283	99 825	51 243	116 343	277 549	9 755	2 129
Budget per category	-	-	-	628 057	1 107 235	23 604	656 318	1 838 413	326 606	802 601	1 518 954	99 474	108 900
Ugu	725 523	117 418	16.2	30 986	900	-	4 084	16 349	1 021	351	63 722	5	-
Budget per category	-	-	-	31 500	128 320	-	81 199	136 695	34 476	32 273	276 389	1 620	3 051
uMgungundlovu	920 069	120 991	13.2	(4 399)	-	-	23 254	47 568	2 280	14 685	33 025	4 072	506
Budget per category	-	-	-	73 136	11 666	-	90 040	317 615	54 766	54 041	309 311	3 850	5 643
uThukela	624 802	111 315	17.8	2 176	-	-	-	15 551	8 563	375	84 650	-	-
Budget per category	-	-	-	6 498	500	-	39 350	79 190	33 095	24 560	407 804	3 805	30 000
uMzinyathi	682 174	51 236	7.5	-	-	-	1 429	19 429	-	3 335	27 044	-	-
Budget per category	-	-	-	205 486	-	-	48 836	95 522	30 995	23 994	272 541	4 800	-
Amajuba	426 061	55 666	13.1	1 616	-	-	-	6 446	21 938	-	25 665	-	-
Budget per category	-	-	-	3 250	-	-	3 170	131 683	75 600	126 858	85 500	-	-
Zululand	661 824	118 918	18.0	62 374	-	-	10 080	25 381	387	20 428	268	-	-
Budget per category	-	-	-	19 027	-	-	10 369	153 144	26 830	44 050	408 363	40	-
uMkhanyakude	426 037	38 677	9.1	796	-	-	5 196	19 869	4 289	3 789	4 739	-	-
Budget per category	-	-	-	25 919	-	-	29 629	93 230	3 300	18 000	254 859	1 100	-
King Cetshwayo	1 044 990	108 843	10.4	569	-	-	9 748	33 330	5 941	10 011	48 828	416	-
Budget per category	-	-	-	113 850	-	-	142 753	219 763	5 153	121 182	436 804	4 885	600
iLembe	870 824	91 523	10.5	3 588	-	-	3 100	32 839	775	2 066	48 966	190	-
Budget per category	-	-	-	95 684	4 500	600	69 535	204 931	14 919	153 376	292 564	4 342	30 374
Harry Gwala	672 183	72 102	10.7	2 051	-	-	5 167	20 812	11 012	1 205	31 854	-	-
Budget per category	-	-	-	28 397	-	-	39 816	127 971	87 781	33 364	342 482	8 850	3 522
Total	14 164 647	1 712 404	12.1	159 768	155 774	1 702	114 341	337 399	107 450	172 587	646 310	14 438	2 635

Source NT Igdatabase

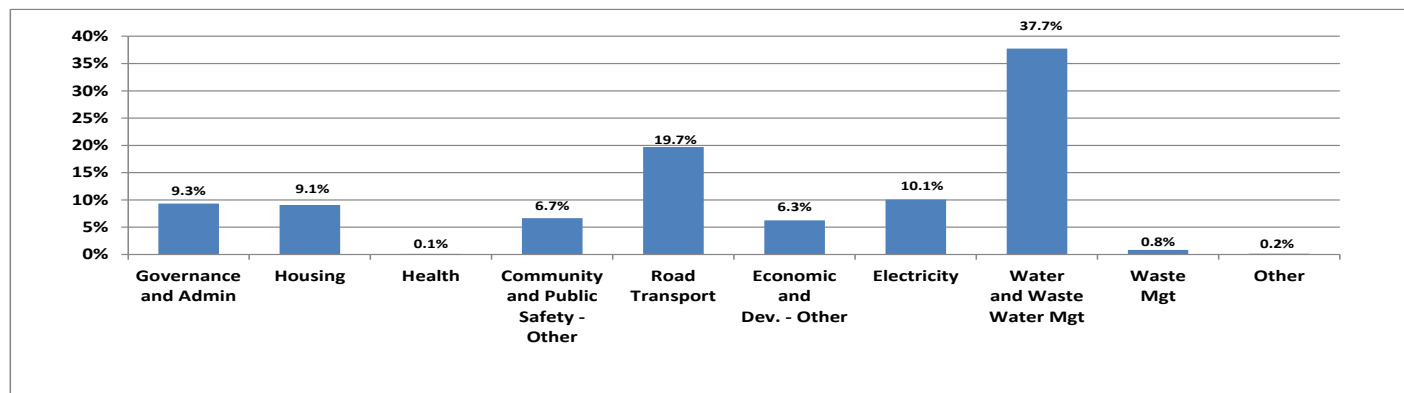
1 Include Executive & Council, Budget & Treasury Office and Corporate Services.

2 Include Community & Social Services, Sports and Recreation and Public Safety.

3 Include Planning and Development and Environmental Protection.

Below straight line projection of 25 percent

Figure 4: Capital Expenditure per item as a % of Total Capital Expenditure as at 30 September 2018



As at the end of the first quarter of the 2018/19 financial year, municipalities in the province spent R1.7 billion or 12.1 percent of their Capital Budgets of R14.2 billion which is below the 25 percent straight line projection expected at the end of the first quarter. The district with the largest percentage of Capital expenditure against their budget was the Zululand District with 18 percent. The main contributors to the Capital expenditure was the Ulundi Local Municipality with R26.7 million and the Zululand District Municipality with R62.6 million.

The bulk of the Capital expenditure was reported on *Water and Waste Water Management* of R646.3 million or 37.7 percent with the eThekweni Metro recording the highest expenditure of R277.5 million against this category while the Zululand District recording the least expenditure of R268 000.

The second largest Capital expenditure was reported against *Road Transport* at R337.4 million or 19.7 percent. The eThekweni Metro recorded the largest spending against this category with R99.8 million followed by the uMgungundlovu District with an amount of R47.6 million and the King Cetshwayo District with R33.3 million.

The least Capital expenditure of 0.1 percent of total Capital expenditure was reported on the *Health* vote with R1.7 million. The only spending on the *Health* vote was by the eThekweni Metro.

The eThekweni Metro and the Ugu District spent part of their Capital budget on *Housing* with a total amount of R155.8 million. The bulk of the *Housing* Capital expenditure is from the eThekweni Metro with an amount of R154.9 million or 99.4 percent. The Ugu District spent the remaining R900 000 or 0.6 percent of the *Housing* Capital expenditure.

2.7 Comparatives: Capital vs Operating Expenditure

Figure 5: Comparatives: Capital vs Operating – as at the end of 30 September 2018

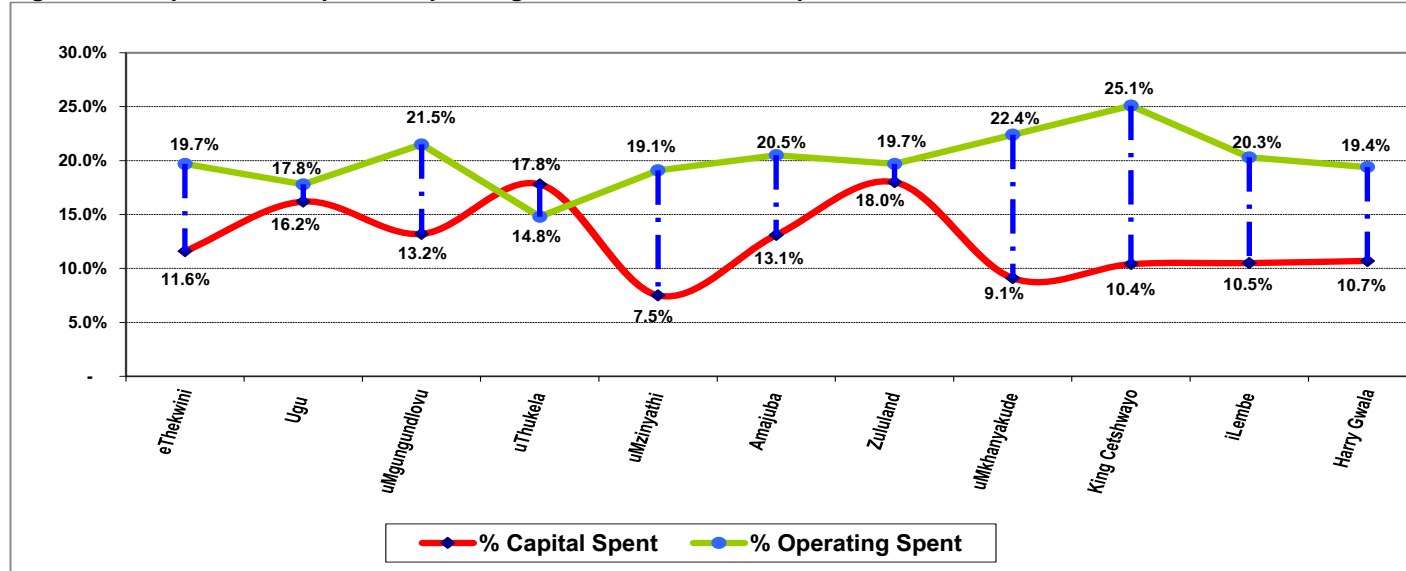
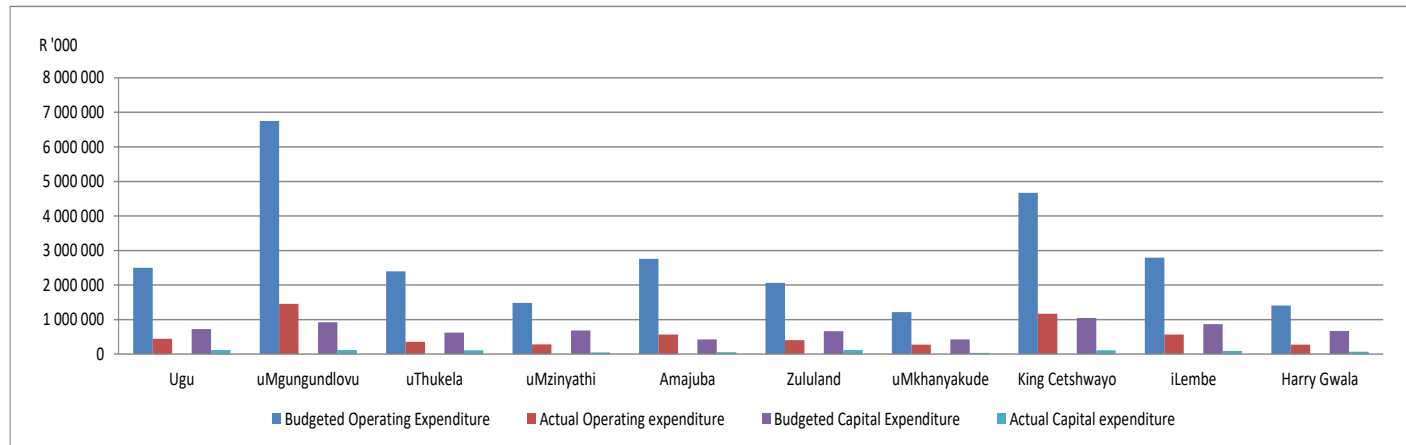


Figure 6: Budgeted/Actual Operating expenditure vs Budgeted/Actual Capital expenditure as at the end of 30 September 2018



- Figure 5 shows the comparatives of the Capital expenditure as a percentage of the Capital expenditure budget together with Operating expenditure as a percentage of the Operating expenditure budget as at the end of the first quarter of the 2018/19 financial year.

- With the exception of the uThukela District, the comparatives between the average Capital expenditure and average Operating expenditure indicate that all other districts (including eThekweni Metro) have spent less of their Capital expenditure budgets as compared to their Operating expenditure budgets. A significant gap of 14.7 percent between these categories of expenditure was noted for the King Cetshwayo District.

- Except for the King Cetshwayo District, no other district managed to spend 25 percent or more of their Operating expenditure budget for the period under review. The uThukela and Ugu Districts reported the lowest Operating expenditure of 14.8 percent and 17.8 percent respectively against their budgets.

- The uMzinyathi District reported the lowest Capital expenditure of 7.5 percent against their budget as at 30 September 2018.

- Figure 6 shows an overview of actual Operating expenditure against the Operating budget and the actual Capital Expenditure against the Capital budget.

- The Zululand District, with 19.7 percent and 18 percent spent against their Operating and Capital budgets respectively, is the only district that is close to the benchmark of 25 percent in both these categories of spending.

- Excluding the eThekweni Metro (R42.3 billion), the uMgungundlovu District (R7.7 billion) and the King Cetshwayo District (R5.7 billion) had the largest total *Operating expenditure* budget and *Capital expenditure* consolidated budgets. The uMkhanyakude District (R1.6 billion) and the Harry Gwala District (R2.1 billion) had the least consolidated *Operating expenditure* budgets and *Capital expenditure* budgets respectively.

2.8 Debtors Age Analysis – Provincial Total

Table 7: Debtors Age Analysis as at the end of Quarter 1 - 2018/19

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Actual Bad Debts Written Off to Debtors		Impairment -Bad Debts to Council Policy	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	753 722	9.9	362 722	4.8	245 811	3.2	6 221 174	82.0	7 583 429	32.8	12 159	0.2	2 152 546	28.4
Trade and Other Receivables from Exchange Transactions - Electricity	1 403 540	48.2	385 630	13.2	121 970	4.2	999 447	34.3	2 910 587	12.6	708	-	891 989	30.6
Receivables from Non-exchange Transactions - Property Rates	874 392	13.2	359 626	5.4	788 660	11.9	4 591 304	69.4	6 613 982	28.6	3 981	0.1	1 953 847	29.5
Receivables from Exchange Transactions - Waste Water Management	140 253	10.9	69 049	5.4	43 910	3.4	1 028 581	80.2	1 281 793	5.5	6 253	0.5	356 871	27.8
Receivables from Exchange Transactions - Waste Management	108 818	11.6	44 979	4.8	27 643	2.9	758 046	80.7	939 486	4.1	2 688	0.3	172 771	18.4
Receivables from Exchange Transactions - Property Rental Debtors	6 389	2.0	9 592	3.0	7 992	2.5	298 346	92.6	322 320	1.4	145	-	131 238	40.7
Interest on Arrear Debtor Accounts	48 504	2.9	34 195	2.0	33 487	2.0	1 561 031	93.1	1 677 216	7.3	524	-	399 424	23.8
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(57 314)	-3.2	60 489	3.4	31 733	1.8	1 768 123	98.1	1 803 031	7.8	3 574	0.2	629 069	34.9
Total By Income Source	3 278 304	14.2	1 326 282	5.7	1 301 206	5.6	17 226 052	74.5	23 131 844	100.0	30 032	0.1	6 687 755	28.9

Source NT Igdatabase

Table 8: Debtors Age analysis by Customer Group as at the end of Quarter 1 - 2018/19

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Actual Bad Debts Written Off to Debtors		Impairment -Bad Debts to Council Policy	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtors Age Analysis By Customer Group														
Organs of State	282 045	12.2	139 895	6.0	578 725	25.0	1 313 806	56.8	2 314 470	10.0	(106)	0.0	529 220	22.9
Commercial	1 383 200	31.8	461 484	10.6	185 389	4.3	2 326 334	53.4	4 356 406	18.8	(592)	0.0	1 274 946	29.3
Households	1 411 835	9.8	609 397	4.2	474 450	3.3	11 979 600	82.8	14 475 282	62.6	17 734	0.1	4 495 039	31.1
Other	201 225	10.1	115 506	5.8	62 642	3.2	1 606 312	80.9	1 985 685	8.6	12 996	0.7	388 550	19.6
Total By Customer Group	3 278 304	14.2	1 326 282	5.7	1 301 206	5.6	17 226 052	74.5	23 131 844	100.0	30 032	0.1	6 687 755	28.9

Source NT Igdatabase

- All municipalities submitted their Debtors returns as at 30 September 2018. The Debtors Age Analysis in Table 7 reflects that the total amount of debt owed to all municipalities in the KwaZulu-Natal Province was R23.1 billion as at 30 September 2018.
- This represents a 27.6 percent increase from total Debtors of R18.1 billion as at 30 September 2017.
- The Debtors Age Analysis by Income Source reflects that a significant amount of R7.6 billion or 32.8 percent of the debt owed relates to *Water* followed by *Property rates* at R6.6 billion or 28.6 percent. This is followed by *Electricity* and *Other* amounting to R2.9 billion (12.6 percent) and R1.8 billion (7.8 percent) respectively.
- The *Other* income source shows a negative amount of R57.3 million under *0-30 Days* category. This could be an indication that municipalities are not allocating the receipts from Debtors accurately or it could relate to challenges in the municipalities' financial systems.
- The Debtors Age Analysis by Customer Group in Table 8 reflects an amount of R14.5 billion or 62.6 percent of the total debt as owed by *Households*, followed by *Commercial* with an amount of R4.4 billion or 18.8 percent. The lowest portion was reported against *Other* at R2 billion or 8.6 percent.
- The high level of debt owed to municipalities, which is continually increasing, is noted with concern. The municipalities must implement effective debt management and credit control measures in order to improve their debtors' collection rates, which in turn will have a positive impact on their cash flows.
- Municipalities are urged to ensure that they submit all their returns for the Section 71 reports. Information presented therein should also be credible to prevent distorted reporting at provincial and national levels. Section 71 reporting is critical in presenting the monthly performance against the budget, therefore all municipalities should strive to also ensure timely reporting.

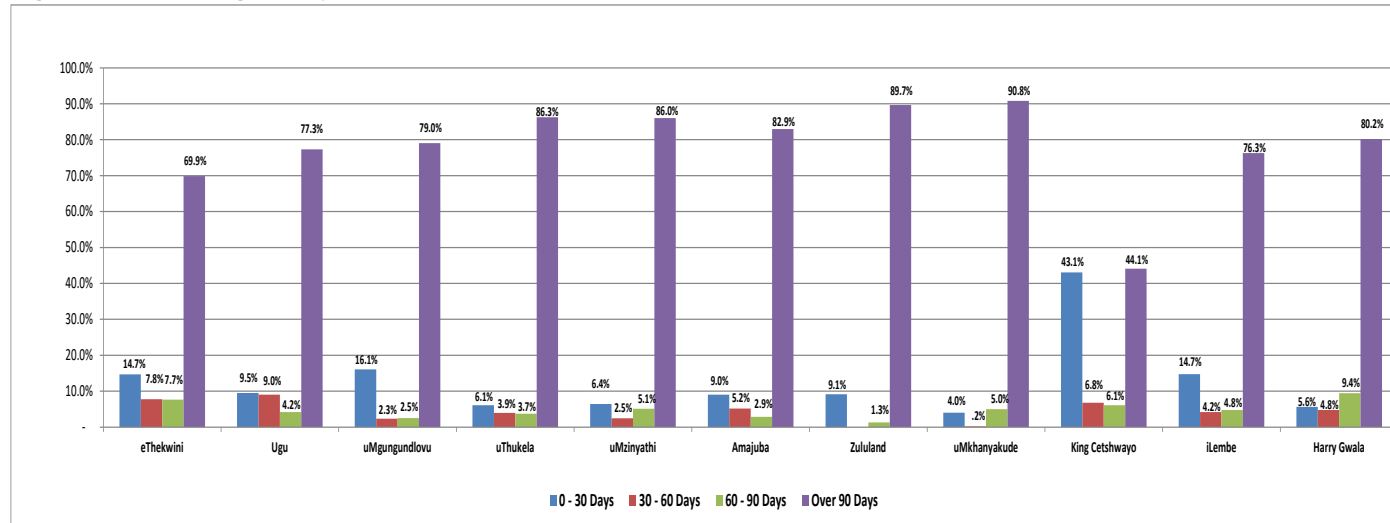
2.9 Debtors Age Analysis – District Total

Table 9: Debtors Age Analysis per district (Total) as at the end of Quarter 1 - 2018/19

R'000	0 - 30 Days		30 - 60 Days		60- 90 Days		Over 90 Days		Total
	Total	%	Total	%	Total	%	Total	%	
eThekwini	1 682 564	14.7	891 124	7.8	877 820	7.7	7 998 674	69.9	11 450 182
Ugu	89 317	9.5	85 157	9.0	39 373	4.2	729 399	77.3	943 247
uMgungundlovu	656 613	16.1	94 849	2.3	103 607	2.5	3 225 159	79.0	4 080 227
uThukela	95 908	6.1	62 226	3.9	59 294	3.7	1 365 371	86.3	1 582 798
uMzinyathi	29 454	6.4	11 313	2.5	23 455	5.1	394 349	86.0	458 571
Amajuba	124 303	9.0	71 490	5.2	39 683	2.9	1 145 577	82.9	1 381 053
Zululand	66 722	9.1	(623)	(0.1)	9 438	1.3	656 060	89.7	731 597
uMkhanyakude	19 022	4.0	1 055	0.2	23 633	5.0	430 498	90.8	474 208
King Cetshwayo	376 755	43.1	59 217	6.8	53 113	6.1	386 002	44.1	875 087
iLembe	117 596	14.7	33 482	4.2	38 074	4.8	608 764	76.3	797 916
Harry Gwala	20 049	5.6	16 993	4.8	33 717	9.4	286 199	80.2	356 957
Total	3 278 304	14.2	1 326 282	5.7	1 301 206	5.6	17 226 052	74.5	23 131 844

Source NT Igdatabase

Figure 7: Debtors Age Analysis per district as at the end of 30 September 2018



- Of the total amount of R23.1 billion owed to all the districts and eThekwini Metro in the KZN Province, it was reported that the eThekwini Metro recorded the highest outstanding debtors amount of R11.5 billion or 49.5 percent which is followed by uMgungundlovu District at R4.1 billion or 17.6 percent, uThukela District at R1.6 billion or 6.8 percent and Amajuba District at R1.4 billion or 6 percent.
- The Harry Gwala District recorded the least Debtors of R357 million or 1.5 percent of total Debtors.
- King Cetshwayo District was the only district that has recorded the highest outstanding Debtors of R376.8 million or 43.1 percent) in the *0-30 Days* category.
- The other districts including eThekwini Metro recorded their highest debtors in the *Over 90 Days* category. uMkhanyakude, Zululand, uThukela, uMzinyathi, Amajuba and Harry Gwala and Districts reflected over 80 percent of their outstanding debtors in the *Over 90 Days* category while King Cetshwayo reflected the least debtors of 44.1 percent in this category.
- A substantial amount of the total Debtors of R17.2 billion or 74.5 percent has been outstanding for *Over 90 Days*. Debt collection efforts must focus on these long outstanding debts, however some of these debtors may still need to be written off as they may have arisen as a result of incorrect billing of indigent customers.

- Municipalities are encouraged to update their Indigent Registers to determine households who qualify for rebates and discounts with the aim of ensuring that debtors are accurately billed and reported on.

2.10 Debtors by Customer Group – District Total

Table 10: Debtors by Customer Group (Total) as at the end of Quarter 1- 2018/19

R'000	Organs of State		Commercial		Household		Other		Total
	Total	%	Total	%	Total	%	Total	%	
eThekwini	1 047 551	9.1	2 491 503	21.8	7 309 640	63.8	601 488	5.3	11 450 182
Ugu	101 583	10.8	162 185	17.2	609 239	64.6	70 239	7.4	943 247
uMgungundlovu	290 799	7.1	591 912	14.5	2 678 167	65.6	519 349	12.7	4 080 227
uThukela	191 063	12.1	50 834	3.2	844 804	53.4	496 097	31.3	1 582 798
uMzinyathi	61 922	13.5	44 880	9.8	329 961	72.0	21 808	4.8	458 571
Amajuba	78 791	5.7	151 121	10.9	1 113 708	80.6	37 434	2.7	1 381 053
Zululand	97 637	13.3	126 851	17.3	414 168	56.6	92 941	12.7	731 597
uMkhanyakude	155 292	32.7	109 833	23.2	204 401	43.1	4 682	1.0	474 208
King Cetshwayo	193 140	22.1	413 398	47.2	248 906	28.4	19 643	2.2	875 087
iLembe	58 302	7.3	165 568	20.8	487 313	61.1	86 733	10.9	797 916
Harry Gwala	38 390	10.8	48 321	13.5	234 975	65.8	35 271	9.9	356 957
Total	2 314 470	10.0	4 356 406	18.8	14 475 282	62.6	1 985 685	8.6	23 131 844

Source: NT Igdatabase

Figure 8: Debtors Age Analysis as at 30 September 2018

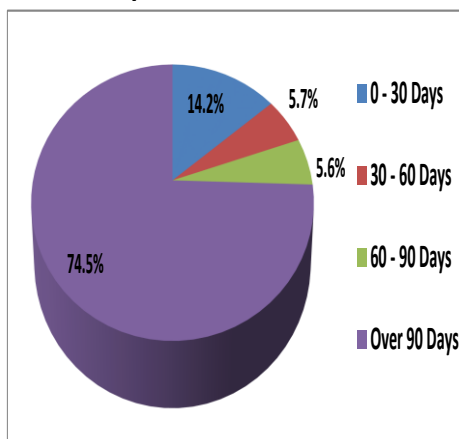


Figure 9: Debtors by Customer Group as at 30 September 2018

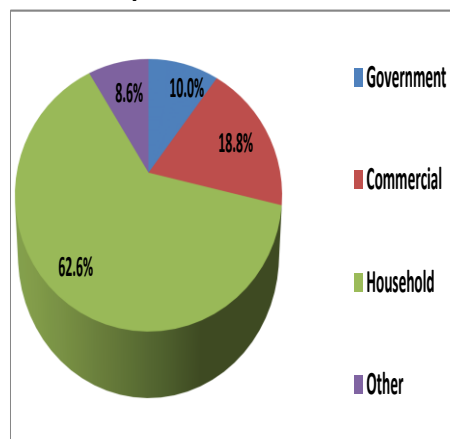
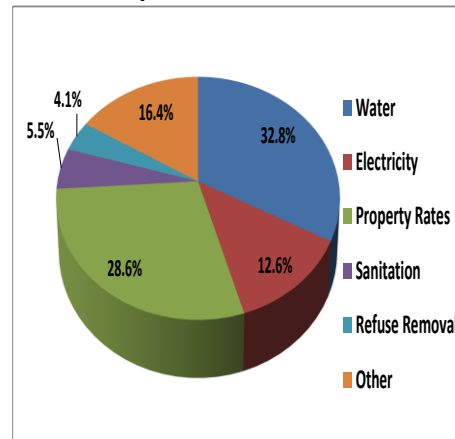


Figure 10: Debtors by Income Source as at 30 September 2018



- Table 10 reflects that of the R23.1 billion that is owed to municipalities, R14.5 billion or 62.6 percent which is the greatest portion, was owed by *Household* debtors. Municipalities in the province need to ensure that the indigent households are correctly accounted for, in order to avoid the *Household* category being inflated with debt that may not be recoverable. Indigent registers must be updated and maintained accordingly.

- The eThekwini Metro and the uMgungundlovu and Amajuba Districts contributed the most towards *Household* debtors with amounts of R7.3 billion, R2.7 billion and R1.1 billion, respectively.

- As at the end of the first quarter of 2018/19, municipalities were owed a total of R4.4 billion by *Commercial* debtors. eThekwini Metro, the uMgungundlovu and King Cetshwayo Districts contributed the most towards total debt owed by *Commercial* debtors with R2.5 billion, R591.9 million and R413.4 million respectively.

- Municipalities were owed a combined total of R2.3 billion or 10 percent by *Organs of State*. The eThekwini Metro and the uMgungundlovu and King Cetshwayo Districts had significant debt owed by *Organs of State* which amounted to R1 billion, R290.8 million and R193.1 million respectively.

- Other* debtors amounting to R2 billion or 8.6 percent, constituted the lowest customer category with outstanding debt.

- Debt owed by *Organs of State*, *Commercial* and *Household* may be understated as the Mpofana and Alfred Duma Local Municipalities have not categorised their Debtors by Customer group, instead they have reported all their Debtors under the *Other* category. uMlalazi Local Municipality has reported a total amount of R122.1 million of their Debtors only on *Organs of State* while no amounts were reported on *Commercial* and *Household* customers. This indicates that uMlalazi Local Municipality has not correctly categorised their customer group.

- Municipalities are urged to ensure that their Debtors records are correctly reflected according to Customer Group in order to implement proper strategies for collecting the debts from targeted groups.

2.11 Creditors Age Analysis – Provincial Total

Table 11: Creditors Age Analysis by Expenditure type as at the end of Quarter 1 - 2018/19

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Creditor Age Analysis										
Bulk Electricity	1 280 585	76.8	66 530	4.0	86 511	5.2	234 352	14.1	1 667 977	32.8
Bulk Water	317 125	78.4	11 174	2.8	11 163	2.8	65 189	16.1	404 652	8.0
PAYE deductions	190 319	100.0	-	-	-	-	-	-	190 319	3.7
VAT (output less input)	108 066	100.0	-	-	-	-	(15)	-	108 051	2.1
Pensions / Retirement	178 551	100.0	-	-	-	-	-	-	178 551	3.5
Loan repayments	17 589	2.1	11 667	1.4	303 311	37.1	486 007	59.4	818 574	16.1
Trade Creditors	787 498	63.3	60 495	4.9	43 783	3.5	351 872	28.3	1 243 648	24.5
Auditor-General	2 730	47.0	226	3.9	(1 089)	-18.7	3 945	67.9	5 812	0.1
Other	399 861	85.7	9 933	2.1	3 554	0.8	53 190	11.4	466 538	9.2
Total	3 282 324	64.6	160 025	3.1	447 233	8.8	1 194 539	23.5	5 084 121	100.0

Source NT Igdatabase

Figure 11: Creditors Age Analysis as at 30 September 2018

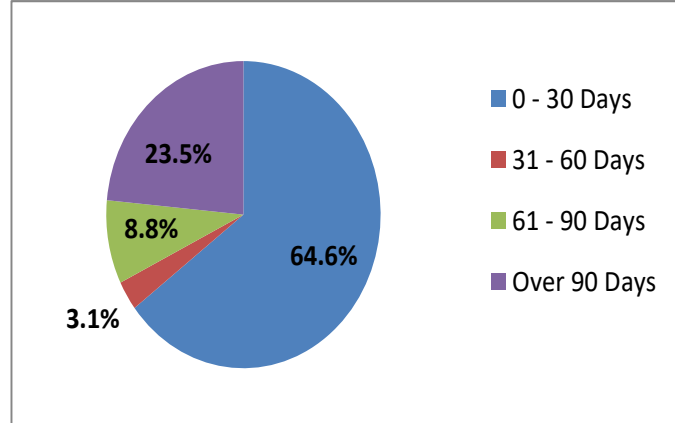
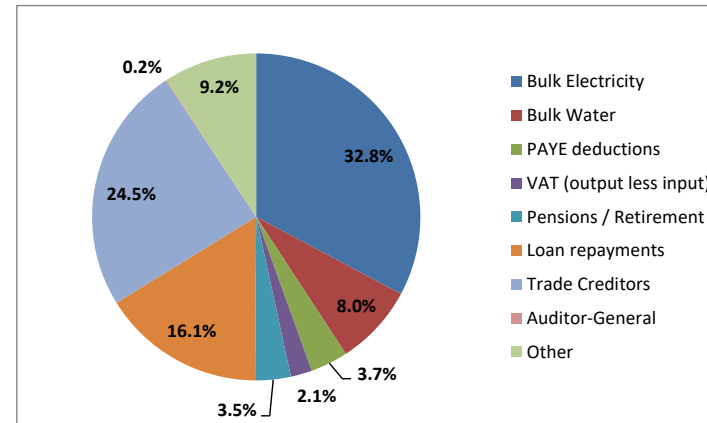


Figure 12: Creditors as at 30 September 2018



- As at the end of the first quarter performance review for the 2018/19 financial year, the outstanding Creditors balance for the KwaZulu-Natal municipalities amounted to R5.1 billion, with an outstanding balance of R3.3 billion or 64.6 percent due within the 0-30 Days period.
- Creditors amounting to R1.8 billion or 35.4 percent were in arrears for more than 30 Days. This is in contravention of Section 65(2)(e) of the MFMA which requires that the outstanding debt amount be paid within 30 days of the receipt of the invoice. The Accounting Officers of municipalities must take all reasonable steps to ensure that all creditors due are paid within 30 days.
- In some cases unpaid invoices and Creditors in the over 30 Days period are due to disputes with suppliers. However, in other cases it could be an indication of cash flow challenges being experienced by municipalities. Failure to pay creditors within 30 Days raises a serious concern to KZN Provincial Treasury, as municipalities may be liable for penalties and interest charges as a result thereof, which is tantamount to fruitless and wasteful expenditure.
- The majority of the outstanding Creditors is within the *Bulk Electricity* category amounting to R1.7 billion or 32.8 percent, of which R387.4 million has been outstanding for more than 30 days. This is mainly due to the outstanding debt of 4 municipalities.
- Newcastle Local Municipality owed Eskom R160.3 million as at 30 September 2018 for which they have an 8 months payment arrangement with Eskom. iNkosi Langalibalele Local Municipality owed Eskom a further R100 million as at 30 September 2018.
- Mpofana Local Municipality owed Eskom R98 million as at 30 September 2018 and is currently negotiating a payment arrangement with Eskom.
- Ulundi Local Municipality owed Eskom R91.3 million for unpaid *Electricity* over a number of years which is attributable to challenges with ageing infrastructure, inaccurate billing, high seasonal tariffs charged by Eskom and poor collection of outstanding debt by the municipality. Ulundi Local Municipality has entered into a 36 months payment arrangement with Eskom.

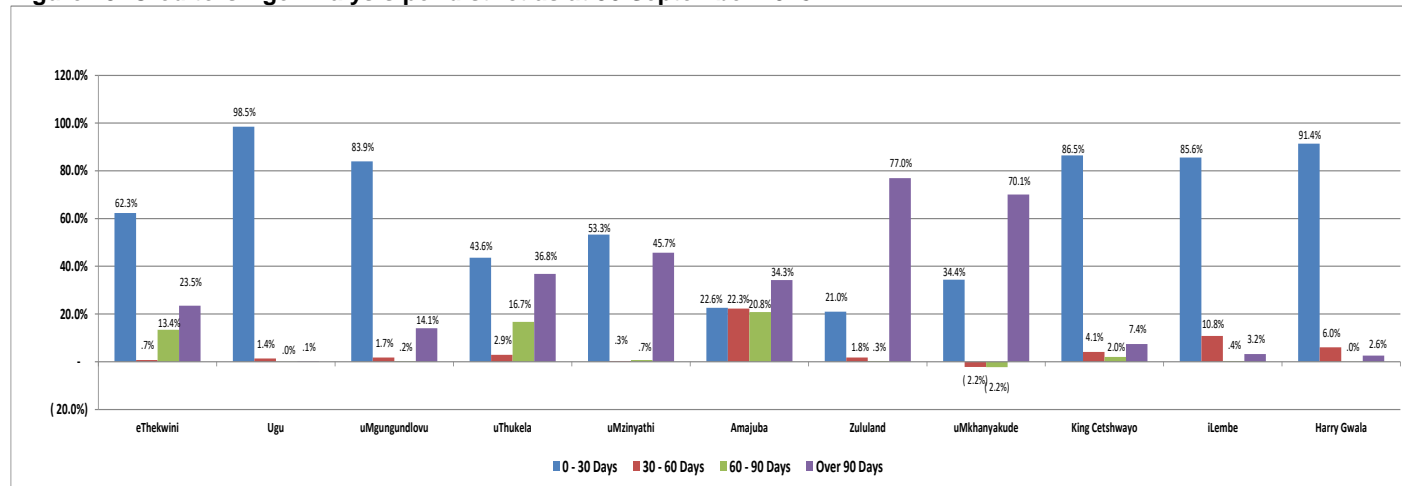
2.12 Creditors Age Analysis – District Total

Table 12: Creditors Age Analysis per district (Total) as at the end of Quarter 1 - 2018/19

R'000	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total
	Total	%	Total	%	Total	%	Total	%	
eThekwini	1 515 645	62.3	17 907	-	326 283	13.4	571 252	23.5	2 431 086
Ugu	37 819	98.5	527	1.4	5	0.0	54	0.1	38 405
uMgungundlovu	716 570	83.9	14 860	1.7	2 035	0.2	120 115	14.1	853 580
uThukela	93 296	43.6	6 184	2.9	35 793	16.7	78 832	36.8	214 105
uMzinyathi	62 880	53.3	376	0.3	817	0.7	53 895	45.7	117 968
Amajuba	77 779	22.6	76 808	22.3	71 713	20.8	117 932	34.3	344 233
Zululand	28 706	21.0	2 466	1.8	388	0.3	105 415	77.0	136 974
uMkhanyakude	46 361	34.4	(2 923)	(2.2)	(3 031)	(2.2)	94 532	70.1	134 939
King Cetshwayo	547 193	86.5	26 059	4.1	12 707	2.0	46 942	7.4	632 901
iLembe	123 029	85.6	15 581	10.8	512	0.4	4 637	3.2	143 759
Harry Gwala	33 045	91.4	2 181	6.0	10	0.0	934	2.6	36 171
Total	3 282 324	64.6	160 025	3.1	447 233	8.8	1 194 539	23.5	5 084 121

Source NT Igdatabase

Figure 13: Creditors Age Analysis per district as at 30 September 2018



- As at the end of the first quarter, eThekwini Metro reported the majority portion of the total outstanding Creditors balance of R2.4 billion or 47.8 percent of the total outstanding Creditors balance.
- Amongst other districts, uMgungundlovu District had the largest portion of the total outstanding Creditors of R853.6 million (16.8 percent). The largest portion was mainly due to Msunduzi Local Municipality contributing R714.7 million or 83.7 percent to the total outstanding debt of the uMgungundlovu District. Harry Gwala District reported the least amount of R36.2 million or 0.7 percent.
- With the exception of the Zululand (21percent), Amajuba (22.6 percent), uMkhanyakude (34.4 percent), uThukela (43.6 percent) and uMzinyathi (53.3 percent) Districts, all other districts reported more than 60 per cent of their outstanding creditors' payment due within the 0-30 Days period.
- The amount of R105.4 million or 77 percent of the outstanding Creditors balance over the 90 Days category under the Zululand District is due to the outstanding Creditors balance of R16.1 million (15.3 percent) and R89.3 million (84.7 percent) in respect of eDumbe and Ulundi Local Municipalities, respectively.
- The high outstanding Creditors in the over 90 Days category under King Cetshwayo District was largely contributed by King Cetshwayo District Municipality with an amount of R36 million or 76.7 per cent of the total district outstanding Creditors' balance within the 90 Days category.
- Creditors were not reported by Ugu District Municipality and uMuziwabantu, iMpendle, Richmond and uMsinga Local Municipalities.
- uMhlabuyalingana and Nkandla Local Municipalities reflected negative Creditors of R4.1 million and R14.4 million respectively.
- It is recommended that municipalities pay all their outstanding debts within 0-30 Days of receipt of invoices or statements as required by Section 65(2)(e) of the MFMA in order to avoid possible interest and penalties charges.

2.13 National Conditional Grants – Provincial Total (Summary)

Table 13: National Conditional Grants – Summary as at the end of Quarter 1 - 2018/19

R'000	DoRA 2018 Total Avail.	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual	
				Expenditure Nat. Dept.	% Spent of Allocation	Expenditure Munis.	% Spent of Allocation
Local Government Financial Management Grant	107 885	107 885	107 885	22 123	20.5	21 595	20.0
Infrastructure Skills Development Grant	37 300	16 700	16 700	5 720	15.3	2 133	5.7
Integrated City Development Grant	45 596	-	-	-	-	16 046	35.2
Neighbourhood Development Partnership (Schedule 5B)	78 247	31 405	20 755	5 544	7.1	4 688	6.0
Public Transport Network Grant	1 082 991	135 374	135 374	71 404	6.6	71 404	6.6
Rural Road Assets Management Systems Grant	24 180	16 928	16 928	2 304	9.5	2 699	11.2
Expanded Public Works Programme Integrated Grant (Municipality)	204 011	51 043	51 043	88 853	43.6	89 154	43.7
Integrated National Electrification Programme (Municipal) Grant	488 500	129 601	129 601	41 232	8.4	92 769	19.0
Energy Efficiency and Demand Side Management (Municipal) Grant	38 000	14 000	14 000	-	-	956	2.5
Regional Bulk Infrastructure Grant (Schedule 5B)	579 227	183 765	143 765	64 567	11.1	30 250	5.2
Water Services Infrastructure Grant (Schedule 5B)	900 000	110 900	110 900	24 393	2.7	93 924	10.4
Municipal Infrastructure Grant	3 313 053	1 196 567	1 186 567	599 766	18.1	718 509	21.7
Subtotal	6 898 990	1 994 168	1 933 518	925 906	13.4	1 144 127	16.6
Allocation In Kind							
Neighbourhood Development Partnership (Schedule 6B)	4 484	3 886	-	-	-	-	-
Municipal Systems Improvement Grant (Schedule 6B)	18 530	10 726	-	-	-	-	-
Integrated National Electrification Programme (Allocation in-kind) Grant	885 288	367 664	-	-	-	-	-
Regional Bulk Infrastructure Grant (Schedule 6B)	30 000	6 549	-	-	-	-	-
Subtotal	938 302	388 825	-	-	-	-	-
TOTAL	7 837 292	2 382 993	1 933 518	925 906	11.8	1 144 127	14.6

Source NT Igdatabase

- In terms of the Division of Revenue Act (DoRA) of 2018, direct allocations to all 54 KwaZulu-Natal municipalities amounted to R6.9 billion, while allocations in-kind amounted to R938.3 million, totaling R7.8 billion.
- The grants expenditure figures reported in Table 13 are based on submissions by the municipalities. Despite this, there are differences in the figures reflected as *Expenditure National Departments* and *Expenditure Municipalities*. The analysis below looks at the expenditure by municipality column (*Expenditure Munis.*).
- Municipalities have reflected spending of R1.1 billion or 59.2 percent against the total amount transferred to date. However, when compared to the total DoRA allocation of R6.9 billion, only 16.6 percent has been spent.
- The Municipal Infrastructure Grant (MIG) DoRA allocation of R3.3 billion is the largest grant allocation. The Public Transport Network Grant (PTNG) of R1.1 billion is the second largest allocation.
- Expenditure reported by municipalities against MIG amounts to R718.5 million and represents spending of 21.7 percent against the total DoRA allocation of R3.3 billion made to municipalities. DoRA requires municipalities to spend at least 40 percent of the allocation (R1.3 billion) by 31 December 2018.
- There has been no transfer of funds for the Integrated City Development Grant (ICDG), however, total expenditure of R16 million has been recorded by the eThekweni Metro which is the only municipality in KwaZulu-Natal which receives this particular grant.
- The least expenditure was reported against the Energy Efficiency and Demand Side Management Grant. Municipalities reported expenditure of R956 000 which amounts to 2.5 percent in comparison to the allocation of R38 million for the Energy Efficiency and Demand Side Management Grant for the 2018/19 financial year.
- The Rural Roads Assets Management Grant was allocated to all 10 district municipalities in the province. The Ugu, uThukela, Amajuba, uMkhanyakude, iLembe and Harry Gwala District Municipalities have not recorded any expenditure against this grant as at the end of the first quarter.
- Of the 12 direct allocations to municipalities, only two conditional grants reflected expenditure of 25 percent or more against the total available DoRA allocations for 2018/19. These two grants were the Expanded Public Works Programme Integrated Grant (EPWP) (43.7 percent) and the ICDG (35.2 percent). The remainder of the conditional grants reported expenditure of less than the expected benchmark of 25 percent as at the end of the first quarter.

2.14 National Conditional Grants – District Total

Table 14(a): National Conditional Grants as at the end of Quarter 1 - 2018/19

R'000	Financial Management Grant			Regional Bulk Infrastructure Grant			Municipal Infrastructure Grant		
	DoRA 2018 Total Avail.	Unaudited Actual		DoRA 2018 Total Avail.	Unaudited Actual		DoRA 2018 Total Avail.	Unaudited Actual	
		Expenditure Munis.	% Spent		Expenditure Munis.	% Spent		Expenditure Munis.	% Spent
eThekweni	1 000	1 000	100.0	-	-	-	-	-	-
Ugu	13 580	1 803	13.3	-	-	-	382 705	109 047	28.5
uMgungundlovu	14 180	2 412	17.0	-	-	-	400 322	84 233	21.0
uThukela	10 715	2 452	22.9	142 283	2 176	1.5	314 723	86 109	27.4
uMzinyathi	8 760	1 355	15.5	40 000	2 209	5.5	305 575	47 264	15.5
Amajuba	7 140	1 202	16.8	-	-	-	181 132	23 071	12.7
Zululand	10 550	2 299	21.8	131 498	13 414	10.2	364 373	110 737	30.4
uMkhanyakude	10 710	1 229	11.5	-	-	-	333 496	63 160	18.9
King Cetshwayo	12 140	4 713	38.8	120 000	-	-	396 367	57 488	14.5
iLembe	8 570	1 225	14.3	75 446	5 715	7.6	325 083	86 447	26.6
Harry Gwala	10 540	1 906	18.1	70 000	6 736	9.6	309 277	50 951	16.5
Total	107 885	21 595	20.0	579 227	30 250	5.2	3 313 053	718 509	21.7

Source: NT Igdatabase

Figure 14: FMG Expenditure vs. Allocation as at 30 September 2018

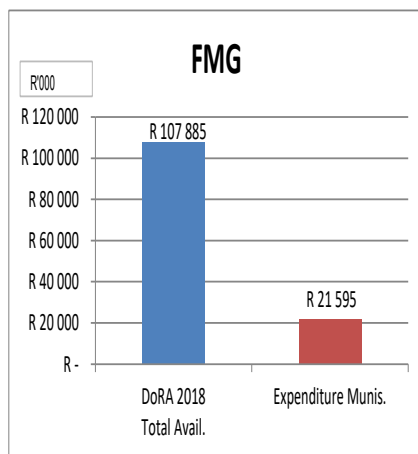


Figure 15: RBIG Expenditure vs. allocation as at 30 September 2018

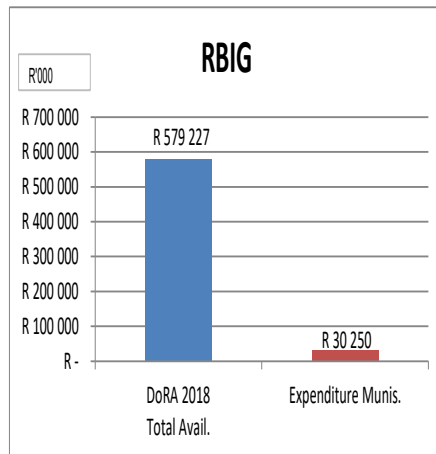
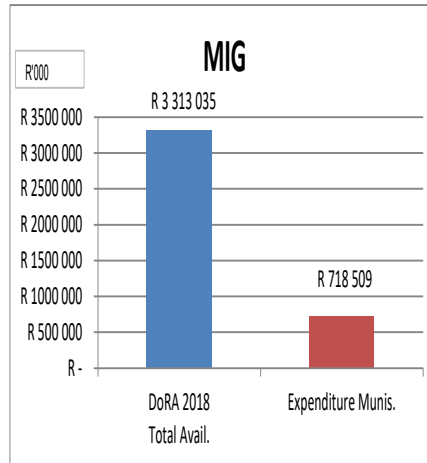


Figure 16: MIG Expenditure vs. allocation as at 30 September 2018



Financial Management Grant

- The collective conditional grant expenditure for all districts and the eThekweni Metro for the Financial Management Grant (FMG) was 20 percent against the total available DoRA allocation of R107.9 million which was below the straight line projection of 25 percent at the end of the first quarter.
- The eThekweni Metro has reported the highest spending of 100 percent of their FMG allocation. The Mthonjaneni and Nkandla Local Municipalities reported the second and third highest expenditure of 78.1 percent and 65.4 percent respectively which both exceed 50 percent even though a straight line projection would amount to 25 percent at the end of the first quarter.
- The uMgungundlovu District Municipality has not spent any amount against the R1 million allocation received for FMG.

Regional Bulk Infrastructure Grant

- The Regional Bulk Infrastructure Grant (RBIG) was allocated to six districts in the province with a total spending of 5.2 percent or R30.3 million against the total DoRA allocation of R579.2 million which was below the straight line projection of 25 percent at the end of the first quarter.
- The district with the highest expenditure against their RBIG allocation was the Zululand District Municipality at 10.2 percent followed by the Harry Gwala District Municipality at 9.6 percent. The King Cetshwayo District Municipality did not reflect any expenditure against a total allocation of R120 million as at 30 September 2018.

Municipal Infrastructure Grant

- The total conditional grant expenditure by all the districts for the Municipal Infrastructure Grant (MIG) was 21.7 percent or R718.5 million against the total DoRA allocation of R3.3 billion which was below the straight line projection of 25 percent as at the end of the first quarter.
- The highest spending on MIG was reported for the Zululand District with 30.4 percent followed by the Ugu, uThukela and iLembe Districts with 28.5 percent, 27.4 percent and 26.6 percent, respectively. The rest of the districts in the province spent less than the straight line projection of 25 percent at the end of the first quarter.
- The lowest spending was reported for the Amajuba District with 12.7 percent. Other districts which reported expenditure of less than 20 percent as at 30 September 2018 were the King Cetshwayo District with 14.5 percent, the uMzinyathi District with 15.5 percent, the Harry Gwala District with 16.5 percent and the uMkhanyakude District with 18.9 percent.

2.14 National Conditional Grants – District Total / continued...

Table 14(b): National Conditional Grants as at the end of Quarter 1 - 2018/19

R'000	Integrated National Electrification Prog. (municipal) Grant			Expanded Public Works Prog. (municipal) Grant			Water Services Infrastructure Grant		
	DoRA 2018 Total Avail.	Unaudited Actual		DoRA 2018 Total Avail.	Unaudited Actual		DoRA 2018 Total Avail.	Unaudited Actual	
		Expenditure Munis.	% Spent		Expenditure Munis.	% Spent		Expenditure Munis.	% Spent
eThekweni	27 000	7 134	26.4	75 333	51 633	68.5	-	-	-
Ugu	52 880	3 082	5.8	11 269	1 550	13.8	55 000	-	-
uMgungundlovu	43 484	4 355	10.0	14 335	1 792	12.5	142 700	6 118	4.3
uThukela	36 582	2 760	7.5	14 344	5 506	38.4	83 000	14 687	17.7
uMzinyathi	47 994	8 254	17.2	13 366	5 890	44.1	55 000	5 873	10.7
Amajuba	21 000	-	-	6 819	1 323	19.4	124 400	7 942	6.4
Zululand	69 800	20 860	29.9	16 309	5 229	32.1	115 000	6 217	5.4
uMkhanyakude	45 600	8 947	19.6	12 716	5 868	46.1	55 000	-	-
King Cetshwayo	51 000	25 441	49.9	22 303	5 948	26.7	89 000	37 534	42.2
iLembe	34 706	9 465	27.3	7 878	2 037	25.9	100 500	13 152	13.1
Harry Gwala	58 454	2 471	4.2	9 339	2 377	25.5	80 400	2 400	3.0
Total	488 500	92 769	19.0	204 011	89 154	43.7	900 000	93 924	10.4

Source: NT Igdatabase

Figure 17: INEP Expenditure vs. allocation as at 30 September 2018

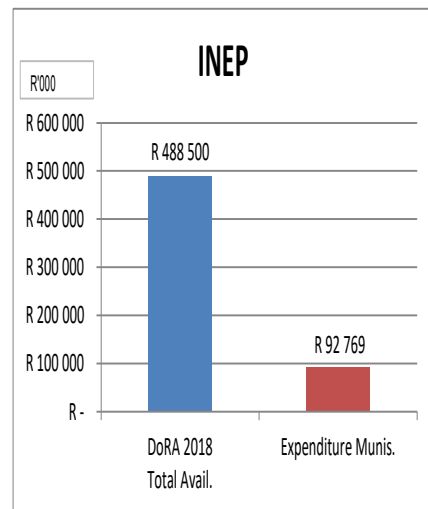


Figure 18: EPWP Expenditure vs. allocation as at 30 September 2018

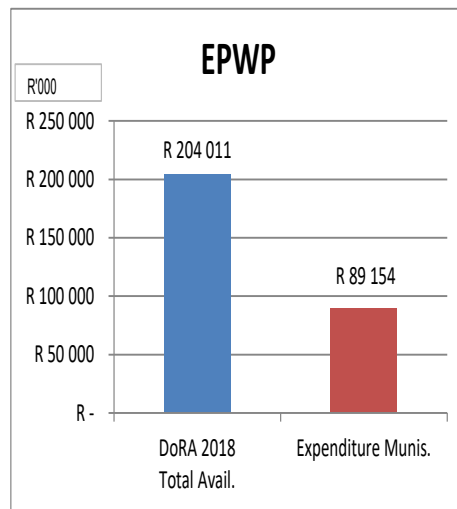
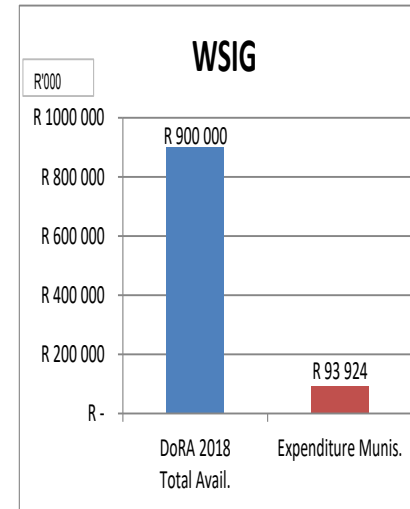


Figure 19: WSIG Expenditure vs. allocation as 30 September 2018



- As at the end of the first quarter, expenditure of R92.8 million was incurred against the Integrated National Electrification Programme Grant (INEP) which represents 19 percent of the total allocation of R488.5 million.

- Three districts and the eThekweni Metro reported expenditure in excess of a straight line projection of 25 percent. The King Cetshwayo, Zululand and iLembe Districts as well as eThekweni Metro reported expenditure of 49.9 percent, 29.9 percent, 27.3 percent and 26.4 percent, respectively.

- The Amajuba District was the only district which reported nil expenditure for INEP against the allocation of R21 million at the end of the first quarter.

Expanded Public Works Programme

- The expenditure reported on the Expanded Public Works Programme (EPWP) for the province is at 43.7 percent against the total DoRA allocation of R204 million which is above the 25 percent straight line projection.

- The eThekweni Metro recorded the highest percentage spent of 68.5 percent.

- The uMgungundlovu, Ugu and Amajuba Districts reported the lowest expenditure rates on EPWP of 12.5 percent, 13.8 percent and 19.4 percent, respectively. The rest of the districts in the province reported expenditure which exceeded the 25 percent straight line projection for the first quarter.

Water Services Infrastructure Grant

- A low spending rate was noted against the Water Services Infrastructure Grant (WSIG) which reflected only 10.4 percent or R93.9 million expenditure against the total allocation of R900 million as at the end of the first quarter.

- With the exception of the King Cetshwayo District which achieved 42.2 percent, all other districts spent below the straight line projection of 25 percent against their WSIG allocations as at the end of the first quarter. The uMkhanyakude and Ugu District Municipalities did not report any spending against their allocations for this grant.

- The Harry Gwala District recorded expenditure of only R2.4 million or 3 percent against their WSIG allocation as at the end of the first quarter. The uMgungundlovu District reported R6.1 million or 4.3 percent expenditure and Zululand District reported R6.2 million or 5.4 percent against their allocations.

- Municipalities are reminded that poor performance against conditional grant allocations may result in municipalities surrendering the unspent portions of their conditional grants received to the National Treasury. Under-spending on conditional grants negatively impacts on service delivery and infrastructure development.

2.15 Non-Compliance with the DoRA and MFMA Reporting Requirements

Table 15(a): List of municipalities that did not comply with ALL MFMA and DoRA Reporting Requirements for the period July to September. (As at 01 November 2018)

Monthly Returns - 2018/19	Monthly Conditional Grant Returns - 2018/19	Quarterly Returns - 2018/19	
Dannhauser Ugu DM Nquthu uPhongolo iMpendle	uPhongolo uMgungundlovu DM	Dannhauser uMuziwabantu Dr Nkosazana Dlamini Zuma uBuhlebezwe Ray Nkonyeni Ugu DM uMkhanyakude DM eNdumeni uMsinga Nquthu uMzinyathi DM iNkosi Langalibalele uThukela DM	Ulundi uPhongolo Zululand DM Maphumulo Ndwedwe iMpendle Richmond uMgungundlovu DM

¹List of municipalities exclude the non-delegated municipalities.

Source: NT Igdatabase and KZN Treasury

Table 15(b): List of municipalities that did not comply with ALL MFMA and DoRA Reporting Requirements for the period July to September. (As at 01 November 2018)

Signed off Q1 Section 71 figures	Signed off Q1 Conditional Grants	Signed off Q1 Borrowing Monitoring	Signed off Q1 Investment Monitoring
Mpofana uPhongolo	Mpofana uPhongolo	Mpofana uPhongolo	Mpofana uPhongolo

¹List of municipalities exclude the non-delegated municipalities.

Source: NT Igdatabase and KZN Treasury

- Non-compliance with the DoRA and MFMA reporting requirements is forwarded bi-annually, via a Provincial Treasury Circular by the office of the MEC for Finance to Mayors of all delegated KwaZulu-Natal municipalities. The issuing of the non-compliance circular bi-annually is over and above the weekly schedules which are sent to municipalities regarding their outstanding MFMA reports and returns by the Provincial Treasury.

- Despite these efforts, Tables 15(a) and 15(b) show the municipalities that did not fully comply with all reporting requirements according to the National Treasury report reflecting the outstanding MFMA returns and reports as at 01 November 2018.

- Section 71 of the MFMA requires that the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the municipality's budget. However, five municipalities have not submitted all their monthly reports, two municipalities did not report on certain conditional grant expenditure and 21 municipalities did not submit their quarterly returns as at 01 November 2018.

- At the end of every quarter, municipalities are required by National Treasury to scrutinise, verify and sign off the verification schedules relating to information on their MFMA Section 71 reports to ensure that the figures to be published are reliable. At the end of first the quarter, the Mpofana and uPhongolo Local Municipalities had not submitted their signed information on the Statement of Operating and Capital Expenditure, Borrowing Monitoring signed verifications and Investment Monitoring signed verifications.

Table 15(c): List of municipalities that did not comply with ALL MFMA and DoRA Reporting Requirements for the period July to September. (As at 01 November 2018)

Key Budget Deadlines - 2018/19	Municipalities that did not publish majority documents on their website as required by Section 75	Municipalities with less than 5 Interns
Dannhauser Jozini eDumbe uPhongolo	uMuziwabantu Ray Nkonyeni Nquthu Dannhauser eDumbe Zululand DM Jozini uMkhanyakude DM	uMdoni uMuziwabantu Ugu DM uMgungundlovu DM Okhahlamba eNdumeni uMzinyathi DM Newcastle eMadlangeni Mtubatuba Mthonjaneni Maphumulo Dr. Nkosazana Dlamini Zuma uBuhlebezwe

¹List of municipalities exclude the non-delegated municipalities.

Source: NT Igdatabase and KZN Treasury

- Non-compliance with the DoRA and MFMA reporting requirements is forwarded bi-annually, via a Provincial Treasury Circular by the office of the MEC for Finance to Mayors of all delegated KwaZulu-Natal municipalities. The issuing of the non-compliance circular bi-annually is over and above the weekly schedules which are sent to municipalities regarding their outstanding MFMA reports and returns by the Provincial Treasury.
- Despite these efforts, Tables 15(a) and 15(b) show the municipalities that did not fully comply with all reporting requirements according to the National Treasury report reflecting the outstanding MFMA returns and reports as at 01 November 2018.
- Section 71 of the MFMA requires that the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the municipality's budget. However, six municipalities have not submitted all their monthly reports, two municipalities did not report on certain conditional grant expenditure and 21 municipalities did not submit their quarterly returns as at 01 November 2018.
- At the end of every quarter, municipalities are required by National Treasury to scrutinise, verify and sign off the verification schedules relating to information on their MFMA Section 71 Reports to ensure that the figures to be published are reliable. At the end of first the quarter, the Mpofana and uPhongolo Local Municipalities had not submitted their signed information on the Statement of Operating and Capital Expenditure, Borrowing Monitoring signed verifications and Investment Monitoring signed verifications.

2.16 Implementation of the Municipal Regulations on Standard Chart of Accounts (mSCOA)

Background and Objective of the Regulations

The Minister of Finance promulgated Government Gazette No. 37577, Municipal Regulations on Standard Chart of Accounts (mSCOA), on 22 April 2014. All municipalities and related municipal entities were required to transact in compliance with the mSCOA Regulations from 01 July 2017.

Provincial Treasury continued with the implementation of mSCOA in the Province during the first quarter of the municipal financial year by means of providing onsite support and engagements.

A Schedule Validation of the Council Adopted Budget to the mSCOA Budget Data Submission for 2018/2019 Financial Year

Circular No. 91 of the MFMA issued on 8 March 2018, indicates the following:

“Section 24(3) of the MFMA, read together with regulation 20(1), requires that the **approved annual budget must be submitted** to both National Treasury and the relevant provincial treasury **within ten working days after the council has approved the annual budget**. If the council only approves the annual budget on 30 June 2018, the final date for such a submission is Friday, 13 July 2018, otherwise an earlier date applies.

Further to this, paragraph 7.4 of **Circular 91 highlights that** “Municipalities **must upload the mSCOA data strings for the tabled (TABB) and adopted (ORGB) budget to the upload portal**. The budget data strings must be **accompanied by the IDP project details data strings (PRTA and PROR)**. The **deadlines for submission of the MBRR documents are also applicable to the mSCOA data strings**. The budget must be prepared using version 6.2 of the mSCOA chart as issued together with the circular.


Subsequent to submissions of the legislative reports, a reconciliation was conducted of the **Council Approved budget to the mSCOA data strings** and it was found that **no municipality perfectly aligned within KwaZulu-Natal**. A communication was sent by the Chief Director Local Government at National Treasury on 18 July 2018, which indicated that the Council Approved Budget is the legal binding document and municipalities must ensure that the mSCOA data strings are aligned appropriately. The deadline for the alignment was the **28 September 2018**. The status is as follows:

Table 16: Status of submission of data file or string for the 2018/19 Approved Budget

No.	Demarcation Code	Name of the municipality	Adopted Budget 2018/2019		
			Council Approval Date	Date of Submission of mSCOA Datastring	Status of Submission
1	KZN263	AbaQulusi	2018/05/24	2018/07/02	Submitted/Successful
2	KZN238	Alfred Duma	2018/05/31	2018/10/05	Submitted/Successful
3	DC25	Amajuba DM	2018/05/29	2018/06/26	Submitted/Successful
4	KZN254	Dannhauser	2018/05/29	2018/06/18	Submitted/Successful
5	KZN436	Dr Nkosazana Dlamini Zuma	2018/05/31	2018/09/19	Submitted/Successful
6	KZN261	eDumbe	2018/05/31	2018/06/26	Submitted/Successful
7	KZN253	eMadlangeni	2018/05/31	2018/06/06	Submitted/Successful
8	KZN241	eNdumeni	2018/06/05	2018/06/29	Submitted/Successful
9	ETH	eThekwini	2018/05/29	2018/06/28	Submitted/Successful
10	KZN433	Greater Kokstad	2018/05/31	2018/07/17	Submitted/Successful
11	DC43	Harry Gwala DM	2018/05/30	2018/06/20	Submitted/Successful
12	KZN276	Big Five Hlabisa	2018/05/31	2018/06/09	Submitted/Successful
13	DC29	iLembe DM	2018/05/31	2018/09/26	Submitted/Successful
14	KZN224	iMpendle	2018/05/30	2018/06/01	Submitted/Successful
15	KZN237	iNkosi Langalibalele	2018/05/29	2018/07/30	Submitted/Successful
16	KZN272	Jozini	2018/05/31	2018/06/06	Submitted/Successful
17	DC28	King Cetshwayo DM	2018/05/30	2018/06/22	Submitted/Successful
18	KZN292	KwaDukuza	2018/05/29	2018/09/05	Submitted/Successful
19	KZN291	Mandeni	2018/05/28	2018/07/19	Submitted/Successful
20	KZN294	Maphumulo	2018/05/29	2018/08/01	Submitted/Successful
21	KZN281	uMfolozi	2018/05/31	2018/05/25	Submitted/Successful
22	KZN226	Mkhambathini	2018/05/29	2018/06/01	Submitted/Successful
23	KZN223	Mpofana	2018/05/30	2018/06/20	Submitted/Successful
24	KZN244	Msinga	2018/05/28	2018/08/23	Submitted/Successful
25	KZN225	Msunduzi	2018/05/30	2018/06/26	Submitted/Successful
26	KZN285	Mthonjaneni	2018/05/30	2018/08/02	Submitted/Successful
27	KZN275	Mtubatuba	2018/05/30	2018/05/24	Submitted/Successful
28	KZN293	Ndwedwe	2018/05/24	2018/08/22	Submitted/Successful
29	KZN252	Newcastle	2018/05/31	2018/06/08	Submitted/Successful
30	KZN286	Nkandla	2018/05/28	2018/06/06	Submitted/Successful

No.	Demarcation Code	Name of the municipality	Adopted Budget 2018/2019		
			Council Approval Date	Date of Submission of mSCOA Datastrng	Status of Submission
31	KZN265	Nongoma	2018/05/30	2018/05/24	Submitted/Successful
32	KZN242	Nquthu	2018/05/29	2018/08/22	Submitted/Successful
33	KZN235	Okhahlamba	2018/05/31	2018/09/25	Submitted/Successful
34	KZN216	Ray Nkonyeni	2018/05/30	2018/06/20	Submitted/Successful
35	KZN227	Richmond	2018/05/24	2018/06/20	Submitted/Successful
36	KZN434	uBuhlebezwe	2018/05/24	2018/06/18	Submitted/Successful
37	DC21	Ugu DM	2018/05/24	2018/07/04	Submitted/Successful
38	KZN266	Ulundi	2018/05/30	2018/10/09	Submitted/Successful
39	KZN212	uMdoni	2018/05/31	2018/09/27	Submitted/Successful
40	DC22	uMgungundlovu DM	2018/05/30	2018/08/24	Submitted/Successful
41	KZN271	uMhlabuyalingana	2018/05/29	2018/10/05	Submitted/Successful
42	KZN282	uMhlathuze	2018/06/06	2018/06/18	Submitted/Successful
43	DC27	uMkhanyakude DM	2018/05/29	2018/06/29	Submitted/Successful
44	KZN284	uMlalazi	2018/05/30	2018/06/07	Submitted/Successful
45	KZN222	uMngeni	2018/05/31	2018/05/30	Submitted/Successful
46	KZN221	uMshwathi	2018/06/05	2018/05/31	Submitted/Successful
47	KZN214	uMuziwabantu	2018/05/30	2018/07/03	Submitted/Successful
48	KZN245	uMvoti	2018/05/31	2018/06/04	Submitted/Successful
49	KZN435	uMzinkhulu	2018/05/28	2018/06/15	Submitted/Successful
50	DC24	uMzinyathi DM	2018/05/30	2018/06/13	Submitted/Successful
51	KZN213	uMzumbhe	2018/05/23	2018/06/01	Submitted/Successful
52	KZN262	uPhongolo	2018/05/18	2018/08/15	Submitted/Successful
53	DC23	uThukela DM	2018/05/25	2018/06/06	Submitted/Successful
54	DC26	Zululand DM	2018/05/30	2018/06/22	Submitted/Successful

Legend

 Municipalities that re-submitted mSCOA datastrng

There are 17 municipalities that have **re-submitted** between the **18 July 2018 and 28 September 2018**. Note that 3 of the 17 municipalities submitted again in October 2018 which over-wrote the last date submission. This equates to only 31 percent of municipalities complying with the request of alignment of the mSCOA data strings to the council approved budget. The 17 municipalities are highlighted in green in Table 16.

Further to the **first stage validation**, on successful submission of the revised mSCOA data string, the LG portal thereafter validates **the use of the segments (Stage 2)** as contained in the data string.

Table 17: Status of the first stage validation of the data file or string for the 2018/19 Approved Budget

No.	Demarcation Code	Name of Municipality	Date of Submission	Segment Validation ORGB 2018/2019
1	KZN263	AbaQulusi	2018/07/02	
2	KZN238	Alfred Duma	2018/10/05	
3	DC25	Amajuba DM	2018/06/26	
4	KZN254	Dannhauser	2018/06/18	
5	KZN436	Dr Nkosazana Dlamini Zuma	2018/09/19	
6	KZN261	eDumbe	2018/06/26	
7	KZN253	eMadlangeni	2018/06/06	
8	KZN241	eNdumeni	2018/06/29	
9	ETH	eThekwini	2018/06/28	
10	KZN433	Greater Kokstad	2018/07/17	
11	DC43	Harry Gwala DM	2018/06/20	
12	KZN276	Big Five Hlabisa	2018/06/09	
13	DC29	iLembe DM	2018/09/26	
14	KZN224	iMpendle	2018/06/01	
15	KZN237	iNkosi Langelibalele	2018/07/30	
16	KZN272	Jozini	2018/06/06	
17	DC28	King Cetshwayo DM	2018/06/22	
18	KZN292	KwaDukuza	2018/09/05	
19	KZN291	Mandeni	2018/07/19	
20	KZN294	Maphumulo	2018/08/01	
21	KZN281	uMfolozi	2018/05/25	
22	KZN226	Mkhambathini	2018/06/01	
23	KZN223	Mpofana	2018/06/20	
24	KZN244	uMsinga	2018/08/23	
25	KZN225	Msunduzi	2018/06/26	

No.	Demarcation Code	Name of Municipality	Date of Submission	Segment Validation ORGB 2018/2019
26	KZN285	Mthonjaneni	2018/08/02	
27	KZN275	Mtubatuba	2018/05/24	
28	KZN293	Ndwedwe	2018/08/22	
29	KZN252	Newcastle	2018/06/08	
30	KZN286	Nkandla	2018/06/06	
31	KZN265	Nongoma	2018/05/24	
32	KZN242	Nquthu	2018/08/22	
33	KZN235	Okhahlamba	2018/09/25	
34	KZN216	Ray Nkonyeni	2018/06/20	
35	KZN227	Richmond	2018/06/20	
36	KZN434	uBuhlebezwe	2018/06/18	
37	DC21	Ugu DM	2018/07/04	
38	KZN266	Ulundi	2018/10/09	
39	KZN212	uMdoni	2018/09/27	
40	DC22	uMgungundlovu DM	2018/08/24	
41	KZN271	uMhlabyalingana	2018/10/05	
42	KZN282	uMhathuze	2018/06/18	
43	DC27	uMkhanyakude DM	2018/06/29	
44	KZN284	uMlalazi	2018/06/07	
45	KZN222	uMngeni	2018/05/30	
46	KZN221	uMshwathi	2018/05/31	
47	KZN214	uMuziwabantu	2018/07/03	
48	KZN245	uMvoti	2018/06/04	
49	KZN435	uMzimkhulu	2018/06/15	
50	DC24	uMzinyathi DM	2018/06/13	
51	KZN213	uMzumbe	2018/06/01	
52	KZN262	uPhongolo	2018/08/15	
53	DC23	uThukela DM	2018/06/06	
54	DC26	Zululand DM	2018/06/22	

Legend

	Municipalities that re-submitted mSCOA datastring
	mSCOA data string has been submitted successfully and contains no segment validations errors
	mSCOA data string has been submitted successfully however, there are segment validation errors

The 5 municipalities (denoted in yellow above) had the following segment validation errors:

- Trial balance not in balance for both Alfred Duma Local Municipality and eThekweni Metropolitan;
- No capital projects were budgeted for by iNkosi Langalibalele Local Municipality;
- The rebates for cost of free basic services and the revenue of cost of free basic services were incorrectly budgeted for by uMsinga Local Municipality; and
- The sum of charges and recoveries were not zero and the annualised budget for 2018/2019 did not agree to the monthly projects for Greater Kokstad Local Municipality.

Stage 3 validation was conducted for all municipalities that re-submitted the mSCOA data strings between the 18 July 2018 and the 28 September 2018.

Stage 3 validation consist of a reconciliation between the Council Approved Budget and the mSCOA data string. It is important to note that due to segment errors, misclassification of budget items etc. continued to result in variances between the Council Approved Budget and the mSCOA data string. In addition to this the **following challenges were also noted:**

- The integration between the reporting tool used and the core system used by municipalities were not functioning properly and hence why municipalities prepared the Council Approved A Schedules manually;
- The integration file, where this functionality was working, created duplicate records; and
- Municipalities continued to use segments incorrectly within the creation of data strings and this also resulted in the A schedules being generated incorrectly from the system.

A number of meetings (Reporting Reference Group) have been held between vendors and National Treasury regarding system functionality shortfalls and how this can be addressed by vendors. The users (municipalities) however still have a responsibility to test the functioning of this prior to sign off of user acceptance testing. The process for testing of the functionality may take time and therefore this does not necessarily correspond with the reporting cycle of the municipality.

The results of the reconciliation are indicated in Table 18:

Table 18: Results of the reconciliation between the 2018/19 Approved Budget data string and Council Approved Budget

No.	Demarcation Code	Name of Municipality	Performed the reconciliation of Council Approved Budget to mSCOA datastring	Communicated to the municipality	Differences noted
1	KZN263	AbaQulusi	Y	Y	Y
2	KZN238	Alfred Duma	Y	Y	Y
3	DC25	Amajuba DM	Y	Y	Y
4	KZN254	Dannhauser	Y	Y	Y
5	KZN436	Dr Nkosazana Dlamini Zuma	Y	Y	Y
6	KZN261	eDumbe	Y	Y	Y
7	KZN253	eMadlangeni	Y	Y	Y
8	KZN241	eNdumeni	Y	Y	Y
9	ETH	eThekwini	Y	Y	Y
10	KZN433	Greater Kokstad	Y	Y	Y
11	DC43	Harry Gwala DM	Y	Y	Y
12	DC29	iLembe DM	Y	Y	Y
13	KZN224	iMpindle	Y	Y	Y
14	KZN237	iNkosi Langalibalele	Y	Y	Y
15	KZN272	Jozini	Y	Y	Y
16	KZN292	KwaDukuza	Y	Y	Y
17	KZN291	Mandeni	Y	Y	Y
18	KZN294	Maphumulo	Y	Y	Y
19	KZN281	uMfolozi	Y	Y	Y
20	KZN226	Mkhambathini	Y	Y	Y
21	KZN223	Mpotana	Y	Y	Y
22	KZN244	uMsinga	Y	Y	Y
23	KZN225	Msunduzi	Y	Y	Y
24	KZN285	Mthonjaneni	Y	Y	Y
25	KZN275	Mtubatuba	Y	Y	Y
26	KZN293	Ndwedwe	Y	Y	Y
27	KZN252	Newcastle	Y	Y	Y
28	KZN286	Nkandla	Y	Y	Y
29	KZN265	Nongoma	Y	Y	Y
30	KZN242	Nquthu	Y	Y	Y

No.	Demarcation Code	Name of Municipality	Performed the reconciliation of Council Approved Budget to mSCOA datastring	Communicated to the municipality	Differences noted
31	KZN235	Okhahlamba	Y	Y	Y
32	KZN216	Ray Nkonyeni	Y	Y	Y
33	KZN227	Richmond	Y	Y	Y
34	KZN276	Big Five Hlabisa	Y	Y	Y
35	KZN434	uBuhlebezwe	Y	Y	Y
36	DC21	Ugu DM	Y	Y	Y
37	KZN266	Ulundi	Y	Y	Y
38	KZN212	uMdoni	Y	Y	Y
39	DC22	uMgungundlovu DM	Y	Y	Y
40	KZN271	uMhlabuyalingana	Y	Y	Y
41	KZN282	uMhlatuze	Y	Y	Y
42	DC27	uMkhanyakude DM	Y	Y	Y
43	KZN284	uMlalazi	Y	Y	Y
44	KZN222	uMngeni	Y	Y	Y
45	KZN221	uMshwathi	Y	Y	Y
46	KZN214	uMuziwabantu	Y	Y	Y
47	KZN245	uMvoti	Y	Y	Y
48	KZN435	uMzimkhulu	Y	Y	Y
49	DC24	uMzinyathi DM	Y	Y	Y
50	KZN213	uMzambe	Y	Y	Y
51	KZN262	uPhongolo	Y	Y	Y
52	DC23	uThukela DM	Y	Y	Y
53	DC28	King Cetshwayo DM	Y	Y	Y
54	DC26	Zululand DM	Y	Y	Y

Reporting in terms of Section 71 of the MFMA for 2017/2018 financial year

The accounting officer of a municipality is required to, by no later than **10 working days after the end of each month, submit to the mayor of the municipality and the relevant provincial treasury** in the **prescribed format** the statutory monthly reporting for the municipality, which includes the electronic monthly mSCOA transactional information submissions.



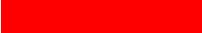
The legislative date for June 2018 month end reporting for the **2017/2018 financial year is 14 July 2018** and falls outside of the reporting period for the 2017/2018 financial year, hence we have provided a status of this submission in Quarter 1 of the 2018/2019 reporting period. In terms of **stage 1 submission** in respect of Month 12 of the 2017/2018 financial year, the status was as follows:

Table 19: Status of submission of monthly data file or string for June 2018

No.	Demarcation Code	Name of Municipality	Month 12 (June 2018)	
			Date of Submission	Status of Submission
1	KZN263	AbaQulusi	2018/07/10	Submitted/Successful
2	KZN238	Alfred Duma	2018/07/30	Submitted/Successful
3	DC25	Amajuba DM	2018/08/01	Submitted/Successful
4	KZN254	Dannhauser	2018/07/27	Submitted/with Errors
5	KZN436	Dr Nkosazana Dlamini Zuma	2018/08/29	Submitted/Successful
6	KZN261	eDumbe	2018/08/14	Submitted/Successful
7	KZN253	eMadlangeni	2018/08/03	Submitted/Successful
8	KZN241	eNdumeni	2018/07/10	Submitted/Successful
9	ETH	eThekwini	2018/07/16	Submitted/Successful
10	KZN433	Greater Kokstad	2018/07/14	Submitted/Successful
11	DC43	Harry Gwala DM	2018/08/01	Submitted/Successful
12	KZN276	Big Five Hlabisa	2018/08/07	Submitted/Successful
13	DC29	iLembe DM	2018/08/06	Submitted/Successful
14	KZN224	iMpendle	2018/08/02	Submitted/Successful
15	KZN237	iNkosi Langalibalele	2018/07/30	Submitted/Successful
16	KZN272	Jozini	2018/08/01	Submitted/Successful
17	DC28	King Cetshwayo DM	2018/08/31	Submitted/Successful
18	KZN292	KwaDukuza	2018/07/04	Submitted/Successful
19	KZN291	Mandeni	2018/08/01	Submitted/Successful
20	KZN294	Maphumulo	2018/08/02	Submitted/Successful
21	KZN281	uMfolozi	2018/08/16	Submitted/Successful
22	KZN226	Mkhambathini	2018/07/16	Submitted/Successful
23	KZN223	Mpořana	2018/07/16	Submitted/Successful
24	KZN244	uMsinga	2018/08/03	Submitted/Successful
25	KZN225	Msunduzi	2018/08/03	Submitted/Successful

No.	Demarcation Code	Name of Municipality	Month 12 (June 2018)	
			Date of Submission	Status of Submission
26	KZN285	Mthonjaneni	2018/08/01	Submitted/Successful
27	KZN275	Mtubatuba	2018/08/17	Submitted/Successful
28	KZN293	Ndwedwe	2018/07/20	Submitted/Successful
29	KZN252	Newcastle	2018/07/16	Submitted/Successful
30	KZN286	Nkandla	2018/07/31	Submitted/Successful
31	KZN265	Nongoma	2018/08/02	Submitted/Successful
32	KZN242	Nquthu	2018/08/01	Submitted/Successful
33	KZN235	Okhahlamba	2018/08/20	Submitted/Successful
34	KZN216	Ray Nkonyeni	2018/07/30	Submitted/Successful
35	KZN227	Richmond	2018/07/31	Submitted/Successful
36	KZN434	uBuhlebezwe	2018/09/06	Submitted/Successful
37	DC21	Ugu DM	2018/09/27	Submitted/Successful
38	KZN266	Ulundi	2018/07/30	Submitted/Successful
39	KZN212	uMdoni	2018/09/03	Submitted/Successful
40	DC22	uMgungundlovu DM	2018/08/15	Submitted/Successful
41	KZN271	uMhlabuyalingana	2018/08/03	Submitted/Successful
42	KZN282	uMhlatuze	2018/07/13	Submitted/Successful
43	DC27	uMkhanyakude DM	2018/08/02	Submitted/Successful
44	KZN284	uMlalazi	2018/08/27	Submitted/Successful
45	KZN222	uMngeni	2018/07/14	Submitted/Successful
46	KZN221	uMshwathi	2018/07/18	Submitted/Successful
47	KZN214	uMuziwabantu	2018/08/02	Submitted/Successful
48	KZN245	uMvoti	2018/08/15	Submitted/Successful
49	KZN435	uMzimkhulu	2018/07/14	Submitted/Successful
50	DC24	uMzinyathi DM	2018/07/17	Submitted/with Errors
51	KZN213	uMzombe	2018/08/20	Submitted/Successful
52	KZN262	uPhongolo	2018/08/17	Submitted/Successful
53	DC23	uThukela DM	2018/07/25	Submitted/Successful
54	DC26	Zululand DM	2018/07/17	Submitted/Successful

Legend:

-  Monthly transactional data file submitted by the required deadline in the correct file format
-  Monthly transactional data file submitted by the required deadline, however, the file format was incorrect
-  The monthly transactional data file has not been submitted by the municipality

There was a 96 percent submission rate of the June 2018 monthly data string, with 2 municipalities submitting with errors. The respective municipalities being uMzinyathi District Municipality and Dannhauser Local Municipality. In addition to this, there are only 7 municipalities that reported within the deadline date of 14 July 2018. Municipalities continued to struggle with adhering to the submission deadline dates even though they possess the functionality to report. This is an indication of challenges that may be faced in terms of change management, business processes and functionality shortfalls within the system.

Subsequent to the receipt of the monthly mSCOA transactional data files in the correct format, the National Treasury Local Government Portal conducted a segment validation of the data file to ensure that the municipalities have applied the correct segments in their transactional information (**Stage 2 validation**), based on predetermined rules. Provincial Treasury had engaged municipalities on these errors and provided guidance to the municipalities with regard to understanding these errors and what was required to clear these errors.

Table 20: Status of segment validation errors of monthly data file or string for June 2018

No.	Demarcation Code	Name of Municipality	Month 12 (June 2018)
			Status of segment validation
1	KZN263	AbaQulusi	Green
2	KZN238	Alfred Duma	Green
3	DC25	Amajuba DM	Green
4	KZN254	Dannhauser	Orange
5	KZN436	Dr Nkosazana Dlamini Zuma	Green
6	KZN261	eDumbe	Green
7	KZN253	eMadlangeni	Green
8	KZN241	eNdumeni	Green
9	ETH	eThekwini	Green
10	KZN433	Greater Kokstad	Green
11	DC43	Harry Gwala DM	Green
12	KZN276	Big Five Hlabisa	Green
13	DC29	iLembe DM	Green
14	KZN224	iMpendle	Green
15	KZN237	iNkosi Langalibalele	Green
16	KZN272	Jozini	Green
17	DC28	King Cetshwayo DM	Green
18	KZN292	KwaDukuza	Yellow
19	KZN291	Mandeni	Green
20	KZN294	Maphumulo	Green
21	KZN281	uMfolozi	Green
22	KZN226	Mkhambathini	Green
23	KZN223	Mpoofana	Green

No.	Demarcation Code	Name of Municipality	Month 12 (June 2018)
			Status of segment validation
24	KZN244	uMsinga	Yellow
25	KZN225	Msunduzi	Green
26	KZN285	Mthonjaneni	Green
27	KZN275	Mtubatuba	Green
28	KZN293	Ndwedwe	Green
29	KZN252	Newcastle	Green
30	KZN286	Nkandla	Green
31	KZN265	Nongoma	Green
32	KZN242	Nquthu	Green
33	KZN235	Okhahlamba	Green
34	KZN216	Ray Nkonyeni	Yellow
35	KZN227	Richmond	Green
36	KZN434	uBuhlebezwe	Green
37	DC21	Ugu DM	Green
38	KZN266	Ulundi	Green
39	KZN212	uMdoni	Yellow
40	DC22	uMgungundlovu DM	Green
41	KZN271	uMhlabuyalingana	Green
42	KZN282	uMhlatuze	Green
43	DC27	uMkhanyakude DM	Green
44	KZN284	uMlalazi	Green
45	KZN222	uMngeni	Yellow
46	KZN221	uMshwathi	Green
47	KZN214	uMuziwabantu	Green
48	KZN245	uMvoti	Green
49	KZN435	uMzimkhulu	Green
50	DC24	uMzinyathi DM	Orange
51	KZN213	uMzombe	Green
52	KZN262	uPhongolo	Green
53	DC23	uThukela DM	Green
54	DC26	Zululand DM	Yellow

Legend:

	mSCOA data string has been submitted successfully and contains no segment validations errors
	mSCOA data string has been submitted successfully however, there are segment validation errors
	Stage 1 Validation error (Submitted with errors)

The segment errors consisted of the following:

- The Trial Balance was not in balance;
- The sum of charges and recoveries did not equate to zero;
- Capital Projects were linked incorrectly to item expenditure; and
- Cost of Free Basic Services and Revenue Cost of Free basic services linked incorrectly to the wrong revenue/asset posting level.

Further to this, **Stage 3 validation was performed for all municipalities**. It has been noted that there were differences across all municipalities and the reconciliation of the C schedules to the mSCOA data strings were communicated to all municipalities to ensure correction prior to the submission of the Annual Financial Statements as at 31 August 2018.

Reporting in terms of Section 71 of the MFMA for 2018/2019 financial year

As of the 1 July 2018, municipalities must ensure that they are transacting on **version 6.2 of the mSCOA chart** per MFMA Circular No. 89 of the MFMA that was issued on 8 December 2017. The status of the KwaZulu-Natal Province for the months **July 2018 and August 2018** in respect of **stage 1 validation** of the 2018/2019 financial reporting period, were as follows:

Table 21: Status of submission of monthly data file or string for the months July 2018 and August 2018 as at 30 September 2018

No.	Demarcation Code	Name of Municipality	Month 1 (July 2018) submissions		Month 2 (Aug 2018) submissions	
			Date of Submission	Status of Submission	Date of Submission	Status of Submission
1	KZN263	AbaQulusi	Outstanding	Data File is not submitted	Outstanding	Data File is not submitted
2	KZN238	Alfred Duma	2018/09/14	Submitted/Successfully	2018/09/14	Submitted/Successfully
3	DC25	Amajuba DM	2018/09/07	Submitted/Successfully	Outstanding	Data File is not submitted
4	KZN254	Dannhauser	2018/09/20	Submitted/Successfully	2018/09/20	Submitted/Successfully
5	KZN436	Dr Nkosazana Dlamini Zuma	2018/09/06	Submitted/Successfully	2018/09/18	Submitted/Successfully
6	KZN261	eDumbe	2018/08/27	Submitted/Successfully	2018/09/13	Submitted/Successfully
7	KZN253	eMadlangeni	2018/08/27	Submitted/Successfully	2018/09/11	Submitted with errors
8	KZN241	eNdumeni	2018/09/14	Submitted/Successfully	2018/09/17	Submitted/Successfully
9	ETH	eThekwini	2018/08/20	Submitted/Successfully	2018/09/12	Submitted/Successfully
10	KZN433	Greater Kokstad	2018/08/30	Submitted/Successfully	2018/09/14	Submitted/Successfully
11	DC43	Harry Gwala DM	2018/09/05	Submitted/Successfully	Outstanding	Data File is not submitted
12	KZN276	Big Five Hlabisa	2018/09/10	Submitted/Successfully	Outstanding	Data File is not submitted

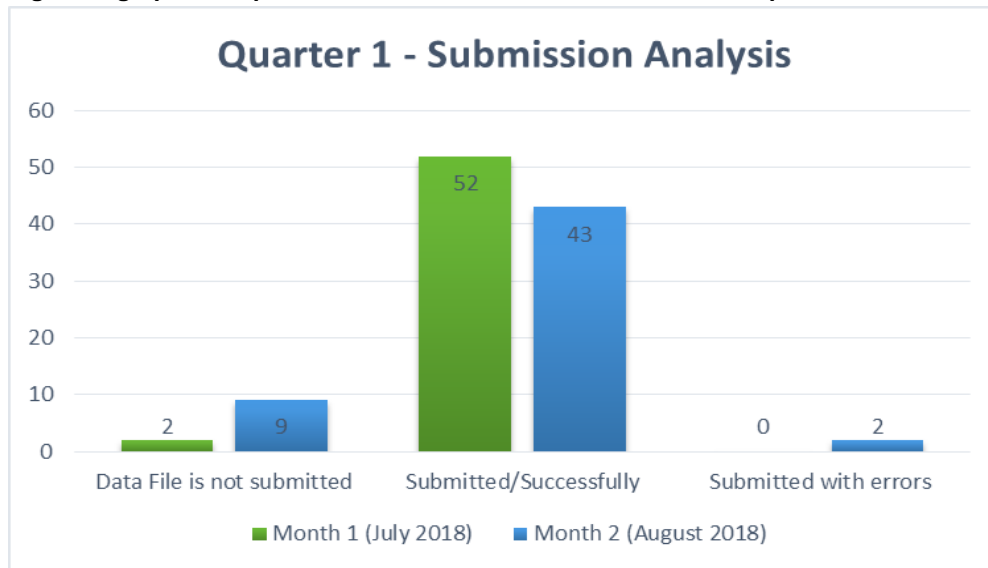
No.	Demarcation Code	Name of Municipality	Month 1 (July 2018) submissions		Month 2 (Aug 2018) submissions	
			Date of Submission	Status of Submission	Date of Submission	Status of Submission
13	DC29	iLembe DM	2018/08/21	Submitted/Successfully	2018/09/14	Submitted/Successfully
14	KZN224	iMpindle	2018/09/07	Submitted/Successfully	2018/09/20	Submitted/Successfully
15	KZN237	iNkosi Langalibalele	2018/09/06	Submitted/Successfully	2018/09/06	Submitted/Successfully
16	KZN272	Jozini	2018/08/22	Submitted/Successfully	2018/09/17	Submitted/Successfully
17	DC28	King Cetshwayo DM	2018/08/14	Submitted/Successfully	2018/09/11	Submitted/Successfully
18	KZN292	KwaDukuza	2018/09/14	Submitted/Successfully	2018/09/14	Submitted/Successfully
19	KZN291	Mandeni	2018/09/07	Submitted/Successfully	2018/09/17	Submitted/Successfully
20	KZN294	Maphumulo	2018/09/17	Submitted/Successfully	2018/09/17	Submitted/Successfully
21	KZN281	uMfolozi	2018/08/24	Submitted/Successfully	2018/09/21	Submitted/Successfully
22	KZN226	Mkhambathini	2018/09/06	Submitted/Successfully	2018/09/19	Submitted/Successfully
23	KZN223	Mpofana	2018/09/11	Submitted/Successfully	Outstanding	Data File is not submitted
24	KZN244	uMsinga	2018/08/17	Submitted/Successfully	2018/09/12	Submitted/Successfully
25	KZN225	Msunduzi	2018/08/31	Submitted/Successfully	2018/09/19	Submitted/Successfully
26	KZN285	Mthonjaneni	2018/08/16	Submitted/Successfully	2018/09/14	Submitted/Successfully
27	KZN275	Mtubatuba	2018/08/22	Submitted/Successfully	2018/09/21	Submitted/Successfully
28	KZN293	Ndwedwe	2018/09/11	Submitted/Successfully	2018/09/17	Submitted/Successfully
29	KZN252	Newcastle	2018/08/17	Submitted/Successfully	Outstanding	Data File is not submitted
30	KZN286	Nkandla	2018/08/16	Submitted/Successfully	2018/09/21	Submitted/Successfully
31	KZN265	Nongoma	2018/09/05	Submitted/Successfully	2018/09/26	Submitted/Successfully
32	KZN242	Nquthu	2018/09/20	Submitted/Successfully	Outstanding	Data File is not submitted
33	KZN235	Okhahlamba	2018/09/11	Submitted/Successfully	2018/09/25	Submitted/Successfully
34	KZN216	Ray Nkonyeni	2018/09/14	Submitted/Successfully	2018/09/14	Submitted/Successfully
35	KZN227	Richmond	2018/09/12	Submitted/Successfully	Outstanding	Data File is not submitted
36	KZN434	uBuhlebezwe	2018/08/21	Submitted/Successfully	2018/09/12	Submitted/Successfully
37	DC21	Ugu DM	2018/09/05	Submitted/Successfully	2018/09/27	Submitted/Successfully
38	KZN266	Ulundi	2018/08/30	Submitted/Successfully	2018/09/14	Submitted/Successfully
39	KZN212	uMdoni	2018/08/15	Submitted/Successfully	2018/09/13	Submitted/Successfully
40	DC22	uMgungundlovu DM	2018/09/10	Submitted/Successfully	2018/09/10	Submitted/Successfully
41	KZN271	uMhlabuyalingana	2018/09/03	Submitted/Successfully	2018/09/25	Submitted/Successfully
42	KZN282	uMhlathuze	2018/09/05	Submitted/Successfully	2018/09/15	Submitted/Successfully
43	DC27	uMkhanyakude DM	2018/08/14	Submitted/Successfully	2018/09/19	Submitted/Successfully
44	KZN284	uMlalazi	2018/08/16	Submitted/Successfully	2018/09/14	Submitted with errors
45	KZN222	uMngeni	2018/09/06	Submitted/Successfully	2018/09/07	Submitted/Successfully

No.	Demarcation Code	Name of Municipality	Month 1 (July 2018) submissions		Month 2 (Aug 2018) submissions	
			Date of Submission	Status of Submission	Date of Submission	Status of Submission
46	KZN221	uMshwathi	2018/08/27	Submitted/Successfully	2018/09/19	Submitted/Successfully
47	KZN214	uMuziwabantu	2018/09/12	Submitted/Successfully	2018/09/12	Submitted/Successfully
48	KZN245	uMvoti	2018/08/16	Submitted/Successfully	2018/09/14	Submitted/Successfully
49	KZN435	uMzimbhulu	2018/08/20	Submitted/Successfully	2018/09/12	Submitted/Successfully
50	DC24	uMzinyathi DM	2018/09/14	Submitted/Successfully	2018/09/14	Submitted/Successfully
51	KZN213	uMzombe	2018/09/03	Submitted/Successfully	2018/09/25	Submitted/Successfully
52	KZN262	uPhongolo	2018/09/19	Submitted/Successfully	2018/09/19	Submitted/Successfully
53	DC23	uThukela DM	Outstanding	Data File is not submitted	Outstanding	Data File is not submitted
54	DC26	Zululand DM	2018/09/06	Submitted/Successfully	2018/09/17	Submitted/Successfully

Legend:

- Monthly transactional data file submitted by the required deadline in the correct file format
- Monthly transactional data file submitted by the required deadline, however, the file format was incorrect
- The monthly transactional data file has not been submitted by the municipality

Fig 20: A graphical representation of the status of submissions as per Table 21



Month 01 (July 2018) Submission Status:

As at 30 September 2018, there were 52 municipalities that submitted the data strings successfully to the LG Portal. There were two municipalities that did not submit and this reflects a 96 percent submission rate. The two municipalities that did not submit were AbaQulusi Local Municipality and uThukela District Municipality. The particular municipalities had challenges with conversion from 6.1 to 6.2 of the charts. In order for the system to roll over, year-end process must have been completed and the validation undertaken per the specific system. Further to this, there were issues with uploading to the LG portal which impacted the ability to submit.

Month 02 (August 2018) Submission Status:

As at 30 of September 2018 there were 45 municipalities that submitted the mSCOA data strings and 9 municipalities that failed to submit. Of the 45 municipalities that submitted, 2 municipalities being, uMlalazi Local Municipality and eMadlangeni Local Municipality that submitted mSCOA data strings with errors. Therefore this meant that their submission did not pass stage 1 of the validation process. The **9 outstanding municipalities** include the following:

- AbaQulusi Local Municipality and uThukela District Municipality - did not complete the validation process of change of charts from 6.1 to 6.2 of the mSCOA chart. The vendor was only contacted towards the end of September 2018 for assistance to come onsite as the telephonic support proved insufficient;
- Amajuba District Municipality;
- Harry Gwala District Municipality;
- Big Five Hlabisa Local Municipality;
- Mpofana Local Municipality;
- Newcastle Local Municipality;
- Nquthu Local Municipality; and
- Richmond Local Municipality – The municipality advised Provincial Treasury that due to the political instability and strikes, staff were not allowed on municipal premises. Therefore, they did not have access to submit.

Month 03 (September 2018) Submission Status:

Due the legislated deadline for the September 2018 monthly data submissions being 14 October 2018, the submission feedback will be reported on in the Quarter 2 report of 2018/2019 Financial year.

Segment validation of monthly mSCOA data submissions received

Subsequent to the receipt of the monthly mSCOA transactional data files in the correct format, the National Treasury Local Government Portal conducted a segment validation of the data file to ensure that each municipality has applied the correct segments in their transactional information, based on predetermined rules. Provincial Treasury had engaged municipalities on these errors and provided guidance to the municipalities in understanding the errors and what was required to clear the errors.





The status of the segment validation as at 30 September 2018 follows:

Table 22: Status of the segment validation as at 30 September 2018

No.	Demarcation Code	Name of Municipality	Month 1 (July 2018) submissions	Month 2 (Aug 2018) submissions
1	KZN263	AbaQulusi	Red	Red
2	KZN238	Alfred Duma	Green	Yellow
3	DC25	Amajuba DM	Green	Red
4	KZN254	Dannhauser	Green	Green
5	KZN436	Dr Nkosazana Dlamini Zuma	Green	Yellow
6	KZN261	eDumbe	Green	Green
7	KZN253	eMadlangeni	Green	Orange
8	KZN241	eNdumeni	Green	Green
9	ETH	eThekwini	Green	Green
10	KZN433	Greater Kokstad	Green	Green
11	DC43	Harry Gwala DM	Green	Red
12	KZN276	Big Five Hlabisa	Green	Red
13	DC29	iLembe DM	Green	Green
14	KZN224	iMpendle	Green	Green
15	KZN237	iNkosi Langalibalele	Green	Green
16	KZN272	Jozini	Green	Green
17	DC28	King Cetshwayo DM	Green	Green
18	KZN292	KwaDukuza	Yellow	Yellow
19	KZN291	Mandeni	Green	Green
20	KZN294	Maphumulo	Green	Green
21	KZN281	uMfobozi	Green	Green
22	KZN226	Mkhambathini	Green	Green
23	KZN223	Mpofana	Green	Red
24	KZN244	Msinga	Green	Green
25	KZN225	Msunduzi	Green	Green
26	KZN285	Mthonjaneni	Green	Green
27	KZN275	Mtubatuba	Yellow	Yellow
28	KZN293	Ndwedwe	Green	Green
29	KZN252	Newcastle	Green	Red
30	KZN286	Nkandla	Green	Green

No.	Demarcation Code	Name of Municipality	Month 1 (July 2018) submissions	Month 2 (Aug 2018) submissions
31	KZN265	Nongoma	Green	Green
32	KZN242	Nquthu	Green	Red
33	KZN235	Okhahlamba	Green	Green
34	KZN216	Ray Nkonyeni	Green	Green
35	KZN227	Richmond	Green	Red
36	KZN434	uBuhlebezwe	Green	Green
37	DC21	Ugu DM	Green	Green
38	KZN266	Ulundi	Green	Green
39	KZN212	uMdoni	Yellow	Yellow
40	DC22	uMgungundlovu DM	Green	Green
41	KZN271	uMhlabuyalingana	Green	Green
42	KZN282	uMhlatuze	Green	Green
43	DC27	uMkhanyakude DM	Green	Green
44	KZN284	uMlalazi	Green	Orange
45	KZN222	uMngeni	Green	Green
46	KZN221	uMshwathi	Green	Green
47	KZN214	uMuziwabantu	Green	Green
48	KZN245	uMvoti	Green	Green
49	KZN435	uMzimkhulu	Green	Green
50	DC24	uMzinyathi DM	Green	Green
51	KZN213	uMzumbe	Green	Green
52	KZN262	uPhongolo	Green	Green
53	DC23	uThukela DM	Red	Red
54	DC26	Zululand DM	Green	Green

Legend:

-  mSCOA data string has been submitted successfully and contains no segment validations errors
-  mSCOA data string has been submitted successfully however, there are segment validation errors
-  Stage 1 Validation error (Submitted with errors)
-  Data String Outstanding

Review of the General Ledger / In Year Reporting and Alignment of Opening Balances

During the months of May 2018 to July 2018, Provincial Treasury undertook an exercise to get municipalities ready for the 2017/18 financial year-end. This constituted the following:

- Status of financial submissions to the LG portal;
- Review of **Opening balance working papers** (the working papers of each municipality were analysed to determine mSCOA was implemented appropriately); and
- Review of the **general ledger (in 7 segments)** or In Year report (from LG Portal) where the municipality did not provide Provincial Treasury with the general ledger.

Of the 51 delegated municipalities only 49 municipalities provided Provincial Treasury with the information. uMgungundlovu District Municipality and Mpofana Local Municipality **did not provide** the opening balance working papers nor the general ledger.

Findings were communicated to each municipality in respect of the above. The following were noted with regards to opening balances:

- There was no municipality that had adequately documented the alignment of the opening balances from the historical trial balance to the mSCOA chart. The exercise consisted of comparing the audited Annual Financial Statements as at the 30 June 2017 to the take-on balances recorded within the general ledger;
- It was evident that audited adjusting journals of the prior period were not processed on the system and that the financial system was not reconciled to the final trial balance and adjusting journals;
- The municipalities as at May 2018 were still in the process of bringing in opening balances as at 1 July 2017; and
- The alignment did not balance to previous amounts reported for the same account, that is the split in accounts did not reconcile to the amount previously disclosed.

The following was noted with regards to general ledger:

- Even though errors were communicated with regards to the use of segments, municipalities had not corrected this consistently throughout the financial year for the 2017/2018 period.
- Attention was paid to the use of all segments due to the effect that it would have in terms of reporting budget to actual and the alignment to General Accepted Accounting Principles (GRAP)
 - Asset acquisition and recognition of completed assets were not done. Due to us not having the Fixed Asset register we could not comment on whether it agreed to the general ledger;
 - No depreciation raised for the financial year to date;
 - No realisation of grants (i.e. revenue recognition);
 - Incorrect posting levels used in terms of bank (i.e. the transactions were not broken down into deposits, withdrawals, interest and bank charges);
 - The incorrect region was used (municipalities selected areas in the Western Cape and Free State or another municipality within KwaZulu-Natal);
 - Incorrect use of the funding segment, Bank was selected as a non-funded transaction;
 - Travel and Subsistence incorrectly linked to municipal running costs;
 - Project Capital incorrectly linked to item expenditure;
 - Project Operational incorrectly linked to item assets;

- Expenditure Default and revenue default used instead of specifying the nature of the expenditure and revenue and allocating it accordingly;
- Salaries and Wages not aligned to the mSCOA chart;
- Councillors remuneration not aligned to the mSCOA chart; and
- Audit working papers were still in the process of being updated in terms of mSCOA implementation.

Meetings were held with each municipality, where the findings were discussed. Each municipality was requested to investigate and correct all discrepancies noted with regards to opening balances and aspects of the general ledger review (majority item segment). Municipalities also needed to ensure the general ledger correctly aligned to the mSCOA chart in order to prepare a proper set of financial statements in terms of GRAP and including preparation and updating of working papers in readiness for the year end processes.

Submission of the Pre-Audited Annual Financial Statements (data string)

In respect of Sections 5(4)(a) and 74(1) of the MFMA, Provincial Treasury may request information from time to time to enable them to monitor compliance with the Act and provide oversight and monitoring. Such information can include, returns, documents, explanations and motivations as may be prescribed or as may be required.

In light of this, municipalities were requested to submit to the LG Portal the Pre-Audited Annual Financial Statement data strings. As at 30 September 2018 only 8 municipalities attempted to upload the pre-audited data strings (PAUD). This represents only 14.8 percent of municipalities within the province. The PAUD data strings were required to be submitted to the LG Portal 10 days after the submission of the Annual Financial Statements to the Auditor General of South Africa.





Table 23: Status of the submission of the pre-audited data strings as at 30 September 2018

No.	Demarcation Code	Name of Municipality	Pre-Audited Annual Financial Statements Date of Submission - 14 September 2018
1	KZN263	AbaQulusi	
2	KZN238	Alfred Duma	
3	DC25	Amajuba DM	
4	KZN254	Dannhauser	
5	KZN436	Dr Nkosazana Dlamini Zuma	
6	KZN261	eDumbe	
7	KZN253	eMadlangeni	
8	KZN241	eNdumeni	
9	ETH	eThekwini	
10	KZN433	Greater Kokstad	
11	DC43	Harry Gwala DM	
12	KZN276	Big Five Hlabisa	
13	DC29	iLembe DM	

No.	Demarcation Code	Name of Municipality	Pre-Audited Annual Financial Statements
			Date of Submission - 14 September 2018
14	KZN224	iMpendle	
15	KZN237	iNkosi Langa libalele	
16	KZN272	Jozini	
17	DC28	King Cetshwayo DM	
18	KZN292	KwaDukuza	
19	KZN291	Mandeni	
20	KZN294	Maphumulo	
21	KZN281	uMfolozi	
22	KZN226	Mkhambathini	
23	KZN223	Mpotana	
24	KZN244	uMsinga	
25	KZN225	Msunduzi	
26	KZN285	Mthonjaneni	
27	KZN275	Mtubatuba	
28	KZN293	Ndwedwe	
29	KZN252	Newcastle	
30	KZN286	Nkandla	
31	KZN265	Nongoma	
32	KZN242	Nquthu	
33	KZN235	Okhahlamba	
34	KZN216	Ray Nkonyeni	
35	KZN227	Richmond	
36	KZN434	uBuhlebezwe	
37	DC21	Ugu DM	
38	KZN266	Ulundi	
39	KZN212	uMdoni	
40	DC22	uMgungundlovu DM	
41	KZN271	uMhlabuyalingana	
42	KZN282	uMhlatuze	
43	DC27	uMkhanyakude DM	
44	KZN284	uMlalazi	
45	KZN222	uMngeni	

No.	Demarcation Code	Name of Municipality	Pre-Audited Annual Financial Statements
			Date of Submission - 14 September 2018
46	KZN221	uMshwathi	[Red background]
47	KZN214	uMuziwabantu	
48	KZN245	uMvoti	
49	KZN435	uMzimkhulu	
50	DC24	uMzinyathi DM	
51	KZN213	uMzambe	
52	KZN262	uPhongolo	
53	DC23	uThukela DM	
54	DC26	Zululand DM	

Legend:

-  mSCOA data string has been submitted successfully and contains no segment validations errors
-  mSCOA data string has been submitted successfully however, there are segment validation errors
-  Stage 1 Validation error (Submitted with errors)
-  Data String Outstanding

Third-party integration tool and onsite assessments

At the National Treasury team meeting held on the 23 August 2018, a third-party integration assessment tool was demonstrated, and officials were trained on the use and completion of the tool. Provincial Treasuries were then requested over the period of September 2018 and October 2018 to conduct this assessment for each municipality within their respective provinces. As at 30 September 2018, only **21 municipalities (39 percent)** were visited with information outstanding particularly with regards to the date on when the municipality plans to implement the module/system or when does the municipality plans to integrate between the third-party system and the core financial system. The integration assessment focuses of the functionality as contained in MFMA Circular No. 80 and the functionality that should be in place for that particular category of municipality. This includes the following:

- Corporate governance;
- Municipal budgeting, planning and financial modelling;
- Financial accounting;
- Costing and reporting;
- Project accounting;
- Treasury and cash management;
- Procurement cycle: Supply chain management (SCM), Expenditure management, contract management and accounts payable;
- Grant management;
- Full asset life cycle management including maintenance management;

- Real estate and resource management;
- Human resource and payroll management;
- Land use and building control management;
- Valuation roll management;
- Revenue cycle: Meter reading, billing accounts receivable, revenue management and receipting; and
- Customer care, credit control and debt collection.

The results of the assessment would be consolidated and reported on receipt and completion of all site visits which is anticipated to be completed by the 31 October 2018.

Provincial Treasury Support to Municipalities and Entities

The KwaZulu-Natal Provincial Treasury has actively engaged municipalities and entities through various forums, training workshops, one on one sessions and district engagements. During this quarter, KwaZulu Natal Provincial Treasury held a CFO Forum on 13 September 2018, where CFOs were provided further guidance on the correction of validation errors and alignment to the Council Approved Budget.

Further to this, the appointed mSCOA advisors have provided **individual support to all municipalities** in **addressing the challenges at the municipality** with regards to the vendor, processing and understanding of mSCOA. This includes budgeting and transacting and clearing of validation errors on the data files and findings on the opening balances and how to correct this and the review of the general ledger and/or in-year reporting.

Way forward

Provincial Treasury will continue to engage with the municipalities in addressing the outstanding issues via monthly site visits, and frequent communication via email and telephonically as well as the various platforms such as mSCOA forums, CFO Forums and district engagements.

The focus areas of the mSCOA implementation team for the **next quarter is planned as follows:**

- Monitor and support municipalities in ensuring that the monthly data submissions are in compliance with National Treasury requirements and free from errors;
- Assist municipalities with the readiness for adjustment budget period for the 2018/2019;
- Review of the municipal data transactions to ensure the quality of the transactional data;
- Provision of guidance to municipalities on system implementation issues and governance matters;
- Capacity building of the Municipal Finance Unit in providing guidance to municipalities in adjustment budget preparation and the upcoming financial year budgeting process;
- Completion of the third-party integration assessment tool for all municipalities; and
- Review of the Audit Working Paper files for the mSCOA implementation for all municipalities.

2.17 Municipal Support and Oversight

Municipal Support and Oversight includes a summary of work performed by various Business Units within Provincial Treasury in the quarter under review in support to delegated municipalities in line with monitoring and supporting the municipalities as per chapter 2 of the MFMA. A full report from each Business Unit is available on request.

Financial Reporting

Financial Management Municipal Support Program

In terms of the Provincial Treasury's mandate to support municipalities in strengthening their financial management capacity, Provincial Treasury continued to provide financial management on-site support to identified municipalities within the province during the 2018/19 financial year. The fundamental objective of this program is to improve financial management practice by building the required skills and capacity to enable effective financial management practice and therefore improve the audit opinions received by these municipalities.

The on-site support intervention strategy conducted by the Financial Management Municipal Support Program entails the following:

- An assessment of the status of financial management practice at identified municipalities and the development of a project plan;
- Review or perform monthly general ledger reconciliations and monitoring of the quality of financial management reconciliations and accounting processes, as required;
- Address prior year audit matters as raised by the Auditor-General to ensure that such matters are resolved adequately;
- Provide guidance and oversight in the Asset Register preparation process and Asset Management processes or assist in the preparation of the Asset Register as required;
- Monitor and assist in the preparation of Interim Financial Statements and Annual Financial Statements (AFS);
- Preparation of AFS and supporting reconciliations and schedules, as required;
- Assistance in the preparation and review of the audit working paper files and addressing all financial management audit queries;
- Training and development of municipal officials in terms of financial management, including the preparation of the AFS;
- Monitor and implement compliance with the Municipal Finance Management Act No. 56 of 2003, and other relevant local government legislation;
- Provision of financial management support in areas of budgeting, income, expenditure and supply chain management (SCM);
- Provide support with the alignment and compliance of mSCOA requirements for financial management transactions;
- Attendance at Audit Steering Committee meetings, providing guidance and support during the audit process until the issue of the final audit report; and
- Attendance at management meetings that relate to financial management within the municipality.

Municipalities supported in the Financial Management Municipal Support Program for the 2018/19 municipal financial year

The Financial Management Support Program continued to be implemented during quarter 1 of the 2018/19 financial year, as municipalities were gearing towards the preparation of the AFS, audit working paper files and supporting documentation for the 2018/19 financial year.

Provincial Treasury has performed an assessment of the financial management matters for the municipalities that will require assistance from the financial management support program during the next financial year. The assessment indicated that there were eleven (11) municipalities that received qualifications, two (2) that received a disclaimer, two (2) that received adverse, thirty three (33) unqualified and six (6) clean audit opinions. A review of the audit report findings indicated that material losses and material impairments received the most comment in the main audit report. Compliance matters reported centered around expenditure management, procurement and contract management, annual financial statements, irregular and fruitless and wasteful expenditure.

Provincial Treasury completed an assessment of audit opinions received by municipalities for the 2016/17 financial year and identified municipalities for support, as per Table 24 below.

Table 24: List of the municipalities supported during quarter 1 under the Financial Management Municipal Support Program

No	Name of Municipality	2016/17 Audit Opinion	Extent of support	Preparation of annual financial statements	Monthly reconciliations & accounting processes	Prior year audit queries	Working paper file preparation
1	Harry Gwala DM	Qualified	Full time Support		✓	✓	✓
2	uThukela DM	Qualified	Full time Support		✓	✓	✓
3	uMzinyathi DM	Adverse	Full time Support		✓	✓	✓
4	uMsinga	Qualified	One week on site support		✓	✓	✓
5	iMpendle	Unqualified	Full time Support	✓	✓	✓	✓
6	Big Five Hlabisa	Qualified	Full time Support		✓	✓	✓
7	eMadlangeni	Unqualified	Full time Support	✓	✓	✓	✓
8	Richmond	Unqualified	Full time Support		✓	✓	✓

The support program commenced in June 2018 and it is anticipated to be concluded in November 2018 for Harry Gwala District, uThukela District and uMzinyathi District Municipalities.

It was considered necessary that Provincial Treasury continue support provided to iMpendle Local Municipality to assist with the accounting policy change from the revaluation model to the cost model for certain assets and to assist with the preparation of the Annual Financial Statements (AFS). Support was also continued at Big Five Hlabisa Local Municipality to provide continued support and skills. Support was provided to uMsinga Local Municipality for one week to assist with the development of a year-end action plan.

Requests for financial statements preparation support was received from eMadlangeni Local Municipality and Richmond Local Municipality due to capacity constraints experienced by these municipalities. Assistance was rolled out to these municipalities from July 2018 and August 2018, respectively, and will continue until November 2018.

Challenges identified during the implementation of the Financial Management Municipal Support Program

The challenges faced by municipalities are similar each year and show little improvement over the financial periods. The challenges identified during the financial management support and preparation of AFS initiative include, among others, the following:

- A lack of resources due to the continued high levels of vacancies/skills at the municipalities in order for effective skills transfer to take place, particularly in the preparation of the AFS and dealing with audit queries;
- The resignation of key officials, like Chief Financial Officers, during key periods resulting in municipal officials acting in positions for long periods without filling the vacancies.
- A significant reliance is placed on Provincial Treasury support, consultants or interns to perform the work of municipal officials, without adequate commitment from officials within the municipalities;
- The implementation of the Municipal Standard Chart of Accounts (mSCOA) has reduced the capacity available at these municipalities to undertake financial management responsibilities;
- Poor record keeping and supporting documentation for correcting of prior period errors identified in the prior year audit;
- Inadequate skills on credit control and debt management, including basic financial accounting and document management systems in most instances;
- Lack of systems to address audit queries and recommendations, both internal and external auditing;
- Inadequate asset management processes within the municipality, which impacts on the maintenance of the asset register and reporting thereof which is in most cases done only at year end;
- Poor controls over routine accounting processes: Reconciliations are incorrect/incomplete/lack of supporting schedules;
- Occurrence of irregular, fruitless and wasteful expenditure resulting from non-compliance with legislation and supply chain processes, and wasteful expenditure which could have been avoided;
- Little or no action taken in investigating or condoning the unauthorised, irregular, fruitless and wasteful expenditure;
- Lack of evidence based reporting and preparation of audit working paper files; and
- Availability of Municipal Financial Management Officials to address identified challenges.

Provincial Treasury shall continue to support these municipalities by means of continued assistance until 30 November 2018, including addressing current year audit queries and processing adjustments to the financial statements, as required. An assessment of the capacity and financial management matters that still require attention will be performed toward the end of the financial management support program in order to determine future support for the next financial year.

Annual Financial Statements Review Support

Provincial Treasury conducted the review of the annual financial statements for the 2017/18 financial year for identified municipalities in the province, during the month of August 2018. The objective of the review was to ensure that municipalities financial statements comply with the GRAP accounting framework as well as improve the quality of annual financial statements submitted to the Auditor-General for audit.

During quarter one skills transfer and training on the process for the review of the AFS took place at 5 municipalities Ray Nkonyeni, Mandeni, uMfolozi and uPhongolo Local Municipalities and iLembe District Municipality. Training at the remaining municipalities is scheduled to take place during quarter two pending final approval from the municipal officials.

Table 25: Municipalities where the Annual Financial Statements were reviewed during quarter one

No	Name of Municipality	No	Name of Municipality	No	Name of Municipality
1	Harry Gwala DM	7	eDumbe	13	Richmond
2	uThukela DM	8	iLembe DM	14	Amajuba DM
3	uMzinyathi DM	9	uMfolozi	15	uMgungundlovu DM
4	iMpendle	10	Ray Nkonyeni	16	Nongoma
5	Big Five Hlabisa	11	Mandeni	17	Nkandla
6	eMadlangeni	12	uPhongolo	18	Mkhambathini

The significant challenges identified during the annual financial statements review were as follows:

- The annual financial statements review was significantly delayed due to the annual financial statements still being prepared, with majority of the reviews taking place in the last week of August;
- The annual financial statements were incomplete at the time of review, particularly asset information and supporting documentation for the annual financial statements, including working papers;
- Audit working paper files were still in the process of being compiled; and
- The intention was to transfer skill to internal audit officials at these municipalities. In many instances, internal audit officials were not appointed or not available to undertake the review with the Provincial Treasury team.

Asset Management Improvement Program

In response to the continuing challenges faced by municipalities and the resulting impact on audit outcomes, particularly as it relates to Asset Management, Provincial Treasury continued to provide hands on assistance to municipalities whom require asset management support. Assistance was provided from National Treasury in the form of a resource from Municipal Finance Improvement Programme (MFIP III) – Asset Management whose aim is to address weaknesses identified with the establishment of an asset management steering committee, capacitation of the asset management unit and assistance with the development of policies and procedures.

A total of 13 municipalities have been selected for inclusion in the asset management programme, however only 9 municipalities were provided with support during this quarter as noted in Table 26. The remaining 4 municipalities namely, iMpendle LM, Ulundi LM, uThukela DM and uMkhanyakude DM, were contacted for support but did not use the services of the MFIP Asset Advisor.

Table 26: Municipalities supported the following during Quarter 1 of 2018/19

No	Name of the municipality	Asset Register / Asset Components reviewed	Asset Management guidance and assistance provided	Other support provided
1	Alfred Duma		Guidance provided on the prior period error on infrastructure assets.	Support has been redirected from the MFIP Asset Advisor to the resident MFIP Financial Advisor.
2	AbaQulusi	Reviews performed prior to submission and guidance provided.	On-site meetings held including assistance with prior year queries and guidance for current asset register.	Discussions held on MFIP focus areas.
3	Richmond	Reviews performed prior to submission and guidance provided. Final review performed in September and further comments were provided on issues of concern.	On-site meetings held including assistance with prior year queries and guidance for current asset register and physical verification process.	Discussions held on MFIP focus areas.
4	Jozini		On-site meetings held including assistance with prior year queries and guidance for current asset register and physical verification process.	Maintenance planning strategy reviewed and comments provided.
5	uMsinga	Review performed in September and comments were provided on issues of concern.	Workshop held on MFIP Focus areas.	
6	Mpofana		On-site meetings held including assistance with prior year queries and guidance for current asset register preparation.	
7	uPhongolo	Reviews performed prior to submission and guidance provided. Final review performed in September and further comments were provided on issues of concern.	On-site meetings held including assistance with prior year queries and guidance for current asset register.	
8	Harry Gwala DM	Reviews performed prior to submission and guidance provided. Final review performed in September and further comments were provided on issues of concern.		Asset Management Policy reviewed and comments provided. Attendance at financial recovery plan meeting held by NT.
9	uMzinyathi DM	Reviews performed prior to submission and guidance provided. Final review performed in September and further comments were provided on issues of concern.	On-site meetings held including assistance with prior year queries and guidance for current asset register.	

The support provided this quarter related to reviews of the draft asset register and asset components prior to the submission of the AFS on 31 August 2018. Reviews of the final asset registers provided to audit were also performed and comments provided to municipal officials for review and follow up. On site guidance was also provided by the MFIP Asset Advisor including assistance with prior period errors and guidance on the finalisation of the 2017/18 asset registers. Other support in the form of the review of policies and strategies provided as well as monitoring the status of the MFIP action plans and focus areas.

The significant challenge experienced during the implementation of the asset management support, amongst others, is the following:

- As mentioned in previous period the asset management activities related to the physical verification, condition assessments, impairments, depreciation calculations, additions, disposals and assets under construction transfers all occur at year end and are not executed throughout the year;
- The appointment of consultants to assist with the preparation of the asset register very close to year end;
- Lack of capacity or skills of officials responsible for asset management. The municipalities visited have an Assets Management Unit capacity disparity, as well as an oversight weakness, and it is included as a source of activity in the Action Plans for each selected municipality; and
- Lack of oversight and management of the assets by the Municipal Management Officials.

Asset management training, particularly aimed at adequate planning for assets is planned for quarter three.

Banking and Cash Management

Quarterly Withdrawals from Municipal Bank Accounts

Background

In terms of Section 11(4) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) “*The accounting officer must within 30 days after the end of each quarter:*

- (a) *table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that quarter; and*
- (b) *submit a copy of the report to the relevant Provincial Treasury and the Auditor General.*”

Municipalities were provided with National Treasury MFMA Circular No. 61 on Banking, Overdrafts and Investments, dated April 2012.

Progress/Outcome

Table 27 lists the municipalities that have not submitted the first quarterly withdrawal report in respect of the 2018/2019 financial year.

Table 27: Municipalities that have Outstanding Quarterly Withdrawal Reports for 2018/19

No	Name of Municipality	No	Name of Municipality	No	Name of Municipality	No	Name of Municipality
1	uMshwathi	11	Ugu DM	21	uMhlatuze	31	Newcastle
2	Dannhauser	12	uMdoni	22	Richmond	32	eMadlangeni
3	Msunduzi	13	uMzambe	23	Mthonjaneni	33	uMhlabuyalingana
4	uMzinyathi DM	14	uMuziwabantu	24	Nkandla	34	Jozini
5	eNdumeni	15	Ray Nkonyeni	25	Harry Gwala DM	35	Big Five Hlabisa
6	Nquthu	16	uThukela DM	26	Nongoma	36	iLembe DM
7	uPhongolo	17	Okhahlamba	27	uMngeni	37	Ndwedwe
8	AbaQulusi	18	iNkosi Langalibalele	28	Mpofana	38	Maphumulo
9	uMfolozi	19	Alfred Duma	29	Mkhambathini	39	Mandeni
10	uMvoti	20	Ulundi	30	uMsinga	40	uMlalazi

Status of support offered to Municipalities

Background

Provincial Treasury to assist all municipalities during the 2018/19 financial year in respect of the under mentioned sections of the Municipal Financial Management Act, No.56 of 2003.

- Section 11(4) – Quarterly bank withdrawal reports.
- Section 8(5) – Primary Bank Account.
- Section 9(b) – Details of all bank accounts details before year-end.
- Section 45(4) (a) – Short Term Debt.
- Section 13 – Investment and Cash Management Policy.

Progress/outcome

Visit municipalities when required to provide assistants on the following applicable sections of the Municipal Finance Management Act:

During the First quarter for the 2018/19 financial year telephonic support was provided to all municipalities on the above applicable sections of the Municipal Financial Management Act.

Bank Accounts

Background

In terms of Section 9 and 86 of the MFMA “*the accounting officer of a municipality must submit to provincial treasury in writing within 90 days after opening a bank account, the details of such new bank account and annually before the start of the financial year. This applies to municipal entities as well*”.

Progress/ Outcome

Provincial Treasury monitors changes to primary bank accounts.

During April 2018, a request in terms of section 9(b), 86(1)(b) & 86(2), was sent to all municipalities requiring the accounting officer to submit a schedule of all bank accounts held by the municipality and of those held by any municipal entities.

Table 28 lists the municipalities that have not submitted their bank account details in respect of the 2017/2018 financial year.

Table 28: Municipalities that have not submitted their bank account details in respect of the 2017/18 financial year

No	Name of Municipality	No	Name of Municipality	No	Name of Municipality	No	Name of Municipality
1	uMshwathi	15	Ugu DM	28	uMhlatuze	41	Newcastle
2	Dannhauser	16	uMdoni	29	Richmond	42	eMadlangeni
3	Msunduzi	17	uMzumbe	30	Mthonjaneni	43	uMhlabuyalingana
4	uMzinyathi DM	18	uMuziwabantu	31	Nkandla	44	Jozini
5	eNdumeni	19	Ray Nkonyeni	32	Harry Gwala DM	45	Big Five Hlabisa
6	Nquthu	20	uThukela DM	33	Nongoma	46	iLembe DM
7	uPhongolo	21	Okhahlamba	34	uMngeni	47	Ndwedwe
8	AbaQulusi	22	iNkosi Langalibalele	35	Mpofana	48	Maphumulo
9	uMfobozi	23	Alfred Duma	36	Mkhambathini	49	Mandeni
10	uMvoti	24	Ulundi	37	uMsinga	50	uMlalazi
11	Amajuba DM	25	KwaDukuza	38	uMgungundlovu DM	51	Zululand DM
12	uMkhanyakude DM	26	uBuhlebezwe	39	iMpendle	52	eDumbe
13	Mtubatuba	27	Dr. Nkosazana Dlamini Zuma	40	uMzimkhulu	53	King Cetshwayo DM
14	Greater Kokstad						

Cash Management and Investments

Background

In terms of Section 13(1) of the MFMA “*The Minister, acting with the concurrence of the Cabinet member responsible for local government, may prescribe a framework within which municipalities must—*

- (a) *conduct their cash management and investments; and*
 (b) *invest money not immediately required.*

(2) *A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be prescribed in terms of subsection (1).”*

Progress/ Outcome

All Municipalities were provided with:

- a) Municipal Investment Regulations (Government Gazette No. 27431)
- b) A generic investment policy

These are to be used by the municipalities to tailor their own investment policy in order to ensure compliance with the Regulations and to make economically beneficial investments.

Impending Overdrafts

Background

In terms of Section 70(2) of the MFMA “*If a municipality’s bank account, or if the municipality has more than one bank account, the consolidated balance in those bank accounts, shows a net overdraft position for a period exceeding a prescribed period, the accounting officer of the municipality must promptly notify the National Treasury in the prescribed format of-*

- (a) the amount by which the account or accounts are overdrawn;*
- (b) the reason for the overdrawn account or accounts; and*
- (c) the steps taken or to be taken to correct the matter.*

Progress/ Outcome

In Terms of National Treasury MFMA Circular No. 61 on Banking, Overdrafts and Investments, dated April 2012 municipalities must notify a net overdraft exceeding 3 months for municipalities and 21 days for municipal entities to National Treasury as well as Provincial Treasury.

Municipalities were once again made aware of the reporting requirements in terms of Section 70, 74 and 101 of the Municipal Finance Management Act by issuing a circular in October 2018 in this regard. No municipality reported any impending overdrafts during the first quarter.

Supply Chain Management (SCM)

In the quarter under review, the following municipalities shown in Table 29 were supported in various aspects of the SCM which include the following amongst others:

- SCM training;
- Routine Compliance Assessment;
- Contract Management and
- Assistance regarding SCM processes and procedures etc.

Table 29: List of municipalities supported on SCM activities in Quarter 1 of 2018/19

No	Name of Municipality	No	Name of Municipality	No	Name of Municipality	No	Name of Municipality
1	Mpofana	5	Dannhauser	9	King Cetshwayo DM	13	Ndwedwe
2	Mkhambathini	6	uMdoni	10	uMhlathuze	14	iLembe DM
3	Ray Nkonyeni	7	iNkosi Langalibalele	11	uMkhanyakude DM		
4	Newcastle	8	Nkandla	12	Maphumulo		

Internal Audit

Purpose

The purpose of this report is to provide the status of the work performed from 01 July 2018 to 30 September 2018 with regards to Risk Management and Internal Audit Services to municipalities and municipal entities.

Background

The Provincial Internal Audit Services provides risk management and internal audit support to municipalities. Below is the summary of the work done by the Unit during quarter one which ended on 30 September 2018.

1. Risk and Control Assessment Workshops

Risk and control assessment workshops were conducted for the following Municipalities and **final reports** were issued:

Table 30: List of municipalities that participated in risk and control workshops

No.	Name of Municipality	No.	Name of Municipality	No.	Name of Municipality
1	Okhahlamba	3	uMkhanyakude DM	5	uMzinyathi DM
2	uMuziwabantu	4	Nquthu	6	uMvoti

2. Follow up action plans

None performed during the period under review.

3. Training and awareness

The following trainings were conducted during the quarter (July – September 2018)

- Harry Gwala District Municipality
- Umzinyathi District Municipality

4. Internal Audit Support / OHS practices review

None for the period under review

5. Weaknesses observed

Municipalities visited during the period under review provided the following observations:

- **Risk and Control Assessment**

Municipalities continue to treat risk management as a mere compliance issue and as a result it is not imbedded within municipal processes. Silos mentality in dealing with risk management is also contributing to the poor maturity of risk management. Most municipalities are sending junior officials to the risk and control workshop and this creates a challenge as junior officials do not want or do not have the authority to commit in terms of identifying risks and action plans to be implemented. Actions plans identified by junior officials are easily disregarded by heads of department. This leads to repeat findings year in and year out.

- **Audit Committee Induction**

Not all audit committee members attended the induction. This could result in the audit committee not being effective in executing its functions.

- **Risk Management Training**

Lack of understanding of basic concepts of risk management was observed during the one training provided to Risk Champions. The issue might create challenges for the municipality as it strives to embed risk management with the municipality.

Inter-governmental Relations (IGR)

Interns MFMA Induction Program

In spite of four MFMA induction workshops successfully coordinated by IGR in the 2017/18 financial year for the then newly appointed interns and personnel, there are still municipalities that never participated in the programme. The analysis of attendance indicated that the workshops were only attended by about 50 percent of the municipalities. Due to this poor attendance, the Head of Department approved one “mop-up” workshop to accommodate the municipalities that could not attend at the respective venues late last year. This workshop took place in eThekweni on 5 – 6 July 2018 and the attendance was as follows:

Table 31: List of municipalities that participated in intern induction programme

Date	Municipality	Day 1	Day2
5-6 July 2018	Ethekwini	15	18
	uMzinyathi DM	1	1
	Mthonjaneni	5	4
	uMngeni	4	5
	King Cetshwayo DM	4	1
	iMpendle	2	1
	TOTAL	31	30

The following 22 municipalities have still not participated in the induction:

Table 32: List of municipalities that have not yet participated in intern induction program

No	Name of Municipality	No	Name of Municipality	No	Name of Municipality	No	Name of Municipality
1	Jozini	7	Mkhambathini	13	Ugu DM	19	eMadlangeni
2	Mtubatuba	8	uMshwathi	14	uMzambe	20	Newcastle
3	uPhongolo	9	Richmond	15	uMuziwabantu	21	Harry Gwala DM
4	Zululand DM	10	AbaQulusi	16	Nkandla	22	Msinga
5	eDumbe	11	uMfolozi	17	Mandeni		
6	Ulundi	12	uMlalazi	18	iNkosi Langaibalele		

Quarter one Summary

Total KZN municipalities including metro	: 54
Total municipalities attended	: 32
Total municipalities that did not attend	: 22
Total interns inducted	: 245

Municipal Support Programme (MSP)

The Municipal Support Program (MSP) within the Municipal Finance Unit was established to assist and provide technical support to delegated municipalities in financial distress. The main objective of the program is to identify the root cause of financial problems experienced by the municipalities, support the municipalities where their financial sustainability is threatened and implement support initiatives that will assist the municipalities to improve their financial health.

The Value Added Tax (VAT) and Pay As You Earn (PAYE) Review initiatives are intended to address the shortcomings relating to the management of VAT and PAYE. The filing of VAT and PAYE Returns by municipalities and the processes associated with these functions have often been outsourced to service providers which resulted in external resources preparing and filing the Returns on behalf of the municipality at a considerable cost thereto. Consequently, the municipal officials have not necessarily been trained in the tasks involved and could be unaware of the best practices to follow in fulfilling these responsibilities. The VAT and PAYE Review initiatives aims to capacitate municipalities to undertake the function on their own.

The MSP also launched the “Guide to Grant Management” in the 2017/18 financial year. The guide presents a holistic approach to effective grant management with the intention of embedding key foundation principles in a municipal environment, covering areas such as municipal planning, budgeting, financial accounting and reporting, cash management, compliance as well as document management. The publication has been rolled-out to three pilot municipalities which included intensive grant management training.

Table 33: Municipalities supported by Municipal Support Program in Quarter One of 2018/19

No.	Municipality	PROJECT		
		VAT	PAYE	GRANT MANAGEMENT
1	uMshwathi	✓		
2	iMpendle	✓	✓	
3	uMsinga	✓	✓	
4	Newcastle			✓
5	Amajuba DM		✓	
6	AbaQulusi	✓	✓	✓
7	Big Five Hlabisa		✓	
8	King Cetshwayo DM			✓
9	Mandeni		✓	
10	iLembe DM	✓	✓	

Annexure A: Operating Revenue -1st Quarter 2018/19

R'000	Original Budget	Adjusted Budget	Unaudited Actual	% Generated	Detail																	
					Property rates	Property rates - penalties and collection charges	Service charges -electricity revenue	Service charges - water revenue	Service charges -sanitation revenue	Service charges -refuse revenue	Service charges -Other	Rental of facilities and equipment	Interest earned - external investments	Interest earned - outstanding debtors	Dividends received	Fines	Licences and permits	Agency services	Transfers recognised - operational	Other own revenue	Gains on disposal of PPE	
A	KZN2000 eThekweni	35 175 463	-	9 149 046	26.0	1 865 737	-	2 809 167	1 045 030	191 606	162 417	-	208 974	118 002	679 574	-	(50 569)	7 571	2 126	1 961 466	146 969	977
B	KZN212 uMdoni	296 829	-	94 203	31.7	40 993	-	-	-	-	1 359	2 127	1 505	3 137	1	-	1 150	1 969	-	40 889	1 073	-
B	KZN213 uMzombe	156 383	-	55 962	35.8	-	-	-	-	-	-	-	63	-	3 055	-	1	4	-	52 619	59	161
B	KZN214 uMuziwabantu	177 023	-	64 120	36.2	15 842	-	7 269	-	-	598	909	12	3 176	-	-	9	118	460	35 773	(46)	-
B	KZN216 Ray Nkonyeni	987 501	-	326 541	33.1	156 789	-	32 923	-	-	19 464	-	8 297	(4 100)	883	-	288	1 686	879	97 623	11 809	-
C	DC21 Ugu DM	894 514	-	273 929	30.6	-	-	-	64 539	22 402	-	-	89	-	1 966	-	-	-	-	182 713	2 221	-
	Total: Ugu Municipalities	2 512 249	-	814 755	32.4	213 623	-	40 191	64 539	22 402	21 422	3 036	9 966	2 213	5 905	-	1 448	3 776	1 339	409 616	15 117	161
B	KZN221 uMshwathi	159 192	-	59 472	37.4	11 692	-	-	-	-	599	-	202	377	2 472	-	9	-	686	43 308	127	-
B	KZN222 uMngeni	391 818	-	100 847	25.7	47 035	2 071	22 436	-	-	1 786	-	198	463	-	-	42	755	-	25 260	801	-
B	KZN223 Mpotlana	149 754	-	34 863	23.3	3 793	-	15 416	-	-	894	-	9	-	-	-	9	500	-	14 141	102	-
B	KZN224 iMpendle	44 674	-	18 348	41.1	969	-	-	-	-	-	15	8	369	-	-	-	23	-	-	16 964	-
B	KZN225 Msunduzi	5 032 038	-	1 324 408	26.3	230 349	3 980	580 465	152 257	37 548	27 066	(1)	6 339	5 900	41 532	-	257	268	128	219 798	18 479	43
B	KZN226 Mkhambathini	93 577	-	37 759	40.4	3 706	-	-	-	-	44	88	425	-	513	-	-	1 506	-	31 042	424	12
B	KZN227 Richmond	103 545	-	50 136	48.4	11 155	-	-	-	-	274	-	177	717	36	-	630	144	-	36 930	72	-
C	DC22 uMgungundlovu DM	827 071	-	284 288	34.4	-	-	59 514	-	9 833	-	-	57	73	8 083	-	-	-	-	205 991	736	-
	Total: uMgungundlovu Municipalities	6 801 668	-	1 910 121	28.1	308 698	6 051	618 316	211 772	47 381	30 663	102	7 414	7 899	52 636	-	947	3 195	814	576 470	37 706	55
B	KZN235 Okhahlamba	174 738	-	61 235	35.0	7 556	-	61 235	-	-	647	-	42	808	-	-	600	630	115	50 705	132	-
B	KZN237 iNkosi Langalibalele	516 163	-	193 197	37.4	48 785	5 486	66 345	-	-	1 423	733	46	89	17	-	64	376	-	68 978	856	-
B	KZN238 Alfred Duma	832 320	-	288 787	34.7	60 834	1 739	119 472	-	-	7 858	29	706	3 942	1 476	-	4 725	1 179	-	86 111	717	-
C	DC23 uThukela DM	758 374	-	240 711	31.7	-	-	-	69 037	4 344	-	-	-	1 200	12 936	-	-	-	-	152 490	705	-
	Total: uThukela Municipalities	2 281 594	-	783 930	34.4	117 175	7 225	185 817	69 037	4 344	9 928	762	794	6 039	14 429	-	5 388	2 185	115	358 284	2 409	-
B	KZN241 eDumeni	344 972	-	90 842	26.3	31 884	2 204	30 607	-	-	5 646	-	277	572	-	-	314	1 025	-	17 961	353	-
B	KZN242 Nquthu	178 585	-	96 745	54.2	35 748	296	3 338	-	-	567	-	89	4 515	226	-	200	210	-	51 416	141	-
B	KZN244 uMsinga	196 826	-	183 168	93.1	317	-	-	-	-	63	-	122	536	-	-	-	-	-	181 965	164	-
B	KZN245 uMvoti	262 953	-	96 229	36.6	23 397	-	17 992	-	-	2 253	-	251	692	1 091	-	2	774	(1)	49 500	277	-
C	DC24 uMzinyathi DM	420 804	-	169 057	40.2	-	-	-	10 427	1 927	-	3	144	14 765	4 203	-	-	-	-	136 762	826	-
	Total: Umzinyathi Municipalities	1 404 141	-	636 041	45.3	91 345	2 500	51 937	10 427	1 927	8 530	3	883	21 080	5 520	-	516	2 009	(1)	437 603	1 761	-
B	KZN252 Newcastle	1 768 721	-	531 042	30.0	79 798	-	195 742	46 069	28 920	21 688	-	2 061	634	2 206	-	1 027	3	-	148 944	3 948	-
B	KZN253 eMadlangeni	75 347	-	25 191	33.4	5 007	-	3 742	-	-	362	-	290	-	845	-	190	256	-	14 299	200	-
B	KZN254 Dannhauser	192 547	-	2 456	1.3	1 612	-	-	-	-	86	-	7	14	-	-	13	34	82	-	609	-
C	DC25 Amajuba DM	189 318	-	84 816	44.8	-	-	5 699	337	-	-	-	6	979	1 399	-	-	-	-	76 394	2	-
	Total: Amajuba Municipalities	2 225 933	-	643 504	28.9	86 417	-	199 484	51 768	29 257	22 136	-	2 363	1 628	4 449	-	1 230	293	82	239 636	4 759	-
B	KZN261 eDumbe	125 707	-	16 367	13.0	2 245	1 442	2 483	-	-	-	1 278	1 392	-	325	-	60	230	-	6 869	43	-
B	KZN262 uPhongolo	227 291	-	72 503	31.9	6 033	-	9 179	-	-	2 791	-	104	458	1 779	-	3	343	184	51 400	228	-
B	KZN263 Abaqulusi	517 105	-	107 410	20.8	18 076	-	23 712	8 694	6 785	5 057	23 744	3 135	-	-	-	305	995	-	1 456	15 451	-
B	KZN265 Nongoma	173 695	-	74 107	42.7	13 579	-	-	-	-	-	480	50	1 447	-	-	102	212	-	58 205	33	-
B	KZN266 Ulundi	307 201	-	286 293	93.2	99 767	-	167	-	-	(2 215)	17 593	121	3 257	-	-	556	-	-	167 002	46	-
C	DC26 Zululand DM	562 673	-	190 309	33.8	-	-	-	4 355	1 678	-	-	51	4 352	18	-	3	-	-	179 464	388	-
	Total: Zululand Municipalities	1 913 673	-	746 989	39.0	139 700	1 442	35 541	13 049	8 463	5 632	43 096	4 852	9 513	2 122	-	1 028	1 780	184	464 396	16 189	-
B	KZN271 uMhlabuyalingana	185 561	-	70 615	38.1	4 993	-	-	-	-	142	-	88	234	364	-	-	2	-	63 424	1 368	-
B	KZN272 Jozini	224 318	-	95 078	42.4	17 954	-	-	-	-	-	949	203	31	5 803	-	22	281	-	69 821	13	-
B	KZN275 Mtubatuba	219 659	-	78 562	35.8	13 171	-	-	-	-	1 701	574	41	402	679	-	594	280	-	61 014	105	-
B	KZN276 Big Five Hlabisa	132 085	-	16 841	12.8	2 347	-	-	-	-	512	-	49	528	-	-	-	644	-	8 485	4 276	-
C	DC27 uMkhanyakude DM	455 028	-	166 324	36.6	-	-	1 806	5 327	212	-	-	24	1 865	-	-	-	-	-	157 044	46	-
	Total: Umkhanyakude Municipalities	1 216 650	-	427 420	35.1	38 465	-	1 806	5 327	212	2 356	1 524	405	3 060	6 846	-	616	1 207	-	359 788	5 808	-
B	KZN281 uMfolozi	147 527	-	56 026	38.0	3 091	-	-	-	-	153	-	24	130	94	-	112	104	-	52 290	28	-
B	KZN282 uMhlatuze	3 054 874	-	904 178	29.6	150 566	-	438 827	107 326	25 231	26 629	-	1 452	9 569	514	-	1 940	852	1 520	135 940	2 839	973
B	KZN284 uMlalazi	360 201	-	131 966	36.6	41 933	-	13 574	-	-	3 238	-	692	1 201	-	-	1 263	9	893	68 908	256	-
B	KZN285 Mthonjaneni	128 221	-	12 478	9.7	6 605	-	5 072	-	-	392	-	25	79	72	-	-	133	-	1	100	-
B	KZN286 Nkandla	136 655	-	(11 733)	(8.6)	(14 029)	1	1	-	-	-	1 408	187	154	121	-	2	12	-	2	408	-
C	DC28 King Cetshwayo DM	698 201	-	245 424	35.2	-	-	-	14 028	1 883	7 286	-	31	9 805	541	-	2	-	-	204 961	6 887	-
	Total: King Cetshwayo Municipalities	4 525 678	-	1 338 339	29.6	188 165	1	457 474	121 354	27 114	37 699	1 408	2 410	20 937	1 342	-	3 319	1 110	2 413	462 103	10 517	973
B	KZN291 Mandeni	247 900																				

Annexure B: Operating Expenditure -1st Quarter 2018/19

R'000	Original Budget	Adjusted Budget	Unaudited Actual	% Spent	Detail											
					Employee related costs	Remun. of councillors	Debt impairment	Depreciation and asset impairment	Finance charges	Bulk purchases	Other Materials	Contracted services	Transfers and grants	Other expenditure	Loss on disposal of PPE	
A	KZN2000 eThekweni	35 227 111	-	6 934 967	19.7	2 324 099	27 898	610	629 007	(5 127)	2 588 123	112 141	834 336	86 806	337 077	(3)
B	KZN212 uMdoni	296 829	-	49 246	16.6	21 227	3 451	-	-	59	-	642	13 531	1 010	9 325	-
B	KZN213 uMzombe	190 255	-	25 066	13.2	10 656	4 021	-	-	26	-	5	5 145	791	4 384	39
B	KZN214 uMuziwabantu	184 351	-	17 393	9.4	(427)	14	-	-	113	10 462	179	1 048	765	5 239	-
B	KZN216 Ray Nkonyeni	945 363	-	118 515	12.5	30 231	4 684	472	-	-	21 381	896	23 383	1 125	36 342	-
B	DC21 Ugu DM	884 865	-	234 632	26.5	108 141	2 414	-	-	440	8 839	327	81 919	5	31 126	1 420
	Total: Ugu Municipalities	2 501 663	-	444 853	17.8	169 829	14 584	472	-	637	40 682	2 050	125 027	3 696	86 416	1 458
B	KZN221 uMshwathi	153 299	-	27 376	17.9	15 884	2 269	-	-	-	-	-	3 544	-	5 679	-
B	KZN222 uMngeni	391 608	-	101 285	25.9	24 859	2 039	-	8 085	978	42 311	217	11 765	425	10 606	-
B	KZN223 Mpofana	177 452	-	41 425	23.3	9 843	690	-	-	-	23 374	448	3 291	-	3 780	-
B	KZN224 iMpindle	54 633	-	12 700	23.2	7 715	802	-	-	10	-	-	720	59	2 934	459
B	KZN225 Msunduzi	4 928 912	-	1 085 577	22.0	283 642	11 060	370	118 449	12 669	530 877	18 161	71 968	8 844	29 537	-
B	KZN226 Mkhambathini	112 650	-	18 447	16.4	7 917	894	-	-	13	-	25	5 885	-	3 645	69
B	KZN227 Richmond	124 459	-	3 149	2.5	-	-	-	-	2	-	395	1 526	-	1 225	-
C	DC22 uMgungundlovu DM	808 648	-	165 009	20.4	55 297	2 791	24 386	10 850	2 198	26 355	-	34 485	-	8 647	-
	Total: uMgungundlovu Municipalities	6 751 660	-	1 454 968	21.5	405 158	20 546	24 756	137 384	15 869	622 917	19 246	133 183	9 328	66 053	528
B	KZN235 Okhahlamba	183 018	-	38 852	21.2	18 562	2 555	-	-	164	-	253	9 838	23	7 457	-
B	KZN237 iNkosi Langalibalele	499 914	-	57 712	11.5	39 520	3 491	-	-	1 679	116	1 295	5 373	-	6 237	-
B	KZN238 Alfred Duma	995 475	-	169 317	17.0	71 484	6 111	-	-	159	58 787	2 560	9 435	650	20 130	-
B	DC23 uThukela DM	720 109	-	88 146	12.2	65 599	1 602	-	-	11	-	506	10 638	323	9 465	-
	Total: uThukela Municipalities	2 398 516	-	354 026	14.8	195 165	13 759	-	-	2 014	58 903	4 615	35 284	996	43 290	-
B	KZN241 eNdameni	341 564	-	70 773	20.7	27 023	1 166	-	-	-	23 612	117	6 357	864	11 635	-
B	KZN242 Nquthu	179 596	-	30 245	16.8	13 225	2 818	-	-	-	4 833	-	1 553	1 359	6 456	-
B	KZN244 uMsinga	234 673	-	36 020	15.3	13 540	2 822	-	-	-	-	-	6 085	-	13 573	-
B	KZN245 uMvoti	299 897	-	63 085	21.0	24 636	2 427	-	6 956	170	13 385	1 278	6 798	250	7 184	-
C	DC24 uMzinyathi DM	423 579	-	82 706	19.5	29 806	1 302	-	-	-	9 568	12 228	11 070	-	18 732	-
	Total: Umzinyathi Municipalities	1 479 310	-	282 827	19.1	108 230	10 534	-	6 956	170	51 397	13 623	31 863	2 473	57 579	-
B	KZN252 Newcastle	2 234 510	-	493 716	22.1	147 676	6 208	24 492	91 694	11 219	160 616	471	4 649	-	46 690	-
B	KZN253 eMadlangeni	74 447	-	15 440	20.7	7 676	796	-	-	21	4 457	325	1 071	-	1 095	-
B	KZN254 Dannhauser	219 189	-	10 822	4.9	4 632	1 459	-	-	439	-	5	2 060	-	2 243	(17)
C	DC25 Amajuba DM	231 651	-	46 191	19.9	20 585	1 850	-	-	777	1 409	-	3 274	-	10 001	-
	Total: Amajuba Municipalities	2 759 796	-	566 169	20.5	180 570	10 313	24 492	99 988	12 455	166 483	801	11 055	-	60 028	(17)
B	KZN261 eDumbe	123 998	-	30 456	24.6	3 144	542	-	-	143	3 128	-	23 293	-	205	-
B	KZN262 uPhongolo	263 912	-	52 639	19.9	20 430	1 703	-	3 185	508	2 709	609	6 640	-	16 854	-
B	KZN263 Abaqulusi	540 078	-	80 616	14.9	12 977	-	-	-	-	45 458	3 139	6 512	157	12 346	27
B	KZN265 Nongoma	164 775	-	64 157	38.9	21 452	3 420	-	-	-	-	1 241	29 859	-	8 185	-
B	KZN266 Ulundi	342 860	-	51 579	15.0	32 056	3 620	-	7 549	11	-	-	3 574	-	4 768	-
C	DC26 Zululand DM	624 184	-	125 758	20.1	50 115	3 476	-	-	-	20 896	1 485	36 460	247	13 079	-
	Total: Zululand Municipalities	2 059 806	-	405 204	19.7	140 175	12 761	-	10 734	662	72 191	6 474	106 339	404	55 437	27
B	KZN271 uMhlabyalingana	184 497	-	37 952	20.6	14 941	3 040	-	5 303	-	-	-	4 647	117	9 903	-
B	KZN272 Jozini	233 773	-	42 926	18.4	18 236	3 798	-	-	28	-	-	9 417	3 401	8 046	-
B	KZN275 Mtubatuba	213 536	-	53 260	24.9	19 957	4 251	-	6 913	428	-	258	15 111	527	5 810	4
B	KZN276 Big Five Hlabisa	129 578	-	32 473	25.1	15 935	1 978	-	137	8	-	340	7 072	15	6 988	-
C	DC27 uMkhanyakude DM	455 028	-	105 884	23.3	38 956	2 030	-	-	657	30 933	-	14 172	-	19 137	-
	Total: uMkhanyakude Municipalities	1 216 412	-	272 494	22.4	108 025	15 098	-	12 353	1 122	30 933	597	50 419	4 060	49 883	4
B	KZN281 uMfolozi	143 266	-	30 320	21.2	12 356	2 623	-	-	-	-	-	10 555	283	4 503	-
B	KZN282 uMhlathuze	3 016 497	-	803 518	26.6	182 385	7 231	6 628	98 916	16 971	330 196	29 436	79 222	6 555	45 977	-
B	KZN284 uMlalazi	406 349	-	85 679	21.1	29 534	5 083	11 699	-	118	13 023	2 114	15 685	168	8 255	-
B	KZN285 Mthonjaneni	124 600	-	33 471	26.9	11 200	1 871	-	-	-	7 188	49	7 837	138	5 189	-
B	KZN286 Nkandla	139 386	-	23 358	16.8	8 019	1 518	-	3 039	(74)	1 289	-	5 781	220	3 566	-
C	DC28 King Cetshwayo DM	836 433	-	194 813	23.3	47 831	2 797	2	17 039	-	10 272	6 404	84 664	1 012	24 792	-
	Total: King Cetshwayo Municipalities	4 666 531	-	1 171 160	25.1	291 325	21 121	18 329	118 995	17 015	361 968	38 003	203 744	8 375	92 283	-
B	KZN291 Mandeni	247 900	-	58 382	23.6	20 565	3 255	-	6 612	103	6 634	3 458	5 794	1 590	10 692	(322)
B	KZN292 KwaDukuza	1 524 768	-	305 831	20.1	81 613	6 790	-	16 564	854	146 924	7 907	25 652	-	19 529	-
B	KZN293 Ndwedwe	191 571	-	25 865	13.5	3 403	1 236	-	-	15	-	-	15 527	52	5 633	-
B	KZN294 Maphumulo	108 894	-	25 419	23.3	8 174	1 271	-	2 637	28	-	-	3 258	118	9 934	-
C	DC29 iLembe DM	720 092	-	152 274	21.1	55 245	2 282	5 456	4 920	3 292	30 924	5 282	17 450	7 909	19 513	-
	Total: Ilembe Municipalities	2 793 225	-	567 772	20.3	169 000	14 833	5 456	30 733	4 292	184 483	16 647	67 680	9 669	65 299	(322)
B	KZN433 Greater Kokstad	405 190	-	79 127	19.5	25 492	1 757	369	-	-	33 571	958	8 930	-	8 051	-
B	KZN434 uBuhlebezwe	165 948	-	30 022	18.1	14 371	2 473	395	5 000	-	-	225	2 939	663	3 956	-
B	KZN435 uMzimkhulu	269 152	-	56 084	20.8	21 992	4 225	-	12 411	8	-	8	8 263	187	8 990	-
B	KZN434 Dr. Nkosazana Dlamini Zuma	167 723	-	26 048	15.5	12 026	2 681	-	-	297	-	111	5 691	298	4 944	-
C	DC43 Harry Gwala DM	401 696	-	82 598	20.6	42 322	1 553	-	-	-	4 758	-	8 892	-	25 072	-
	Total: Harry Gwala Municipalities	1 409 709	-	273 878	19.4	116 203	12 689	763	17 411	305	38 329	1 302	34 715	1 148	51 012	-
Total	63 263 739	-	12 728 318	20.1	4 207 779	174 138	74 879	1 063 561	49 415	4 216 409	215 500	1 633 645	126 956	964 359	1 675	

Source: NT Igdatabase

Annexure C: Capital Revenue (Source of finance) - 1st Quarter 2018/19

R'000	Original Budget	Adjusted Budget	Unaudited Actual	% Generated	Detail								
					Transfers recognised - capital				Sources of Finance				
					National Govt.	Provincial Govt.	District Municipality	Other transfers and grants	Borrowing	Internally generated funds	Public contr. and donations		
A	KZN2000	eThekweni	7 110 162	-	825 714	11.6	191 928	97 619	-	-	536 167	-	
B	KZN212	uMdoni	50 485	-	8 588	17.0	7 566	25	-	-	998	-	
B	KZN213	uMzumbhe	71 392	-	6 859	9.6	6 859	-	-	-	-	-	
B	KZN214	uMuziwabantu	79 353	-	6 484	8.2	6 484	-	-	-	-	-	
B	KZN216	Ray Nkonyeni	223 131	-	24 793	11.1	17 016	7 584	-	-	193	-	
B	DC21	Ugu DM	301 163	-	70 694	23.5	63 722	-	-	-	6 972	-	
Total: Ugu Municipalities			725 523	-	117 418	16.2	101 647	7 609	-	-	8 163	-	
B	KZN221	uMshwathi	32 842	-	4 568	13.9	4 466	-	-	-	102	-	
B	KZN222	uMngeni	34 500	-	9 352	27.1	6 550	2 687	-	-	115	-	
B	KZN223	Mpofana	16 878	-	6 430	38.1	6 430	-	-	-	-	-	
B	KZN224	iMpindle	12 265	-	1 321	10.8	1 321	-	-	-	-	-	
B	KZN225	Msunduzi	571 382	-	64 694	11.3	51 582	(933)	-	14 228	(182)	-	
B	KZN226	Mkhambathini	19 285	-	12 001	62.2	11 987	-	-	-	14	-	
B	KZN227	Richmond	25 389	-	2 362	9.3	2 232	-	-	-	130	-	
C	DC22	uMgungundlovu DM	207 528	-	20 263	9.8	20 263	-	-	-	-	-	
Total: uMgungundlovu Municipalities			920 069	-	120 991	13.2	104 830	1 754	-	14 228	179	-	
B	KZN235	Okhahlamba	35 475	-	8 984	25.3	5 410	250	-	-	3 324	-	
B	KZN237	iNkosi Langelibalele	53 649	-	10 716	20.0	10 716	-	-	-	-	-	
B	KZN238	Alfred Duma	127 847	-	6 965	5.4	1 595	-	-	-	5 370	-	
B	DC23	uThukela DM	407 831	-	84 650	20.8	84 650	-	-	-	-	-	
Total: uThukela Municipalities			624 802	-	111 315	17.8	102 371	250	-	-	8 694	-	
B	KZN241	eNdumeni	45 178	-	13 832	30.6	13 313	-	-	-	519	-	
B	KZN242	Nquthu	128 885	-	2 085	1.6	2 085	-	-	-	-	-	
B	KZN244	uMsinga	40 115	-	5 409	13.5	5 409	-	-	-	-	-	
B	KZN245	uMvoti	39 537	-	2 824	7.1	2 824	-	-	-	-	-	
C	DC24	uMzinyathi DM	428 459	-	27 085	6.3	27 044	-	-	-	42	-	
Total: uMzinyathi Municipalities			682 174	-	51 236	7.5	50 676	-	-	-	561	-	
B	KZN252	Newcastle	205 576	-	15 957	7.8	13 134	2 674	-	-	149	-	
B	KZN253	eMadlangeni	16 147	-	2 167	13.4	2 167	-	-	-	-	-	
B	KZN254	Dannhauser	77 132	-	23 277	30.2	10 745	-	-	3 364	9 169	-	
C	DC25	Amajuba DM	127 206	-	14 264	11.2	14 178	-	-	-	86	-	
Total: Amajuba Municipalities			426 061	-	55 666	13.1	40 224	2 674	-	3 364	9 404	-	
B	KZN261	eDumbe	41 414	-	9 563	23.1	9 563	-	-	-	-	-	
B	KZN262	uPhongolo	67 471	-	4 935	7.3	4 935	-	-	-	-	-	
B	KZN263	AbaQulusi	41 284	-	6 524	15.8	6 524	-	-	-	-	-	
B	KZN265	Nongoma	55 206	-	8 569	15.5	8 569	-	-	-	-	-	
B	KZN266	Ulundi	48 335	-	26 686	55.2	26 686	-	-	-	-	-	
C	DC26	Zululand DM	408 113	-	62 642	15.3	62 642	-	-	-	-	-	
Total: Zululand Municipalities			661 824	-	118 918	18.0	118 918	-	-	-	-	-	
B	KZN271	uMhlabyalingana	53 329	-	11 593	21.7	11 592	-	-	-	1	-	
B	KZN272	Jozini	48 306	-	14 192	29.4	14 192	-	-	-	-	-	
B	KZN275	Mtubatuba	34 943	-	4 717	13.5	3 893	-	-	-	825	-	
B	KZN276	Big Five Hlabisa	23 400	-	3 436	14.7	3 436	-	-	-	-	-	
C	DC27	uMkhanyakude DM	266 059	-	4 739	1.8	4 739	-	-	-	-	-	
Total: uMkhanyakude Municipalities			426 037	-	38 677	9.1	37 852	-	-	-	826	-	
B	KZN281	uMfolozi	28 734	-	4 361	15.2	4 308	-	-	-	53	-	
B	KZN282	uMhlathuze	525 161	-	57 006	10.9	19 606	-	-	30 593	6 807	-	
B	KZN284	uMlalazi	74 043	-	3 500	4.7	3 500	-	-	-	-	-	
B	KZN285	Mthonjaneni	36 339	-	10 131	27.9	10 070	-	-	-	61	-	
B	KZN286	Nkandla	56 200	-	5 910	10.5	5 910	-	-	-	-	-	
C	DC28	King Cetshwayo DM	324 513	-	27 935	8.6	27 778	-	-	-	158	-	
Total: King Cetshwayo Municipalities			1 044 990	-	108 843	10.4	71 172	-	-	30 593	7 078	-	
B	KZN291	Mandeni	56 547	-	5 986	10.6	5 986	-	-	-	-	-	
B	KZN292	KwaDukuza	344 762	-	22 227	6.4	14 283	-	-	141	7 445	-	
B	KZN293	Ndwedwe	71 491	-	9 978	14.0	9 720	-	-	-	258	-	
B	KZN294	Maphumulo	33 722	-	4 235	12.6	1 580	1 972	-	-	682	-	
C	DC29	iLembe DM	364 303	-	49 098	13.5	48 712	-	-	-	386	-	
Total: Ilembe Municipalities			870 824	-	91 523	10.5	80 282	1 972	-	141	8 771	-	
B	KZN433	Greater Kokstad	98 798	-	13 115	13.3	6 388	-	-	-	6 727	-	
B	KZN434	uBuhlebezwe	67 263	-	4 412	6.6	1 788	-	-	-	2 624	-	
B	KZN435	uMzimkhulu	91 750	-	16 663	18.2	13 137	3 137	-	-	389	-	
B	KZN436	Dr. Nkosazana Dlamini Zuma	64 582	-	5 717	8.9	3 747	-	-	-	1 969	-	
C	DC43	Harry Gwala DM	349 789	-	32 195	9.2	31 854	-	-	-	341	-	
Total: Harry Gwala Municipalities			672 183	-	72 102	10.7	56 915	3 137	-	-	12 050	-	
Total			14 164 647	-	1 712 404	12.1	956 814	115 015	-	358	48 326	591 891	-

Source: NT Igdatabase

Annexure D: Capital Expenditure - 1st Quarter 2018/19

R000	Original Budget	Adjusted Budget	Unaudited Actual	% Spent	Detail																		
					Governance and Admin.			Community and Public Safety					Economic and Environmental Services			Trading Services		Other					
					Executive & Council	Budget & Treasury Office	Corporate Services	Community & Social Services	Sport And Recreation	Public Safety	Housing	Health	Planning and Dev.	Road Transport	Environ. Protection	Electricity	Water		Waste Water Mgt.	Waste Mgt.			
A	KZN2000	eThekweni	7 110 162	-	825 714	11.6	3 837	56 174	-	37 404	5 282	9 597	154 874	1 702	51 243	99 825	-	116 343	100 979	176 570	9 755	2 129	
B	KZN212	uMdoni	50 485	-	8 588	17.0	-	-	-	600	423	-	-	-	-	7 566	-	-	-	-	-	-	-
B	KZN213	uMzumbane	71 392	-	6 859	9.6	-	-	98	-	-	-	-	-	-	6 761	-	-	-	-	-	-	-
B	KZN214	uMuziwabantu	79 353	-	6 484	8.2	-	-	248	-	3 062	-	-	-	-	1 912	-	236	-	-	-	5	-
B	KZN216	Ray Nkonyeni	223 131	-	24 793	11.1	23 668	-	-	-	-	-	900	-	-	110	-	115	-	-	-	-	-
C	DC21	Ugu DM	301 163	-	70 694	23.5	-	-	6 972	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total: Ugu Municipalities		725 523	-	117 418	16.2	23 668	-	7 318	600	3 484	-	900	-	1 021	16 349	-	351	57 837	5 886	5	-	
B	KZN221	uMshwathi	32 842	-	4 568	13.9	102	-	-	2 119	1 776	-	-	-	-	572	-	-	-	-	-	-	-
B	KZN222	uMngeni	34 500	-	9 352	27.1	95	-	-	-	-	-	-	-	2 687	6 550	-	-	-	-	-	20	
B	KZN223	Mpofana	16 878	-	6 430	38.1	-	-	-	-	-	-	-	-	-	6 430	-	-	-	-	-	-	
B	KZN224	iMpendle	12 265	-	1 321	10.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN225	Msunduzi	571 382	-	64 694	11.3	19	(4 827)	68	3 966	2 269	181	-	-	(1 728)	32 741	-	14 685	10 537	2 225	4 072	486	
B	KZN226	Mkhambathini	19 285	-	12 001	62.2	-	14	-	11 987	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN227	Richmond	25 389	-	2 362	9.3	-	-	130	957	-	-	-	-	-	1 275	-	-	-	-	-	-	
C	DC22	uMgungundlovu DM	207 528	-	20 263	9.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total: uMgungundlovu Municipalities		920 069	-	120 991	13.2	216	(4 813)	198	19 028	4 044	181	-	-	2 280	47 568	-	14 685	30 799	2 225	4 072	506	
B	KZN235	Okhahlamba	35 475	-	8 984	25.3	-	198	350	-	-	-	-	-	8 436	-	-	-	-	-	-	-	
B	KZN237	iNkosi Langalibalele	53 649	-	10 716	20.0	-	-	-	-	-	-	-	-	-	10 716	-	-	-	-	-	-	
B	KZN238	Alfred Duma	127 847	-	6 965	5.4	1 608	-	20	-	-	-	-	-	127	4 836	-	375	-	-	-	-	
C	DC23	uThukela DM	407 831	-	84 650	20.8	-	-	-	-	-	-	-	-	-	-	-	-	84 650	-	-	-	
	Total: uThukela Municipalities		624 802	-	111 315	17.8	1 608	198	370	-	-	-	-	-	8 563	15 551	-	375	84 650	-	-	-	
B	KZN241	eNdameni	45 178	-	13 832	30.6	-	-	-	-	-	9	-	-	-	13 313	-	510	-	-	-	-	
B	KZN242	Nquthu	128 885	-	2 085	1.6	-	-	-	1 378	-	-	-	-	-	707	-	-	-	-	-	-	
B	KZN244	uMsinga	40 115	-	5 409	13.5	-	-	-	-	-	-	-	-	-	5 409	-	-	-	-	-	-	
B	KZN245	uMvoti	39 537	-	2 824	7.1	-	-	-	-	-	-	-	-	-	-	-	2 824	-	-	-	-	
C	DC24	uMzinyathi DM	428 459	-	27 085	6.3	-	-	-	42	-	-	-	-	-	-	-	-	-	24 164	2 880	-	
	Total: Umzinyathi Municipalities		682 174	-	51 236	7.5	-	-	-	1 420	-	9	-	-	19 429	-	3 335	24 164	2 880	-	-	-	
B	KZN252	Newcastle	205 576	-	15 957	7.8	-	191	-	-	-	-	-	-	-	4 279	-	-	11 487	-	-	-	
B	KZN253	eMadlangeni	16 147	-	2 167	13.4	-	-	-	-	-	-	-	-	-	2 167	-	-	-	-	-	-	
B	KZN254	Dannhauser	77 132	-	23 277	30.2	591	-	748	-	-	-	-	21 938	-	-	-	-	-	-	-	-	
C	DC25	Amajuba DM	127 206	-	14 264	11.2	-	48	38	-	-	-	-	-	-	-	-	-	14 178	-	-	-	
	Total: Amajuba Municipalities		426 061	-	55 666	13.1	591	239	787	-	-	-	-	21 938	6 446	-	-	25 665	-	-	-	-	
B	KZN261	eDumbe	41 414	-	9 563	23.1	-	-	-	-	-	-	-	-	-	4 135	-	5 428	-	-	-	-	
B	KZN262	uPhongolo	67 471	-	4 935	7.3	-	-	-	3 135	1 245	-	-	-	387	167	-	-	-	-	-	-	
B	KZN263	AbaQulusi	41 284	-	6 524	15.8	-	-	-	-	-	-	-	-	-	6 524	-	-	-	-	-	-	
B	KZN265	Nongoma	55 206	-	8 569	15.5	-	-	-	-	-	-	-	-	-	8 569	-	-	-	-	-	-	
B	KZN266	Ulundi	48 335	-	26 686	55.2	-	-	-	4 926	-	774	-	-	-	5 986	-	15 000	-	-	-	-	
C	DC26	Zululand DM	408 113	-	62 642	15.3	-	-	62 374	-	-	-	-	-	-	-	-	-	268	-	-	-	
	Total: Zululand Municipalities		661 824	-	118 918	18.0	-	-	62 374	8 061	1 245	774	-	-	387	25 381	-	20 428	268	-	-	-	
B	KZN271	uMhlabuyalingana	53 329	-	11 593	21.7	-	-	1	5 112	54	-	-	-	-	2 637	-	3 789	-	-	-	-	
B	KZN272	Jozini	48 306	-	14 192	29.4	-	-	-	-	-	-	-	-	852	13 339	-	-	-	-	-	-	
B	KZN275	Mtubatuba	34 943	-	4 717	13.5	430	-	365	-	-	30	-	-	-	3 893	-	-	-	-	-	-	
B	KZN276	Big Five Hlabisa	23 400	-	3 436	14.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC27	uMkhanyakude DM	266 059	-	4 739	1.8	-	-	-	-	-	-	-	-	-	-	-	-	-	3 052	1 687	-	
	Total: Umkhanyakude Municipalities		426 037	-	38 677	9.1	430	-	366	5 112	54	30	-	-	4 289	19 869	-	3 789	3 052	1 687	-	-	
B	KZN281	uMfolozi	28 734	-	4 361	15.2	-	-	53	1 693	-	-	-	-	-	2 614	-	-	-	-	-	-	
B	KZN282	uMhlatuze	525 161	-	57 006	10.9	-	-	198	6 976	438	64	-	-	-	24 003	-	3 860	7 910	13 140	416	-	
B	KZN284	uMlalazi	74 043	-	3 500	4.7	-	11	166	209	160	184	-	-	-	2 228	-	542	-	-	-	-	
B	KZN285	Mthonjaneni	36 339	-	10 131	27.9	-	15	-	23	-	-	-	-	-	4 484	-	5 609	-	-	-	-	
B	KZN286	Nkandla	56 200	-	5 910	10.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC28	King Cetshwayo DM	324 513	-	27 935	8.6	46	-	80	-	-	-	-	5 910	31	-	-	-	-	-	-	-	
	Total: King Cetshwayo Municipalities		1 044 990	-	108 843	10.4	46	26	497	8 902	598	248	-	5 941	33 330	-	10 011	35 688	13 140	416	-	-	
B	KZN291	Mandeni	56 547	-	5 986	10.6	839	-	-	-	-	-	-	775	4 068	-	-	304	-	-	-	-	
B	KZN292	KwaDukuza	344 762	-	22 227	6.4	-	1 922	-	1 802	1 279	-	-	-	-	15 273	-	1 762	-	-	190	-	
B	KZN293	Ndwedwe	71 491	-	9 978	14.0	-	-	33	-	-	-	-	-	-	9 945	-	-	-	-	-	-	
B	KZN294	Maphumulo	33 722	-	4 235	12.6	-	-	682	-	-	-	-	-	-	3 553	-	-	-	-	-	-	
C	DC29	iLembe DM	364 303	-	49 098	13.5	-	112	-	19	-	-	-	-	-	-	-	-	37 194	11 772	-	-	
	Total: iLembe Municipalities		870 824	-	91 523	10.5	839	2 034	715	1 821	1 279	-	-	775	32 839	-	2 066	37 194	11 772	190	-	-	
B	KZN433	Greater Kokstad	98 798	-	13 115	13.3	170	-	99	4 028	-	-	-	-	5 935	1 679	-	1 205	-	-	-	-	
B	KZN434	uBuhlebezwe	67 263	-	4 412	6.6	-	-	6	342	734	-	-	-									

Annexure E: Debtors Age Analysis (Total) -1st Quarter 2018/19

R'000	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total	Actual Bad Debts Written Off to Debtors		Impairment - Bad Debts to Council Policy			
	Total	%	Total	%	Total	%	Total	%		Amount	%	Amount	%		
A	KZN2000	eThekweni	1 682 564	14.7	891 124	7.8	877 820	7.7	7 998 674	69.9	11 450 182	-	-	5 259 849	45.9
B	KZN212	uMdoni	(1 851)	(2.2)	2 991	3.6	16 051	19.3	65 919	79.3	83 111	-	-	-	-
B	KZN213	uMzumbane	-	-	-	-	7 535	32.4	15 717	67.6	23 251	-	-	-	-
B	KZN214	uMuziwabantu	6 250	20.2	9 895	32.0	1 031	3.3	13 724	44.4	30 899	-	-	-	-
B	KZN216	Ray Nkonyeni	51 409	17.4	51 993	17.6	9 049	3.1	182 160	61.8	294 611	-	-	-	-
C	DC21	Ugu DM	33 510	6.6	20 278	4.0	5 706	1.1	451 879	88.4	511 374	-	-	-	-
Total: Ugu Municipalities			89 317	9.5	85 157	9.0	39 373	4.2	729 399	77.3	943 247	-	-	-	-
B	KZN221	uMshwathi	1 503	1.4	2 884	2.7	2 477	2.3	100 889	93.6	107 752	-	-	-	-
B	KZN222	uMngeni	12 881	10.7	4 251	3.5	3 738	3.1	99 237	82.6	120 106	-	-	-	-
B	KZN223	Mpofana	4 735	4.6	2 488	2.4	2 304	2.2	93 087	90.7	102 614	-	-	-	-
B	KZN224	iMpendle	417	4.2	77	0.8	1 701	17.0	7 834	78.1	10 029	-	-	-	-
B	KZN225	Msunduzi	591 141	19.0	54 327	1.7	77 858	2.5	2 389 437	76.8	3 112 763	-	-	1 388 054	44.6
B	KZN226	Mkhambathini	1 935	7.7	(32)	(0.1)	602	2.4	22 476	90.0	24 980	-	-	-	-
B	KZN227	Richmond	1 183	3.9	10 028	32.9	273	0.9	19 020	62.4	30 504	-	-	1 714	5.6
C	DC22	uMgungundlovu DM	42 818	7.5	20 827	3.6	14 653	2.6	493 179	86.3	571 478	-	-	-	-
Total: uMgungundlovu Municipalities			656 613	16.1	94 849	2.3	103 607	2.5	3 225 159	79.0	4 080 227	-	-	1 389 768	34.1
B	KZN235	Okhahlamba	3 129	5.8	(126)	(0.2)	1 095	2.0	50 030	92.4	54 127	-	-	-	-
B	KZN237	iNkosi Langalibalele	25 486	9.1	18 331	6.5	35 725	12.8	200 454	71.6	279 995	-	-	-	-
B	KZN238	Alfred Duma	67 294	17.2	15 004	3.8	(129)	-	309 943	79.0	392 112	-	-	-	-
C	DC23	uThukela DM	-	-	29 018	3.4	22 602	2.6	804 944	94.0	856 564	-	-	-	-
Total: uThukela Municipalities			95 908	6.1	62 226	3.9	59 294	3.7	1 365 371	86.3	1 582 798	-	-	-	-
B	KZN241	eNdlumeni	11 264	12.1	(526)	(0.6)	3 834	4.1	78 878	84.4	93 449	-	-	-	-
B	KZN242	Nquthu	3 435	8.2	2 127	5.1	4 695	11.2	31 726	75.6	41 983	-	-	-	-
B	KZN244	uMsinga	1 378	34.4	1 317	32.8	1 315	32.8	-	-	4 010	-	-	-	-
B	KZN245	uMvoti	8 713	13.6	(372)	(0.6)	3 533	5.5	52 254	81.5	64 128	-	-	-	-
C	DC24	uMzinyathi DM	4 664	1.8	8 767	3.4	10 079	4.0	231 491	90.8	255 001	-	-	(721)	(0.3)
Total: uMzinyathi Municipalities			29 454	6.4	11 313	2.5	23 455	5.1	394 349	86.0	458 571	-	-	(721)	(0.2)
B	KZN252	Newcastle	119 340	9.5	67 355	5.4	35 227	2.8	1 030 267	82.3	1 252 188	30 953	2.5	-	-
B	KZN253	eMadlangeni	231	0.7	(31)	(0.1)	1 620	4.9	31 324	94.5	33 144	-	-	-	-
B	KZN254	Dannhauser	1 410	4.6	1 349	4.4	1 275	4.1	26 912	87.0	30 946	-	-	-	-
C	DC25	Amajuba DM	3 322	5.1	2 817	4.3	1 562	2.4	57 074	88.1	64 775	-	-	-	-
Total: Amajuba Municipalities			124 303	9.0	71 490	5.2	39 683	2.9	1 145 577	82.9	1 381 053	30 953	2.2	-	-
B	KZN261	eDumbe	2 522	2.1	2 193	1.8	(145)	(0.1)	116 884	96.2	121 455	-	-	-	-
B	KZN262	uPhongolo	3 755	2.3	1 919	1.2	1 054	0.6	156 511	95.9	163 239	-	-	-	-
B	KZN263	AbaQulusi	10 903	6.8	6 539	4.1	4 914	3.1	138 455	86.1	160 811	-	-	-	-
B	KZN265	Nongoma	1 710	2.7	743	1.2	853	1.4	58 973	94.7	62 280	-	-	-	-
B	KZN266	Ulundi	39 098	33.0	(15 407)	(13.0)	-	-	94 781	80.0	118 472	-	-	-	-
C	DC26	Zululand DM	8 733	8.3	3 391	3.2	2 761	2.6	90 455	85.9	105 340	-	-	-	-
Total: Zululand Municipalities			66 722	9.1	(623)	(0.1)	9 438	1.3	656 060	89.7	731 597	-	-	-	-
B	KZN271	uMhlabayalingana	(3 445)	(8.2)	117	0.3	1 165	2.8	44 114	105.2	41 951	-	-	-	-
B	KZN272	Jozini	5 492	3.1	974	0.6	13 015	7.4	157 164	89.0	176 645	-	-	-	-
B	KZN275	Mtubatuba	11 571	9.8	(249)	(0.2)	3 926	3.3	102 412	87.0	117 659	-	-	-	-
B	KZN276	Big Five Hlabisa	912	2.3	274	0.7	2 729	6.9	35 483	90.1	39 398	-	-	-	-
C	DC27	uMkhanyakude DM	4 492	4.6	(61)	(0.1)	2 798	2.8	91 325	92.7	98 554	-	-	-	-
Total: uMkhanyakude Municipalities			19 022	4.0	1 055	0.2	23 633	5.0	430 498	90.8	474 208	-	-	-	-
B	KZN281	uMfolozi	1 778	21.5	(484)	(5.9)	84	1.0	6 874	83.3	8 252	-	-	-	-
B	KZN282	uMhlathuze	357 560	59.8	48 813	8.2	12 869	2.2	178 872	29.9	598 115	-	-	-	-
B	KZN284	uMlalazi	2 463	2.0	5 170	4.2	25 042	20.5	89 373	73.2	122 048	-	-	-	-
B	KZN285	Mthonjaneni	2 131	7.5	1 628	5.7	(90)	(0.3)	24 709	87.1	28 378	-	-	-	-
B	KZN286	Nkandla	3 215	7.2	(5)	-	12 586	28.1	28 963	64.7	44 760	-	-	-	-
C	DC28	King Cetshwayo DM	9 608	13.1	4 093	5.6	2 622	3.6	57 210	77.8	73 533	-	-	-	-
Total: King Cetshwayo Municipalities			376 755	43.1	59 217	6.8	53 113	6.1	386 002	44.1	875 087	-	-	-	-
B	KZN291	Mandeni	15 268	8.4	(30)	-	1 037	0.6	166 305	91.1	182 581	-	-	-	-
B	KZN292	KwaDukuza	84 470	32.1	24 996	9.5	15 550	5.9	137 870	52.4	262 886	-	-	-	-
B	KZN293	Ndwedwe	385	1.4	(1)	-	13 113	46.8	14 526	51.8	28 022	-	-	-	-
B	KZN294	Maphumulo	202	0.7	201	0.7	2 097	7.2	26 642	91.4	29 141	-	-	-	-
C	DC29	iLembe DM	17 272	5.8	8 316	2.8	6 276	2.1	263 421	89.2	295 286	-	-	-	-
Total: iLembe Municipalities			117 596	14.7	33 482	4.2	38 074	4.8	608 764	76.3	797 916	-	-	-	-
B	KZN433	Greater Kokstad	14 426	20.2	6 435	9.0	21 438	30.0	29 116	40.8	71 416	-	-	-	-
B	KZN434	uBuhlebezwe	(6 030)	(19.5)	1 329	4.3	675	2.2	34 941	113.0	30 915	-	-	-	-
B	KZN435	uMzimkhulu	570	4.7	355	2.9	4 300	35.6	6 856	56.8	12 080	(921)	(7.6)	-	-
B	KZN434	Dr. Nkosazana Dlamini Zuma	2 940	5.3	2 646	4.8	2 417	4.4	47 397	85.6	55 400	-	-	-	-
C	DC43	Harry Gwala DM	8 143	4.4	6 228	3.3	4 887	2.6	167 889	89.7	187 146	-	-	-	-
Total: Harry Gwala Municipalities			20 049	5.6	16 993	4.8	33 717	9.4	286 199	80.2	356 957	(921)	(0.3)	-	-
Total			3 278 304	14.2	1 326 282	5.7	1 301 206	5.6	17 226 052	74.5	23 131 844	30 032	0.1	6 648 897	28.7

Source: NT Publication

Annexure F: Debtors by Customer Group (Total) -1st Quarter 2018/19

R'000	Organs of State						Commercial						Household						Other						Total			
	Age category (Days)				Total	%	Age category (Days)				Total	%	Age category (Days)				Total	%	Age category (Days)				Total	%				
	30 - 60	60 - 90	Over 90				30 - 60	60 - 90	Over 90				30 - 60	60 - 90	Over 90				30 - 60	60 - 90	Over 90					30 - 60	60 - 90	Over 90
A	KZN2000	eThekweni	175 810	51 043	430 808	389 889	1 047 551	9.1	654 238	343 742	121 300	1 372 223	2 491 503	21.8	829 965	447 719	297 793	5 734 163	7 309 640	63.8	22 552	48 619	27 918	502 399	601 488	5.3	11 450 182	
B	KZN212	uMdoni	(105)	63	10 947	25 990	36 896	44.4	235	562	594	5 282	6 673	8.0	(1 927)	2 237	4 414	31 531	36 255	43.6	(54)	129	97	3 116	3 288	4.0	83 111	
B	KZN213	uMzumbane	-	-	6 086	9 750	15 836	68.1	-	-	836	3 253	4 089	17.6	-	-	-	-	-	-	-	-	612	2 714	3 326	14.3	23 251	
B	KZN214	uMuziwabantu	809	8 612	288	4 300	14 009	45.3	2 318	496	262	3 865	6 940	22.5	3 122	787	481	5 559	9 950	32.2	-	-	-	-	-	-	30 899	
B	KZN216	Ray Nkonyeni	1 105	1 109	1 767	6 834	10 815	3.7	14 598	4 602	2 120	19 108	40 429	13.7	29 042	14 498	8 865	141 700	194 105	65.9	6 663	31 784	(3 702)	14 518	49 263	16.7	294 611	
C	DC21	Ugu DM	2 258	1 753	344	19 673	24 028	4.7	11 416	6 912	1 472	84 254	104 054	20.3	19 804	11 614	3 891	333 622	368 930	72.1	32	-	-	14 330	14 362	2.8	511 374	
Total: Ugu Municipalities			4 067	11 537	19 432	66 546	101 583	10.8	28 568	12 572	5 283	115 762	162 185	17.2	50 041	29 135	17 650	512 413	609 239	64.6	6 641	31 913	(2 992)	34 678	70 239	7.4	943 247	
B	KZN221	uMshwathi	(1 531)	1 417	1 400	44 316	45 602	42.3	1 654	714	305	19 740	22 412	20.8	1 381	753	772	36 833	39 739	36.9	-	-	-	-	-	-	107 752	
B	KZN222	uMngeni	(130)	154	163	7 311	7 497	6.2	663	74	65	1 554	2 356	2.0	11 466	3 572	3 127	74 540	92 706	77.2	881	451	383	15 833	17 548	14.6	120 106	
B	KZN223	Mpofana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 735	2 488	2 304	93 087	102 614	100.0	102 614
B	KZN224	iMpendle	(75)	29	1 557	5 638	7 149	71.3	26	24	36	628	714	7.1	33	26	23	299	381	3.8	434	(2)	84	1 269	1 785	17.8	10 029	
B	KZN225	Msunduzi	62 886	11 446	6 207	124 004	204 544	6.6	241 633	32 146	17 616	231 915	523 311	16.8	264 170	9 163	48 039	1 850 676	2 172 048	69.8	22 451	1 571	5 996	182 841	212 860	6.8	3 112 763	
B	KZN226	Mkhambathini	169	(8)	62	619	842	3.4	1 154	(7)	313	8 605	10 064	40.3	318	(14)	82	2 354	2 741	11.0	294	(3)	144	10 898	11 333	45.4	24 980	
B	KZN227	Richmond	156	5 814	70	5 219	11 259	36.9	161	423	22	1 499	2 106	6.9	464	1 653	155	7 438	9 710	31.8	401	2 138	26	4 864	7 429	24.4	30 504	
C	DC22	uMgungundlovu DM	3 168	1 056	1 825	7 657	13 906	2.4	4 373	1 716	1 198	23 663	30 950	5.4	21 067	14 430	7 816	317 528	360 841	63.1	14 210	3 626	3 814	144 131	165 780	29.0	571 478	
Total: uMgungundlovu Municipalities			64 642	19 908	11 285	194 963	290 799	7.1	249 664	35 089	19 556	287 604	591 912	14.5	298 900	29 584	60 014	2 289 669	2 678 167	65.6	43 407	10 268	12 752	452 922	519 349	12.7	4 080 227	
B	KZN235	Okhahlamba	561	-	279	15 988	16 827	31.1	1 033	(41)	189	3 474	4 655	8.6	1 055	(50)	332	8 455	9 792	18.1	480	(35)	296	22 113	22 854	42.2	54 127	
B	KZN237	iNkosi Langalibalele	3 889	4 277	27 393	99 998	135 558	48.4	920	592	835	2 976	5 322	1.9	4 002	2 780	2 244	49 042	58 068	20.7	16 675	10 681	5 253	48 438	81 047	28.9	279 995	
B	KZN238	Alfred Duma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67 294	15 004	(129)	309 943	392 112	100.0	392 112
C	DC23	uThukela DM	-	3 007	3 214	32 458	38 679	4.5	-	4 701	1 419	34 737	40 857	4.8	-	21 253	17 953	737 738	776 944	90.7	-	57	16	11	84	-	856 564	
Total: uThukela Municipalities			4 450	7 284	30 886	148 444	191 064	12.1	1 953	5 252	2 443	41 186	50 834	3.2	5 057	23 983	20 529	795 235	844 804	53.4	84 449	25 707	5 436	380 505	496 097	31.3	1 582 798	
B	KZN241	eNdameni	1 152	92	1 480	2 610	5 334	5.7	4 893	(1 046)	548	5 238	9 633	10.3	4 908	78	1 679	60 331	66 995	71.7	311	349	128	10 698	11 486	12.3	93 449	
B	KZN242	Nquthu	1 611	1 449	4 090	22 921	30 070	71.6	1 457	421	354	2 198	4 430	10.6	274	175	137	4 247	4 834	11.5	93	82	114	2 360	2 649	6.3	41 983	
B	KZN244	uMsinga	1 019	958	853	-	2 831	70.6	347	347	402	-	1 095	27.3	13	13	59	-	84	2.1	-	-	-	-	-	-	4 010	
B	KZN245	uMvoti	(2 751)	(49)	675	4 688	2 564	4.0	4 954	(213)	387	8 469	13 596	21.2	6 066	59	1 429	32 741	40 295	62.8	443	(169)	1 042	6 357	7 673	12.0	64 128	
C	DC24	uMzinyathi DM	1 768	1 493	2 171	15 692	21 123	8.3	(545)	1 325	1 449	13 896	16 125	6.3	3 441	5 949	6 459	201 903	217 753	85.4	-	-	-	-	-	-	255 001	
Total: Umzinyathi Municipalities			2 799	3 943	9 269	45 911	61 922	13.5	11 105	834	3 140	29 801	44 880	9.8	14 702	6 274	9 763	299 222	329 961	72.0	848	262	1 283	19 415	21 808	4.8	458 571	
B	KZN252	Newcastle	664	19 053	876	38 208	58 800	4.7	43 658	19 082	5 688	74 751	143 179	11.4	72 869	28 972	28 502	906 295	1 036 637	82.8	2 148	248	162	11 014	13 572	1.1	1 252 188	
B	KZN253	eMadlangeni	(2 065)	-	729	8 525	7 189	21.7	374	(10)	93	1 611	2 068	6.2	619	(15)	155	5 073	5 832	17.6	1 303	(6)	643	16 116	18 055	54.5	33 144	
B	KZN254	Dannhauser	816	785	-	4 977	7 334	23.7	150	131	84	3 021	3 386	10.9	397	319	287	13 417	14 420	46.6	47	113	149	5 497	5 806	18.8	30 946	
C	DC25	Amajuba DM	1 254	1 195	133	2 885	5 468	8.4	161	112	93	2 123	2 489	3.8	1 907	1 510	1 335	52 066	56 819	87.7	-	-	-	-	-	-	64 775	
Total: Amajuba Municipalities			670	21 033	2 493	54 594	78 791	5.7	44 343	19 315	5 958	81 505	151 121	10.9	75 792	30 786	30 279	976 851	1 113 708	80.6	3 498	355	954	32 626	37 434	2.7	1 381 053	
B	KZN261	eDumbe	414	430	(112)	12 742	13 584	11.2	1 015	739	(81)	14 452	16 126	13.3	916	868	(57)	84 839	86 565	71.3	177	155	(4)	4 851	5 180	4.3	121 455	
B	KZN262	uPhongolo	(2 188)	348	78	20 493	18 731	11.5	3 350	499	124	3 798	7 771	4.8	2 131	1 049	838	117 159	121 176	74.2	462	23	15	15 062	15 562	9.5	163 239	
B	KZN263	AbaQulusi	(7 300)	482	151	3 664	(3 003)	(1.9)	9 037	1 659	1 099	31 543	43 337	26.9	8 946	4 202	3 472	94 240	110 859	68.9	221	196	192	9 008	9 618	6.0	160 811	
B	KZN265	Nongoma	671	144	784	34 332	35 932	57.7	837	492	51	13 248	14 629	23.5	89	45	18	4 558	4 711	7.6	113	61	-	6 834	7 009	11.3	62 280	
B	KZN266	Ulundi	5 622	(500)	-	16 307	21 429	18.1	26 896	(5 588)	-	20 135	41 473	35.0	-	(1)	-	92	91	0.1	6 580	(9 349)	-	58 248	55 479	46.8	118 472	
C	DC26	Zululand DM	1 088	1 204	721	7 952	10 965	10.4	511	324	238	2 442	3 515	3.3	7 110	1 843	1 779	80 034	90 766	86.2	24	20	23	27	94	0.1	105 340	
Total: Zululand Municipalities			(1 692)	2 107	1 732	95 490	97 637	13.3	41 646	(1 844)	1 431	85 818	126 851	17.3	19 191	8 007	6 049	380 921	414 168	56.6	7 577	(8 893)	226	94 031	92			

Annexure G: Creditors Age Analysis (Total) -1st Quarter 2018/19

R'000	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total		
	Total	%	Total	%	Total	%	Total	%			
A	KZN2000	eThekwini	1 515 645	62.3	17 907	0.7	326 283	13.4	571 252	23.5	2 431 086
B	KZN212	uMdoni	2 958	82.3	635	17.7	-	-	-	-	3 593
B	KZN213	uMzumbe	1 100	104.7	(108)	(10.3)	5	0.5	54	5.1	1 051
B	KZN214	uMuziwabantu	-	-	-	-	-	-	-	-	-
B	KZN216	Ray Nkonyeni	33 761	100.0	-	-	-	-	-	-	33 761
C	DC21	Ugu DM	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities			37 819	98.5	527	1.4	5	-	54	0.1	38 405
B	KZN221	uMshwathi	217	100.0	-	-	-	-	-	-	217
B	KZN222	uMngeni	2 625	61.1	1 607	37.4	65	1.5	-	-	4 297
B	KZN223	Mpofana	1 253	1.2	9 096	8.4	(2 105)	(1.9)	99 956	92.4	108 199
B	KZN224	iMpendle	-	-	-	-	-	-	-	-	-
B	KZN225	Msunduzi	693 923	97.1	2 282	0.3	323	-	18 128	2.5	714 656
B	KZN226	Mkhambathini	(86)	(609.2)	100	709.2	-	-	-	-	14
B	KZN227	Richmond	-	-	-	-	-	-	-	-	-
C	DC22	uMgungundlovu DM	18 638	71.1	1 775	6.8	3 752	14.3	2 032	7.8	26 197
Total: uMgungundlovu Municipalities			716 570	83.9	14 860	1.7	2 035	0.2	120 115	14.1	853 580
B	KZN235	Okhahlamba	4 930	100.0	-	-	-	-	-	-	4 930
B	KZN237	iNkosi Langalibalele	30 856	24.0	426	0.3	29 880	23.3	67 315	52.4	128 476
B	KZN238	Alfred Duma	42 518	100.0	-	-	-	-	-	-	42 518
C	DC23	uThukela DM	14 992	39.3	5 758	15.1	5 913	15.5	11 517	30.2	38 180
Total: uThukela Municipalities			93 296	43.6	6 184	2.9	35 793	16.7	78 832	36.8	214 105
B	KZN241	eNdumeni	32 068	100.0	-	-	-	-	-	-	32 068
B	KZN242	Nquthu	1 428	100.0	-	-	-	-	-	-	1 428
B	KZN244	uMsinga	-	-	-	-	-	-	-	-	-
B	KZN245	uMvoti	-	-	374	3.4	65	0.6	10 665	96.0	11 104
C	DC24	uMzinyathi DM	29 383	40.0	1	-	753	1.0	43 230	58.9	73 367
Total: uMzinyathi Municipalities			62 880	53.3	376	0.3	817	0.7	53 895	45.7	117 968
B	KZN252	Newcastle	74 205	24.7	71 255	23.7	67 898	22.6	86 749	28.9	300 107
B	KZN253	eMadlangeni	1 799	99.9	1	0.1	-	-	-	-	1 800
B	KZN254	Dannhauser	1 732	76.0	168	7.4	-	-	379	16.6	2 279
C	DC25	Amajuba DM	43	0.1	5 384	13.4	3 816	9.5	30 804	76.9	40 047
Total: Amajuba Municipalities			77 779	22.6	76 808	22.3	71 713	20.8	117 932	34.3	344 233
B	KZN261	eDumbe	3 985	19.0	500	2.4	388	1.9	16 078	76.7	20 951
B	KZN262	uPhongolo	405	100.0	-	-	-	-	-	-	405
B	KZN263	AbaQulusi	21 077	100.0	-	-	-	-	-	-	21 077
B	KZN265	Nongoma	2 140	100.1	(2)	(0.1)	-	-	-	-	2 138
B	KZN266	Ulundi	202	0.2	1 968	2.2	-	-	89 337	97.6	91 507
C	DC26	Zululand DM	896	100.0	-	-	-	-	-	-	896
Total: Zululand Municipalities			28 706	21.0	2 466	1.8	388	0.3	105 415	77.0	136 974
B	KZN271	uMhlabyalingana	(2 283)	56.3	(2 433)	60.0	(81)	2.0	743	(18.3)	(4 054)
B	KZN272	Jozini	1 871	88.1	-	-	-	-	254	11.9	2 125
B	KZN275	Mtubatuba	4 192	50.1	2 108	25.2	1 053	12.6	1 016	12.1	8 370
B	KZN276	Big Five Hlabisa	(1 353)	(32.1)	360	8.5	(1 542)	(36.5)	6 754	160.1	4 219
C	DC27	uMkhanyakude DM	43 933	35.4	(2 958)	(2.4)	(2 461)	(2.0)	85 765	69.0	124 280
Total: uMkhanyakude Municipalities			46 361	34.4	(2 923)	(2.2)	(3 031)	(2.2)	94 532	70.1	134 939
B	KZN281	uMfolozi	(110)	(1.2)	1 044	11.8	636	7.2	7 263	82.2	8 832
B	KZN282	uMhlathuze	451 047	100.0	-	-	-	-	-	-	451 047
B	KZN284	uMlalazi	74 686	100.0	-	-	-	-	-	-	74 686
B	KZN285	Mthonjaneni	4 796	98.9	(110)	(2.3)	-	-	164	3.4	4 850
B	KZN286	Nkandla	(11 884)	82.4	(3 199)	22.2	(2 827)	19.6	3 493	(24.2)	(14 417)
C	DC28	King Cetshwayo DM	28 659	-	28 325	26.2	14 898	13.8	36 022	33.4	107 903
Total: King Cetshwayo Municipalities			547 193	86.5	26 059	4.1	12 707	2.0	46 942	7.4	632 901
B	KZN291	Mandeni	115	100.0	-	-	-	-	-	-	115
B	KZN292	KwaDukuza	106 325	98.4	1 751	1.6	14	-	6	-	108 096
B	KZN293	Ndwedwe	(82)	(2.9)	2 184	78.5	561	20.2	120	4.3	2 784
B	KZN294	Maphumulo	(901)	(59.6)	(810)	(53.5)	(354)	(23.4)	3 578	236.4	1 513
C	DC29	iLembe DM	17 572	56.2	12 455	39.9	290	0.9	932	3.0	31 250
Total: iLembe Municipalities			123 029	85.6	15 581	10.8	512	0.4	4 637	3.2	143 759
B	KZN433	Greater Kokstad	(60)	(40.6)	-	-	5	3.4	204	137.2	148
B	KZN434	uBuhlebezwe	283	100.0	-	-	-	-	-	-	283
B	KZN435	uMzimkhulu	19 179	100.0	-	-	-	-	-	-	19 179
B	KZN436	Dr. Nkosazana Dlamini Zuma	6 422	100.0	-	-	-	-	-	-	6 422
C	DC43	Harry Gwala DM	7 222	71.2	2 181	21.5	5	0.1	731	7.2	10 139
Total: Harry Gwala Municipalities			33 045	91.4	2 181	6.0	10	-	934	2.6	36 171
Total			3 282 324	64.6	160 025	3.1	447 233	8.8	1 194 539	23.5	5 084 121

Source: NT Publication

Annexure H: National Conditional Grant - 1st Quarter 2018/19

R'000	Financial Management Grant								Regional Bulk Infrastructure Grant (Schedule 5B Grant)								Municipal Infrastructure Grant							
	DoRA 2018 Total Avail. (Inc.Adjust.)	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual		DoRA 2018 Total Avail. (Inc.Adjust.)	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual		DoRA 2018 Total Avail. (Inc.Adjust.)	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual				
				Expenditure Nat. Dept.	% Spent	Expenditure Munis.	% Spent				Expenditure Nat. Dept.	% Spent	Expenditure Munis.	% Spent				Expenditure Nat. Dept.	% Spent	Expenditure Munis.	% Spent			
A	KZN2000	eThekweni	1 000	1 000	1 000	1 000	100.0	1 000	100.0	-	-	-	-	-	-	-	-	-	-	-	-			
B	KZN212	uMdoni	4 315	4 315	4 315	192	4.4	192	4.5	-	-	-	-	30 118	10 000	10 000	2 348	779.6%	9 597	31.9				
B	KZN213	uMzumbane	1 900	1 900	1 900	576	30.3	576	30.3	-	-	-	-	33 442	10 000	10 000	8 268	24.7	6 238	18.7				
B	KZN214	uMuziwabantu	1 900	1 900	1 900	650	34.2	649	34.2	-	-	-	-	22 940	9 000	9 000	7 488	32.6	7 225	31.5				
B	KZN216	Ray Nkonyeni	3 600	3 600	3 600	351	9.8	351	9.7	-	-	-	-	60 317	22 000	22 000	27 062	44.9	16 244	26.9				
C	DC21	Ugu DM	1 865	1 865	1 865	35	1.9	35	1.9	-	-	-	-	235 888	72 000	72 000	57 305	24.3	69 743	29.6				
Total: Ugu Municipalities			13 580	13 580	13 580	1 804	13.3	1 803	13.3	-	-	-	-	382 705	123 000	123 000	102 471	26.8	109 047	28.5				
B	KZN221	uMshwathi	1 970	1 970	1 970	161	8.2	161	8.2	-	-	-	-	27 098	5 000	5 000	5 711	21.1	5 356	19.8				
B	KZN222	uMngeni	1 770	1 770	1 770	235	13.3	235	13.3	-	-	-	-	22 646	12 000	12 000	-	0.0	7 124	31.5				
B	KZN223	Mpofana	1 970	1 970	1 970	153	7.8	153	7.8	-	-	-	-	11 878	10 000	10 000	156	1.3	6 430	54.1				
B	KZN224	iMpendle	1 900	1 900	1 900	632	33.3	632	33.3	-	-	-	-	11 572	5 000	5 000	1 073	9.3	1 321	11.4				
B	KZN225	Msunduzi	1 700	1 700	1 700	79	4.6	79	4.7	-	-	-	-	193 316	50 000	50 000	12 880	6.7	28 912	15.0				
B	KZN226	Mkhambathini	1 970	1 970	1 970	1 043	52.9	1 043	52.9	-	-	-	-	15 835	5 000	5 000	4 501	28.4	9 189	58.0				
B	KZN227	Richmond	1 900	1 900	1 900	60	3.2	109	5.7	-	-	-	-	18 149	9 000	9 000	1 812	10.0	8 768	48.3				
C	DC22	uMgungundlovu DM	1 000	1 000	1 000	-	-	-	-	-	-	-	-	99 828	38 000	38 000	11 416	11.4	17 133	17.2				
Total: uMgungundlovu Municipalities			14 180	14 180	14 180	2 363	16.7	2 412	17.0	-	-	-	-	400 322	134 000	134 000	37 549	9.4	84 233	21.0				
B	KZN232	Okhahlamba	1 900	1 900	1 900	201	10.6	200	10.5	-	-	-	-	27 795	15 000	15 000	9 952	35.8	5 410	19.5				
B	KZN237	iNkosi Langalibalele	3 670	3 670	3 670	1 447	39.4	1 430	39.0	-	-	-	-	36 949	11 000	11 000	11 009	29.8	11 185	30.3				
B	KZN238	Alfred Duma	3 600	3 600	3 600	238	6.6	238	6.6	-	-	-	-	69 946	14 000	14 000	16 716	23.9	1 835	2.6				
C	DC23	uThukela DM	1 545	1 545	1 545	584	37.8	584	37.8	142 283	40 000	-	2 176	180 033	68 000	68 000	41 220	22.9	67 679	37.6				
Total: uThukela Municipalities			10 715	10 715	10 715	2 470	23.1	2 452	22.9	142 283	40 000	-	2 176	314 723	108 000	108 000	78 897	25.1	86 109	27.4				
B	KZN241	eNdameni	1 770	1 770	1 770	162	9.2	162	9.2	-	-	-	-	24 487	14 000	14 000	11 085	45.3	13 313	54.4				
B	KZN242	Nquthu	1 900	1 900	1 900	449	23.6	449	23.6	-	-	-	-	30 627	12 000	12 000	1 556	5.1	3 111	10.2				
B	KZN244	uMsinga	1 900	1 900	1 900	321	16.9	321	16.9	-	-	-	-	36 715	10 000	10 000	5 432	14.8	5 409	14.7				
B	KZN245	uMvoti	1 870	1 870	1 870	328	17.5	329	17.6	-	-	-	-	29 261	8 000	8 000	4 856	16.6	1 800	6.1				
C	DC24	uMzinyathi DM	1 320	1 320	1 320	95	7.2	95	7.2	40 000	14 000	14 000	8 798	184 485	66 000	66 000	24 979	13.5	23 631	12.8				
Total: Umzinyathi Municipalities			8 760	8 760	8 760	1 355	15.5	1 355	15.5	40 000	14 000	14 000	8 798	305 575	110 000	110 000	47 908	15.7	47 264	15.5				
B	KZN252	Newcastle	1 700	1 700	1 700	93	5.5	93	5.5	-	-	-	-	110 232	39 000	39 000	4 415	4.0	939	0.9				
B	KZN253	eMadlangeni	1 970	1 970	1 970	416	21.1	416	21.1	-	-	-	-	9 247	3 500	3 500	2 097	22.7	2 167	23.4				
B	KZN254	Dannhauser	1 900	1 900	1 900	492	25.9	529	27.9	-	-	-	-	21 400	11 000	11 000	11 576	54.1	13 729	64.2				
C	DC25	Amajuba DM	1 570	1 570	1 570	164	10.4	164	10.5	-	-	-	-	40 253	12 000	12 000	7 222	17.9	6 236	15.5				
Total: Amajuba Municipalities			7 140	7 140	7 140	1 165	16.3	1 202	16.8	-	-	-	-	181 132	65 500	65 500	25 310	14.0	23 071	12.7				
B	KZN261	eDumbe	1 970	1 970	1 970	1 004	51.0	975	49.5	-	-	-	-	17 762	10 000	10 000	1 178	6.6	4 135	23.3				
B	KZN262	uPhongolo	1 970	1 970	1 970	-	-	221	11.2	-	-	-	-	27 794	15 000	15 000	7 075	25.5	5 577	20.1				
B	KZN263	AbaQulusi	1 770	1 770	1 770	170	9.6	171	9.7	-	-	-	-	36 434	9 000	9 000	2 126	5.8	6 524	17.9				
B	KZN265	Nongoma	1 970	1 970	1 970	395	20.1	396	20.1	-	-	-	-	31 286	8 000	8 000	4 464	14.3	7 431	23.8				
B	KZN266	Ulundi	1 870	1 870	1 870	129	6.9	130	6.9	-	-	-	-	30 335	15 000	15 000	8 614	28.4	12 248	40.4				
C	DC26	Zululand DM	1 000	1 000	1 000	406	40.6	406	40.6	131 498	40 000	40 000	24 284	220 762	76 000	76 000	60 026	27.2	74 822	33.9				
Total: Zululand Municipalities			10 550	10 550	10 550	2 104	19.9	2 299	21.8	131 498	40 000	40 000	24 284	364 373	133 000	133 000	83 483	22.9	110 737	30.4				
B	KZN271	uMhlabyalingana	1 900	1 900	1 900	602	31.7	601	31.7	-	-	-	-	34 265	12 000	12 000	7 356	21.5	7 803	22.8				
B	KZN272	Jozini	1 970	1 970	1 970	70	3.6	70	3.5	-	-	-	-	36 687	4 000	4 000	11 906	32.5	11 008	30.0				
B	KZN275	Mtubatuba	1 970	1 970	1 970	167	8.5	165	8.4	-	-	-	-	31 166	13 000	13 000	3 509	11.3	5 899	18.9				
B	KZN276	Big Five Hlabisa	3 870	3 870	3 870	983	25.4	250	6.5	-	-	-	-	21 000	12 000	12 000	1 612	7.7	3 436	16.4				
C	DC27	uMkhanyakude DM	1 000	1 000	1 000	143	14.3	142	14.2	-	-	-	-	210 378	94 000	94 000	34 153	16.2	35 013	16.6				
Total: uMkhanyakude Municipalities			10 710	10 710	10 710	1 965	18.3	1 229	11.5	-	-	-	-	333 496	135 000	135 000	58 536	17.6	63 160	18.9				
B	KZN281	uMfolozi	1 900	1 900	1 900	558	29.4	558	29.3	-	-	-	-	25 761	10 000	10 000	4 440	17.2	4 429	17.2				
B	KZN282	uMhlathuze	2 650	2 650	2 650	296	11.2	296	11.2	-	-	-	-	104 604	30 000	30 000	21 477	20.5	20 710	19.8				
B	KZN284	uMlalazi	1 770	1 770	1 770	330	18.6	359	20.3	-	-	-	-	49 108	14 000	14 000	8 133	16.6	3 102	6.3				
B	KZN285	Mthonjaneni	2 850	2 850	2 850	2 225	78.1	2 225	78.1	-	-	-	-	17 749	8 000	8 000	5 184	29.2	5 130	28.9				
B	KZN286	Nkandla	1 970	1 970	1 970	1 289	65.4	1 091	55.4	-	-	-	-	31 945	10 000	10 000	5 495	17.2	2 807	8.8				
C	DC28	King Cetshwayo DM	1 000	1 000	1 000	183	18.3	183	18.3	120 000	30 000	30 000	-	167 200	53 000	53 000	21 311	12.7	21 311	12.7				
Total: King Cetshwayo Municipalities			12 140	12 140	12 140	4 881	40.2	4 713	38.8	120 000	30 000	30 000	-	396 367	125 000	125 000	66 040	16.7	57 488	14.5				
B	KZN291	Mandeni	1 900	1 900	1 900	190	10.0	190	10.0	-	-	-	-	34 706	16 000	16 000	4 111	11.8	4 064	11.7				
B	KZN292	KwaDukuza	1 800	1 800	1 800	204	11.3	205	11.4	-	-	-	-	50 665	26 000	26 000	25 571	50.5	16 233	32.0				
B	KZN293	Ndwedwe	1 970	1 970	1 970	77	3.9																	

Annexure H: National Conditional Grant 1st Quarter 2018/19

R'000	Integrated National Electrification Programme (municipal) Grant								Expanded Public Works Programme Integrated Grant (municipality)						Water Services Infrastructure Grant (Schedule 5B Grant)								
	DoRA 2018 Total Avail. (Inc.Adjust.)	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual		DoRA 2018 Total Avail. (Inc.Adjust.)	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual		DoRA 2018 Total Avail. (Inc.Adjust.)	Approved Payment Schedule	Transferred to Munis. (Year to date)	Unaudited Actual		Unaudited Actual			
				Expenditure Nat. Dept.	% Spent	Expenditure Munis.	% Spent				Expenditure Nat. Dept.	% Spent	Expenditure Munis.	% Spent				Expenditure Nat. Dept.	% Spent	Expenditure Munis.	% Spent		
A	KZN2000	eThekweni	27 000	10 000	10 000	7 131	26.4	7 134	26.4	75 333	18 834	18 834	51 633	68.5	51 633	68.5	-	-	-	-	-	-	
B	KZN212	uMdoni	14 000	5 000	5 000	-	-	-	-	1 219	305	305	184	15.1	305	25.0	-	-	-	-	-	-	
B	KZN213	uMzumbane	14 880	4 880	4 880	30	0.2	1 411	9.5	1 526	383	383	109	7.1	396	25.9	-	-	-	-	-	-	
B	KZN214	uMuziwabantu	10 000	-	-	-	-	-	-	1 213	305	305	269	22.2	256	21.1	-	-	-	-	-	-	
B	KZN216	Ray Nkonyeni	14 000	7 000	7 000	3 594	25.7	1 671	11.9	4 061	1 016	1 016	1 095	27.0	-	-	-	-	-	-	-		
C	DC21	Ugu DM	-	-	-	-	-	-	-	3 250	813	813	593	18.2	593	18.3	55 000	-	-	-	-	-	
Total: Ugu Municipalities			52 880	16 880	16 880	3 624	6.9	3 082	5.8	11 269	2 822	2 822	2 250	20.0	1 550	13.8	55 000	-	-	-	-	-	
B	KZN221	uMshwathi	10 000	-	-	-	-	-	-	1 471	369	369	208	14.1	323	21.9	-	-	-	-	-	-	
B	KZN222	uMngeni	8 000	3 250	3 250	150	1.9	259	3.2	1 000	250	250	25	2.5	74	7.4	-	-	-	-	-	-	
B	KZN223	Mpofana	6 984	-	-	-	-	466	6.7	1 000	250	250	252	25.2	252	25.2	-	-	-	-	-	-	
B	KZN224	iMpendle	-	-	-	-	-	-	-	1 160	290	290	475	40.9	338	29.1	-	-	-	-	-	-	
B	KZN225	Msunduzi	-	-	-	-	-	-	-	2 890	723	723	-	-	-	-	40 000	10 000	10 000	7 984	20.0	5 558	13.9
B	KZN226	Mkhambathini	8 000	3 600	3 600	-	-	3 630	45.4	1 034	259	259	302	29.2	302	29.2	-	-	-	-	-	-	
B	KZN227	Richmond	10 500	-	-	-	-	-	-	1 515	380	380	337	22.2	504	33.3	-	-	-	-	-	-	
C	DC22	uMgungundlovu DM	-	-	-	-	-	-	-	4 265	1 067	1 067	200	4.7	-	-	102 700	10 000	10 000	-	-	560	0.5
Total: uMgungundlovu Municipalities			43 484	6 850	6 850	150	0.3	4 355	10.0	14 335	3 588	3 588	1 799	12.5	1 792	12.5	142 700	20 000	20 000	7 984	5.6	6 118	4.3
B	KZN232	Okhahlamba	7 984	4 484	4 484	1 700	21.3	2 760	34.6	2 432	609	609	1 103	45.4	1 525	62.7	-	-	-	-	-	-	
B	KZN237	iNkosi Langalibalele	14 000	-	-	-	-	-	-	1 387	347	347	1 270	91.6	1 293	93.2	-	-	-	-	-	-	
B	KZN238	Alfred Duma	14 598	7 598	7 598	7 598	52.0	-	-	4 319	1 080	1 080	1 415	32.8	1 409	32.6	-	-	-	-	-	-	
C	DC23	uThukela DM	-	-	-	-	-	-	-	6 206	1 553	1 553	583	9.4	1 278	20.6	83 000	20 000	20 000	5 969	7.2	14 687	17.7
Total: uThukela Municipalities			36 582	12 082	12 082	9 298	25.4	2 760	7.5	14 344	3 589	3 589	4 371	30.5	5 506	38.4	83 000	20 000	20 000	5 969	7.2	14 687	17.7
B	KZN241	eNdameni	6 930	-	-	-	-	2 722	39.3	1 000	250	250	69	6.9	69	6.9	-	-	-	-	-	-	
B	KZN242	Nquthu	14 035	4 035	4 035	-	-	-	-	1 014	254	254	177	17.5	177	17.5	-	-	-	-	-	-	
B	KZN244	uMsinga	17 700	5 700	5 700	5 215	29.5	5 215	29.5	4 394	1 099	1 099	3 840	87.4	3 863	87.9	-	-	-	-	-	-	
B	KZN245	uMvoti	9 329	-	-	48	0.5	317	3.4	1 849	463	463	456	24.7	630	34.1	-	-	-	-	-	-	
C	DC24	uMzinyathi DM	-	-	-	-	-	-	-	5 109	1 278	1 278	1 159	22.7	1 151	22.5	55 000	-	-	-	-	5 873	10.7
Total: Umzinyathi Municipalities			47 994	9 735	9 735	5 263	11.0	8 254	17.2	13 366	3 344	3 344	5 701	42.7	5 890	44.1	55 000	-	-	-	-	5 873	10.7
B	KZN252	Newcastle	15 000	-	-	-	-	-	-	3 199	800	800	620	19.4	800	25.0	40 000	-	-	-	-	-	-
B	KZN253	eMahlangueni	6 000	-	-	-	-	-	-	1 000	250	250	174	17.4	174	17.4	-	-	-	-	-	-	
B	KZN254	Dannhauser	-	-	-	-	-	-	-	1 000	250	250	-	-	258	25.8	-	-	-	-	-	-	
C	DC25	Amajuba DM	-	-	-	-	-	-	-	1 620	405	405	120	7.4	91	5.6	84 400	10 000	10 000	-	-	7 942	9.4
Total: Amajuba Municipalities			21 000	-	-	-	-	-	-	6 819	1 705	1 705	914	13.4	1 323	19.4	124 400	10 000	10 000	-	-	7 942	6.4
B	KZN261	eDumbe	13 300	5 000	5 000	-	-	6 665	50.1	1 103	277	277	14	1.3	186	16.9	-	-	-	-	-	-	
B	KZN262	uPhongolo	8 500	-	-	-	-	-	-	2 534	634	634	866	34.2	274	10.8	-	-	-	-	-	-	
B	KZN263	AbaQulusi	15 000	-	-	-	-	-	-	1 295	325	325	-	-	-	-	-	-	-	-	-	-	
B	KZN265	Nongoma	15 000	5 000	5 000	-	-	4 195	28.0	1 615	405	405	318	19.7	318	19.7	-	-	-	-	-	-	
B	KZN266	Ulundi	18 000	5 000	5 000	3 333	18.5	10 000	55.6	3 854	964	964	990	25.7	908	23.6	-	-	-	-	-	-	
C	DC26	Zululand DM	-	-	-	-	-	-	-	5 908	1 478	1 478	3 542	60.0	3 543	60.0	115 000	30 500	30 500	6 083	5.3	6 217	5.4
Total: Zululand Municipalities			69 800	15 000	15 000	3 333	4.8	20 860	29.9	16 309	4 083	4 083	5 730	35.1	5 229	32.1	115 000	30 500	30 500	6 083	5.3	6 217	5.4
B	KZN271	uMhlabyalingana	18 000	10 000	10 000	-	-	3 789	21.1	3 047	762	762	1 656	54.3	1 656	54.3	-	-	-	-	-	-	
B	KZN272	Jozini	15 000	-	-	-	-	3 559	23.7	2 751	689	689	1 902	69.1	2 300	83.6	-	-	-	-	-	-	
B	KZN275	Mtubatuba	12 600	6 600	6 600	1 599	12.7	1 599	12.7	2 070	518	518	667	32.2	431	20.8	-	-	-	-	-	-	
B	KZN276	Big Five Hlabisa	-	-	-	-	-	-	-	1 826	458	458	973	53.3	724	39.6	-	-	-	-	-	-	
C	DC27	uMkhanyakude DM	-	-	-	-	-	-	-	3 022	757	757	576	19.1	757	25.0	55 000	-	-	-	-	-	
Total: uMkhanyakude Municipalities			45 600	16 600	16 600	1 599	3.5	8 947	19.6	12 716	3 184	3 184	5 774	45.4	5 868	46.1	55 000	-	-	-	-	-	
B	KZN281	uMfolozi	11 000	-	-	-	-	2 077	18.9	1 620	405	405	431	26.6	640	39.5	-	-	-	-	-	-	
B	KZN282	uMhlathuze	-	-	-	-	-	-	-	5 189	1 298	1 298	1 604	30.9	1 604	30.9	16 000	-	-	-	-	1 794	11.2
B	KZN284	uMlalazi	7 000	-	-	-	-	5 768	82.4	3 212	804	804	934	29.1	933	29.0	-	-	-	-	-	-	
B	KZN285	Mthonjaneni	15 000	8 000	8 000	-	-	7 005	46.7	1 808	453	453	572	31.6	575	31.8	-	-	-	-	-	-	
B	KZN286	Nkandla	18 000	10 000	10 000	10 000	55.6	10 591	58.8	2 712	679	679	677	25.0	677	25.0	-	-	-	-	-	-	
C	DC28	King Cetshwayo DM	-	-	-	-	-	-	-	7 762	1 942	1 942	1 519	19.6	1 519	19.6	73 000	-	-	-	-	35 740	49.0
Total: King Cetshwayo Municipalities			51 000	18 000	18 000	10 000	19.6	25 441	49.9	22 303	5 581	5 581	5 737	25.7	5 948	26.7	89 000	-	-	-	-	37 534	42.2
B	KZN291	Mandeni	6 786	3 000	3 000	574	8.5	916	13.5	2 255	565	565	605	26.8	565	25.1	-	-	-	-	-	-	
B	KZN292	KwaDukuza	9 920	-	-	260	2.6	-	-	1 540	385	385	385	25.0	385	25.0	-	-	-	-	-	-	
B	KZN293	Ndwedwe	6 000	-	-	-	-	6 094	101.6	1 195	300	300	492	41.2	534	44.7	-	-	-	-</			