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Department:

Treasury

PROVINCE OF KWAZULU-NATAL

CONSOLIDATED MUNICIPAL BUDGETS PERFORMANCE REPORT

4th Quarter Review 2023/24

MFQR: 30 June 2024

Compiled by: KwaZulu-Natal (KZN) Provincial Treasury

Data Source and Reliability

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This report uses data reported by municipalities by the 10th working day of the month, as required by Section 71(1) of the MFMA. The report has been compiled based on information provided by the municipalities in the form of Municipal Standard Chart of Accounts (mSCOA) data strings, Financial Management Reports (FMR) and other budget performance information for the financial period ended 30 June 2024 from the NT LG Database. 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. The quality of the report depends on the reliability and credibility of the information and figures submitted by the municipalities. It is noted that certain municipalities experience challenges with their financial systems as well as with the capturing of financial data in accordance with the mSCOA segments. These problems cause errors in the submitted data strings as well as inaccuracies in the financial information related to misalignment, cash flow and balance sheet budgeting.

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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 NT LG Database as reported by municipalities for the financial quarter ended 30 June 2024. The non-delegated municipalities, namely, the eThekweni Metro and the Msunduzi and uMhlathuze Local Municipalities are included in the report. By the legislated date for municipalities to upload their monthly MFMA Section 71 performance data strings onto the NT LG Database (National Treasury GoMuni Upload Portal), only two KZN municipalities did not successfully upload their MFMA Section 71 data strings. However, National Treasury extended the closure of the NT LG Database to 17 July 2024 and the two non-compliant municipalities therefore submitted their data strings.

All municipalities should have generated and spent approximately 100 percent of their 2023/24 Adjusted Budgets as at the end of the fourth quarter of the 2023/24 financial year.

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1. Introduction

This consolidated municipal budget performance review covers the financial performance of municipalities in KZN as at the end of the fourth quarter of the 2023/24 financial year.

The consolidated statement provides the in-year financial performance of municipalities against their budgeted revenue and expenditure. It includes the operating and capital budget performances as well as the debtors, creditors and conditional grant reporting requirements.

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

The report is prepared using the figures from the mSCOA data strings. The mSCOA Regulations were promulgated on 22 April 2014 and prescribed the uniform recording and classification of the municipal budget and financial information at a transaction level. The mSCOA Regulations require that municipalities upload their budget and financial information in a data string format to the National Treasury GoMuni Upload Portal across the six mSCOA regulated segments. The quarterly report has been prepared using the mSCOA data strings submitted by the municipalities, however the credibility of the information contained in the data strings is of concern. At the core of the challenge are the following:

- The incorrect use of the mSCOA segments and municipal accounting practices by municipalities;
- A number of municipalities are not budgeting, transacting and reporting directly in/from their core financial systems. Instead, they prepare their budgets and reports on excel spreadsheets and then import the excel spreadsheets into their financial system; and
- Municipalities are not locking their Approved Budgets annually on their financial systems. Furthermore, their financial systems are not being locked at month-end to ensure prudent financial management.

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. District Overview

2.1 Operating Revenue

Table 1: Operating Revenue per source and per district as at the end of Quarter 4 – 2023/24

R'000	Original Budget	Adjusted Budget	Unaudited Actual	% Generated	Detail						
					Exchange Revenue			Non-Exchange Revenue			
					Service charges			Other revenue ²	Property rates	Transfers and subsidies - Operational ³	Other revenue ⁴
					Electricity revenue	Water revenue	Other ¹				
eThekweni	52 562 916	53 001 668	53 728 457	101.4	17 031 575	7 732 072	2 780 446	3 853 496	12 562 329	5 330 295	4 438 243
Ugu	3 331 028	3 524 831	3 300 514	93.6	225 821	393 146	192 884	188 679	662 077	1 556 431	81 478
uMgungundlovu	10 865 052	10 729 418	8 970 340	83.6	2 591 331	1 201 738	395 347	642 286	1 763 711	1 846 143	529 783
uThukela	3 103 282	3 204 260	3 177 884	99.2	815 825	238 707	60 913	173 813	437 739	1 321 319	129 567
uMzinyathi	2 045 801	2 133 613	1 922 059	90.1	253 388	49 693	52 357	100 957	217 094	1 195 254	53 316
Amajuba	2 964 396	3 072 901	2 878 688	93.7	827 063	245 164	251 086	78 343	482 068	966 133	28 831
Zululand	2 741 733	3 018 417	2 853 821	94.5	417 304	113 051	108 417	71 353	330 261	1 761 764	51 672
uMkhanyakude	1 800 610	1 887 238	1 851 410	98.1	4 880	41 399	12 910	103 109	147 543	1 505 743	35 825
King Cetshwayo	6 931 718	7 154 615	6 987 588	97.7	2 158 777	625 425	301 865	286 200	872 210	1 965 828	777 283
iLembe	4 851 366	5 029 034	4 763 334	94.7	1 205 611	285 474	190 875	541 251	766 516	1 726 680	46 928
Harry Gwala	1 810 924	1 876 518	1 819 857	97.0	192 209	59 302	49 091	157 604	247 688	1 088 610	25 352
Total	93 008 826	94 632 514	92 253 952	97.5	25 723 783	10 985 172	4 396 192	6 197 092	18 489 236	20 264 198	6 198 278

Source: NT Igdatabase, downloaded 19 June 2024.

1 Include Service charges revenue for Waste Water Management and Waste Management.

2 Include Sale of Goods and Rendering of Services, Agency services, Interest, Interest earned from Receivables, Interest earned from Current and Non-Current Assets, Dividends, Rent on Land, Rental from Fixed Assets, Licence and permits and Operational Revenue.

3 Include Equitable Share, Financial Management Grant, Expanded Public Works Programme Integrated Grant, Provincial Operating Grant, 5% portion of Municipal Infrastructure Grant.

4 Include Surcharges and Taxes, Fines, penalties and forfeits, Licence or permits, Interest, Fuel Levy, Operational Revenue, Gains on disposal of Assets, Other Gains and Discontinued Operations.

- In aggregate, municipalities in KwaZulu-Natal generated *Operating revenue* amounting to R92.3 billion or 97.5 percent of their Adjusted Budgets of R94.6 billion as at the end of June 2024 resulting in a revenue shortfall of R2.4 billion for the province for the 2023/24 financial year.
- The eThekweni Metro with R53.7 billion or 58.2 percent contributed the most towards the total *Operating revenue* of R92.3 billion followed by the uMgungundlovu District with R9 billion or 9.7 percent and the King Cetshwayo District with R7 billion or 7.6 percent. It should be noted that the Msunduzi Local Municipality contributed R6.3 billion or 70.1 percent towards the total *Operating revenue* reported by the uMgungundlovu District whilst the uMhlathuze Local Municipality reported R5 billion or 71.7 percent of the total *Operating revenue* reported by the King Cetshwayo District. The non-delegated municipalities are considered to be significant contributors to the total *Operating revenue* generated as they are densely populated cities with a large number of consumers.
- The Harry Gwala District and the uMkhanyakude District with a total revenue of R1.8 billion or 2 percent and R1.9 billion or 2 percent contributed the least towards the total *Operating revenue* generated by the province as at the end of the fourth quarter of the 2023/24 financial year which is expected as the districts were the lowest contributors towards the total Adjusted Budget for *Operating revenue*.
- *Services charges – electricity revenue* contributed the most towards *Operating revenue* as at the end of the fourth quarter of the 2023/24 financial year with R25.7 billion or 27.9 percent followed by *Transfers and subsidies - Operational* with R20.3 billion or 22 percent. *Service charges – other* which comprises of *Service charges – waste water management* and *Service charges – waste management* contributed the least towards total *Operating revenue* and generated R4.4 billion or 4.8 percent.

2.2 Operating Expenditure

Table 2: Operating Expenditure per item and per district as at the end of Quarter 4 – 2023/24

R'000	Original Budget	Adjusted Budget	Unaudited Actual	% Spent	Detail								
					Employee related costs	Remun. of councillors	Bulk purchases - electricity	Inventory consumed	Debt impairment	Depreciation and amortisation	Interest	Contracted services	Other ¹
eThekweni	52 289 469	52 921 652	47 192 080	89.2	12 240 374	146 843	14 738 759	3 273 556	1 635 084	2 763 590	888 379	6 082 422	5 423 072
Ugu	3 364 999	3 237 971	3 498 538	108.0	1 291 962	97 715	174 886	176 528	68 427	376 129	27 026	690 691	595 173
uMgungundlovu	10 216 053	10 466 018	9 357 402	89.4	2 295 643	123 329	2 956 553	1 047 880	201 258	559 976	5 165	1 414 320	753 279
uThukela	3 416 245	3 377 703	2 946 060	87.2	1 078 000	71 485	636 845	113 120	102 234	258 704	3 608	381 009	301 054
uMzinyathi	2 067 085	2 262 919	1 779 593	78.6	573 751	34 223	249 611	111 542	5 810	110 031	10 520	389 794	294 310
Amajuba	3 278 015	3 416 808	2 863 869	83.8	895 500	59 496	578 287	188 389	-	417 309	34 744	415 460	274 683
Zululand	2 604 290	2 972 323	2 937 011	98.8	965 977	79 503	437 242	121 855	4 452	336 771	17 095	556 874	417 243
uMkhanyakude	1 734 290	1 858 860	1 804 442	97.1	680 973	75 145	10 392	119 077	(12)	208 876	636	268 808	440 547
King Cetshwayo	7 125 937	7 578 585	7 452 011	98.3	1 859 190	106 706	1 647 363	761 887	231 607	521 068	173 431	948 202	1 202 558
iLembe	4 845 281	5 035 974	4 106 810	81.5	1 084 244	82 252	1 153 650	43 355	20 484	317 671	18 716	893 025	493 413
Harry Gwala	1 951 863	2 047 599	1 808 475	88.3	693 327	54 553	151 164	55 192	(2 051)	245 250	627	319 526	290 886
Total	92 893 527	95 176 412	85 746 291	90.1	23 658 941	931 251	22 734 753	6 012 382	2 267 291	6 115 377	1 179 948	12 360 130	10 486 219

Source: NT Igdatabase, downloaded 19 June 2024.

¹ Include Inventory consumed, Transfers and subsidies and Losses.

- In aggregate, municipalities in KwaZulu-Natal incurred *Operating expenditure* amounting to R85.7 billion or 90.1 percent of their Adjusted Budgets of R95.2 billion as at the end of June 2024 which is below the target of 100 percent expected at the end of the fourth quarter of the 2023/24 financial year.
- The eThekweni Metro with R47.2 billion or 55 percent contributed the most towards the total *Operating expenditure* of R85.7 billion followed by the uMgungundlovu District with R9.4 billion or 10.9 percent and the King Cetshwayo District with R7.5 billion or 8.7 percent. It should be noted that the Msunduzi Local Municipality contributed R6.8 billion or 72.3 percent towards the total *Operating expenditure* reported by the uMgungundlovu District whilst the uMhlathuze Local Municipality contributed R5.3 billion or 71.3 percent of the total *Operating expenditure* reported by the King Cetshwayo District.
- The uMzinyathi District with R1.8 billion or 2.1 percent contributed the least to the total *Operating expenditure* incurred as at the end of the fourth quarter of the 2023/24 financial year followed by the uMkhanyakude District with R1.804 billion or 2.1 percent and the Harry Gwala District with R1.808 billion or 2.1 percent which is expected as the districts also contributed the least towards the total Adjusted Budget for the *Operating expenditure*.
- It should however be noted that the Nquthu and the uMsinga Local Municipalities reported expenditure of only R147.8 million or 47.3 percent and R243.6 million or 62.2 percent respectively in the uMzinyathi District whilst the Dr. Nkosazana Dlamini Zuma Local Municipality reported expenditure of only R192.8 million or 69.1 percent in the Harry Gwala District.
- The Nquthu Local Municipality attributed the significantly low *Operating expenditure* to the understatement of *Employee related costs* which was caused by challenges regarding the integration of their payroll and financial systems whilst the low expenditure reported by the uMsinga Local Municipality is due to the municipality not reporting on *Debt Impairment* and *Depreciation*. The low expenditure reported by the Dr. Nkosazana Dlamini Local Municipality is due to challenges experienced with the financial system wherein expenditure was not reported from September 2023 to February 2024.
- Thirty-five (35) municipalities did not report any *Debt Impairment* for the period ended 30 June 2024 whilst three municipalities reported decreases in the *Provision for debt impairment* and thus reported negative figures for the *Debt impairment* charge. The Alfred Duma and uMzimkhulu Local Municipalities reported significant decreases in their *Provision for debt impairment* of R2.4 million and R2.1 million respectively whilst the Jozini Local Municipality reported a decrease of R12 000. Most municipalities indicated that they will report on *Debt Impairment* during the preparation of their Annual Financial Statements (AFS).

- *Employee related costs* contributed the most towards the total *Operating expenditure* as at the end of the fourth quarter of the 2023/24 financial year with R23.7 billion or 27.6 percent followed by *Bulk purchases - electricity* with R22.7 billion or 26.5 percent and *Contracted services* with R12.4 billion or 14.4 percent.
- *Remuneration of councillors* of R931.3 million or 1.1 percent contributed the least towards the total *Operating expenditure*.

2.3 Capital Revenue (Source of Finance)

Table 3: Capital Revenue (Source of Finance) per district as at the end of Quarter 4 – 2023/24

R'000	Original Budget	Adjusted Budget	Unaudited Actual	% Generated	Detail		
					Transfers recognised - capital ¹	Borrowing	Internally generated funds
eThekweni	8 143 224	7 630 469	5 764 598	75.5	3 403 635	1 420 511	940 452
Ugu	801 414	785 934	615 152	78.3	493 126	643	121 383
uMgungundlovu	1 164 006	1 327 894	355 600	26.8	140 728	37 411	177 462
uThukela	528 295	620 747	471 117	75.9	427 369	-	43 748
uMzinyathi	555 195	476 452	404 895	85.0	340 790	-	64 105
Amajuba	431 077	444 374	368 478	82.9	344 464	34	23 980
Zululand	1 043 868	1 083 355	974 976	90.0	905 971	44 246	24 759
uMkhanyakude	420 112	423 085	364 785	86.2	338 857	-	25 928
King Cetshwayo	1 485 346	1 477 305	1 444 812	97.8	779 195	408 614	257 004
iLembe	1 648 607	1 816 883	1 188 616	65.4	793 726	1 305	393 585
Harry Gwala	677 555	691 766	592 505	85.7	472 153	-	120 352
Total	16 898 700	16 778 264	12 545 535	74.8	8 440 012	1 912 764	2 192 759

Source: NT Igdatabase, downloaded 19 July 2024.

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

- 2 Municipalities in KwaZulu-Natal generated Capital revenue of R12.5 billion or 74.8 percent of their Adjusted Budgets of R16.8 billion at an aggregate level to fund their Capital expenditure as at the end of June 2024 resulting in a revenue shortfall of R4.2 billion for the province at the end of the fourth quarter of the 2023/24 financial year. It is however noted with concern that the total *Capital revenue* recognised as at 30 June 2024 of R12.5 billion is slightly below the total *Capital expenditure* of R13.1 billion incurred. The low Capital revenue recognised of R12.5 billion or 74.8 percent by the municipalities in KwaZulu-Natal is due to the low Capital expenditure reported by the municipalities which is primarily attributable to delays in Supply Chain Management (SCM) processes and inaccurate reporting by a number of municipalities.
- The highest contributor towards the total *Capital revenue* as at the end of the fourth quarter of the 2023/24 financial year was *Transfers recognised – capital* with R8.4 billion or 67.3 percent followed by *Internally generated funds* with R2.2 billion or 17.5 percent. *Borrowing* of R1.9 billion or 15.2 percent contributed the least towards the total *Capital revenue* as at the end of the fourth quarter of the 2023/24 financial year.
 - The eThekweni Metro with R5.8 billion or 45.9 percent contributed the most towards the total *Capital revenue* of R12.5 billion followed by the King Cetshwayo District with R1.4 billion or 11.5 percent and the iLembe District with R1.2 billion or 9.5 percent.
 - The uMgungundlovu, uMkhanyakude and the Amajuba Districts with R355.6 million or 2.8 percent, R364.8 million or 2.9 percent and R368.5 million or 2.9 percent respectively, contributed the least towards the total *Capital revenue* of R12.5 billion.
 - The uMgungundlovu and the iLembe Districts and eThekweni Metro reported the lowest *Capital revenue* against their Adjusted Budgets as at the end of June 2024 with 26.8 percent, 65.4 percent and 75.5 percent respectively.
 - The low revenue reported by the uMgungundlovu District is attributed to the Msunduzi and Mpofana Local Municipalities reporting R166.6 million or 20.8 percent and R14.5 million or 27.3 percent against their Adjusted Budgets while the uMngeni Local Municipality reported negative R781 000 or negative 0.8 percent. The low *Capital revenue* reported by the uMngeni and Mpofana Local Municipalities is due to errors in the data strings produced by their respective financial systems. The uMngeni and Mpofana Local Municipalities indicated that the correct *Capital revenue* is R83.7 million or 79.9 percent and R53.2 million or 100 percent respectively. The low revenue reported by the Msunduzi Local Municipality is attributable to the receipt of certain capital grants towards the end of the 2023/24 financial year.

- The low *Capital revenue* reported by the iLembe District is attributed to the KwaDukuza Local Municipality reporting R667.1 million or 59.4 percent of their Adjusted Budget of R1.1 billion and the iLembe District Municipality reporting R273.7 million or 65.1 percent against an Adjusted Budget of R420.3 million. The KwaDukuza Local Municipality indicated that there were SCM delays in procuring materials for some projects while other projects commenced later than anticipated due to appeals from unsuccessful bidders. The municipality further indicated that inclement weather conditions also delayed the implementation of the projects. The iLembe District Municipality indicated that business forum groups who demand a 30 percent stake in projects delayed a number of ongoing projects, however discussions are being held with some groups to resolve their complaints.
- The eThekweni Metro reported low *Capital revenue* in line with their low *Capital expenditure*. The municipality has attributed the under expenditure to challenges such as delays in SCM processes as well as overbudgeting for certain projects.

2.4 Capital Expenditure

Table 4: Capital Expenditure per item and per district as at the end of Quarter 4 – 2023/24

R'000	Original Budget	Adjusted 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	Energy	Water and Waste Water Mgt.	Waste Mgt	
eThekweni	8 143 224	7 633 015	5 766 122	75.5	495 000	374 179	14 982	374 527	1 145 789	452 353	443 875	2 322 244	120 802	22 371
Ugu	801 414	785 934	615 152	78.3	56 379	127	-	23 405	111 954	125 381	1 057	295 625	1 223	-
uMgungundlovu	1 164 006	1 329 024	804 318	60.5	174 681	74 791	-	68 764	227 339	6 741	31 720	210 910	(1 257)	10 629
uThukela	528 295	620 747	475 639	76.6	20 230	155	-	49 038	46 396	93 802	39 290	226 326	337	65
uMzinyathi	555 195	476 452	414 681	87.0	18 537	252	-	111 665	25 846	18 166	34 780	202 577	2 857	-
Amajuba	452 737	459 284	374 416	81.5	7 952	453	-	46 876	76 858	29 203	50 226	161 632	791	425
Zululand	1 044 326	1 084 150	987 152	91.1	23 663	-	-	71 193	114 969	40 334	28 796	708 147	50	-
uMkhanyakude	420 242	423 085	367 637	86.9	14 188	-	189	46 630	58 722	24 689	328	219 814	83	2 995
King Cetshwayo	1 485 346	1 477 305	1 444 812	97.8	41 394	-	-	160 188	247 900	25 412	113 082	823 208	21 611	12 019
iLembe	1 648 607	1 816 883	1 188 616	65.4	97 797	7	-	49 756	609 276	66 342	131 431	222 721	11 286	-
Harry Gwala	677 555	691 766	631 863	91.3	18 126	22 096	-	94 516	80 036	126 087	35 943	246 753	8 305	-
Total	16 920 947	16 797 644	13 070 407	77.8	967 947	472 061	15 171	1 096 557	2 745 086	1 008 511	910 528	5 639 957	166 086	48 504

Source: NT Igdatabase, downloaded 19 July 2024.

1 Include Executive & Council, Finance and administration and Internal audit.

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

3 Include Planning and development and Environmental protection.

- Municipalities in KwaZulu-Natal incurred *Capital expenditure* of R13.1 billion or 77.8 percent in aggregate against their Adjusted Budgets of R16.8 billion as at the end of June 2024 which is significantly below the target of 100 percent expected at the end of the fourth quarter of the 2023/24 financial year. The low *Capital expenditure* of R13.1 billion or 77.8 percent reported by the municipalities in KwaZulu-Natal is primarily attributable to delays in SCM processes and inaccurate reporting for a number of municipalities.
- The bulk of the total *Capital expenditure* as at the end of the fourth quarter of the 2023/24 financial year was spent on *Water and Waste water management* with R5.6 billion or 43.2 percent with the eThekweni Metro contributing the most in this category with R2.3 billion or 41.2 percent followed by the King Cetshwayo District with R823.2 million or 14.6 percent and the Zululand District with R708 million or 12.6 percent.
- The lowest contributor towards the total *Capital expenditure* is *Community and Public safety – Health* with R15.2 million or 0.1 percent followed by *Other* with R48.5 million or 0.4 percent and *Trading services – waste management* with R166.1 million or 1.3 percent.
- The eThekweni Metro with R5.8 billion or 44.1 percent contributed the most towards the total *Capital expenditure* of R13.1 billion followed by the King Cetshwayo District with R1.4 billion or 11.1 percent and the iLembe District with R1.2 billion or 9.1 percent.
- The uMkhanyakude, Amajuba, uMzinyathi and uThukela Districts with R367.6 million or 2.8 percent, R374.4 million or 2.9 percent, R414.7 million or 3.2 percent and R475.6 million or 3.6 percent contributed the least to the total *Capital expenditure* of R13.1 billion.
- The uMgungundlovu District reported the lowest *Capital expenditure* against the Adjusted Budget with 60.5 percent followed by the iLembe District and the eThekweni Metro with 65.4 percent and 75.5 percent respectively as at the end of June 2024.
- The low *Capital expenditure* reported by the uMgungundlovu District is attributed to the Mpofana Local Municipality reporting R14.3 million or 26.8 percent, the uMgungundlovu District Municipality reporting R63.2 million or 31.1 percent and the iMpendle Local Municipality reporting R21.1 million or 36.5 percent against their Adjusted Budgets. The low *Capital expenditure* reported by the Mpofana Local Municipality is due to errors in the data strings produced by the financial system. The municipality indicated that the correct *Capital expenditure* is R53.2 million or 100 percent. The low *Capital expenditure* reported by the uMgungundlovu District Municipality is attributable to system challenges which resulted in incorrect figures being reported in the data strings. The low *Capital expenditure* reported by the iMpendle Local Municipality is attributable to the receipt of an additional Disaster Recovery Grant allocation of R46.6 million in February 2024 therefore the majority of the grant

has not been utilised as yet.

- The low *Capital expenditure* reported by the iLembe District is attributed to the KwaDukuza Local Municipality reporting R667.1 million or 59.4 percent of their Adjusted Budget of R1.1 billion and the iLembe District Municipality reporting R273.7 million or 65.1 percent against an Adjusted Budget of R420.3 million. The KwaDukuza Local Municipality indicated that there were SCM delays in procuring materials for some projects while other projects commenced later than anticipated due to appeals from unsuccessful bidders. The municipality further indicated that inclement weather conditions also delayed the implementation of the projects. The iLembe District Municipality indicated that business forum groups who demand a 30 percent stake in projects delayed a number of ongoing projects, however discussions are being held with some groups to resolve their complaints.
- The eThekweni Metro indicated that the under expenditure is mostly due to delays in SCM processes including the awarding of contracts. The municipality further indicated that the contractors were unable to perform therefore the contracts were terminated before appointing new contractors.

2.5 Debtors Age Analysis

Table 5: Debtor Age Analysis per district (Total) as at the end of Quarter 4 – 2023/24

R'000	0 - 30 Days		30 - 60 Days		60- 90 Days		Over 90 Days		Total
	Total	%	Total	%	Total	%	Total	%	
eThekweni	3 156 963	9.9	1 260 538	3.9	1 087 244	3.4	26 492 985	82.8	31 997 730
Ugu	91 010	4.0	56 878	2.5	63 672	2.8	2 043 182	90.6	2 254 743
uMgungundlovu	1 082 054	11.7	20 465	0.2	178 237	1.9	8 007 145	86.2	9 287 902
uThukela	100 990	6.1	51 322	3.1	41 530	2.5	1 470 442	88.4	1 664 284
uMzinyathi	43 889	4.6	19 336	2.0	23 964	2.5	875 211	90.9	962 399
Amajuba	111 411	4.8	41 166	1.8	61 450	2.7	2 094 727	90.7	2 308 754
Zululand	78 941	5.5	24 192	1.7	30 750	2.2	1 291 331	90.6	1 425 216
uMkhanyakude	32 688	4.1	(459)	(0.1)	14 014	1.7	759 952	94.3	806 194
King Cetshwayo	429 006	35.6	31 948	2.6	33 443	2.8	712 050	59.0	1 206 447
iLembe	142 715	7.8	66 048	3.6	55 300	3.0	1 567 526	85.6	1 831 589
Harry Gwala	42 896	8.0	22 965	4.3	15 112	2.8	452 810	84.8	533 783
Total	5 312 563	9.8	1 594 399	2.9	1 604 718	3.0	45 767 361	84.3	54 279 041

Source: NT Igdatabase, downloaded 19 July 2024.

Table 6: Debtors by Customer Group (Total) as at the end of Quarter 4 – 2023/24

R'000	Organs of State		Commercial		Household		Other ¹		Total
	Total	%	Total	%	Total	%	Total	%	
eThekweni	1 191 980	3.7	7 267 755	22.7	23 398 660	73.1	139 335	0.4	31 997 730
Ugu	164 869	7.3	368 266	16.3	1 711 967	75.9	9 641	0.4	2 254 743
uMgungundlovu	303 500	3.3	1 360 754	14.7	7 040 921	75.8	582 727	6.3	9 287 902
uThukela	409 183	24.6	524 416	31.5	699 781	42.0	30 904	1.9	1 664 284
uMzinyathi	99 796	10.4	154 299	16.0	683 181	71.0	25 124	2.6	962 399
Amajuba	95 463	4.1	165 919	7.2	2 012 502	87.2	34 871	1.5	2 308 754
Zululand	246 793	17.3	245 347	17.2	860 821	60.4	72 255	5.1	1 425 216
uMkhanyakude	168 276	20.9	197 644	24.5	390 176	48.4	50 099	6.2	806 194
King Cetshwayo	369 127	30.6	374 158	31.0	411 955	34.1	51 206	4.2	1 206 447
iLembe	108 182	5.9	217 881	11.9	1 488 485	81.3	17 042	0.9	1 831 589
Harry Gwala	117 099	21.9	73 278	13.7	304 431	57.0	38 974	7.3	533 783
Total	3 274 267	6.0	10 949 716	20.2	39 002 879	71.9	1 052 178	1.9	54 279 041

Source: NT Igdatabase, downloaded 19 July 2024.

¹ Include Property rates debtors (Agricultural, Ingonyama Trust, Municipal Properties, Protected Area, Vacant Land, Public Benefiting Organisations, Place of Worship), Sundry debtors (Rentals, Garden refuse, Cemetery and burial, Application fees for land usage, Building plan approval), and Misclassifications.

- The total debt owed to municipalities at the end of the fourth quarter of the 2023/24 financial year was R54.3 billion which represents an increase of R1.2 billion or 2.2 percent from R53.2 billion reported by municipalities as at the end of the third quarter of the 2023/24 financial year.
- At the end of the fourth quarter of the 2023/24 financial year, a substantial amount of debt totalling R45.8 billion or 84.3 percent was outstanding in the *Over 90 Days* category which represents an increase of R1.9 billion or 4.4 percent from R43.8 billion reported in the same age category as at the end of the third quarter of the 2023/24 financial year. As at 30 June 2024, the remaining Debtors per age category were as follows: *0-30 Days*: R5.3 billion or 9.8 percent; *30-60 Days*: R1.6 billion or 2.9 percent; and *60-90 Days*: R1.6 billion or 3 percent.
- A total of 19 municipalities reflected negative amounts for *Debtors* in at least one of the age categories, while the total Debtors for each of these municipalities at the end of the fourth quarter of the 2023/24 financial year remained positive which is mainly due to inaccurate data strings due to system errors.
- The Debtors Age Analysis by *Customer group* indicates that a considerable portion of debt is owed by *Households* with R39 billion or 71.9 percent followed by *Commercial* with R10.9 billion or 20.2 percent and *Organs of State* with R3.3 billion or 6 percent.
- The Debtors owed by *Households* increased by R480.9 million or 1.2 percent from R38.5 billion owed at the end of the third quarter of the 2023/24 financial year.
- Debt collection efforts must focus on these long outstanding debts, however some of these debts may still need to be written off as they may have arisen as a result of the incorrect billing of Indigent

customers, amongst others. Municipalities are encouraged to update their Indigent registers to determine households that qualify for rebates and discounts with the aim of ensuring that Debtors are accurately billed and reported. Municipalities should continue to 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.

Creditors Age Analysis

Table 7: Creditor Age Analysis per district (Total) as at the end of Quarter 4 – 2023/24

R'000	0 - 30 Days		30 - 60 Days		60- 90 Days		Over 90 Days		Total
	Total	%	Total	%	Total	%	Total	%	
eThekweni	763 434	97.2	14	0.0	4 377	0.6	17 658	2.2	785 483
Ugu	130 270	18.8	23 986	3.5	11 941	1.7	528 140	76.1	694 337
uMgungundlovu	1 330 526	41.8	(30 494)	(1.0)	16 383	0.5	1 865 703	58.6	3 182 118
uThukela	50 634	66.6	11 237	14.8	3 883	5.1	10 218	13.4	75 972
uMzinyathi	123 590	24.4	44 434	8.8	29 537	5.8	307 934	60.9	505 495
Amajuba	234 961	38.2	28 622	4.7	20 286	3.3	331 467	53.9	615 336
Zululand	76 534	19.6	49 441	12.7	18 206	4.7	245 727	63.0	389 907
uMkhanyakude	10 245	5.8	(20)	(0.0)	(13 803)	(7.8)	180 977	102.0	177 398
King Cetshwayo	310 735	91.1	(1 432)	(0.4)	8 541	2.5	23 183	6.8	341 027
iLembe	124 162	92.3	1 581	1.2	3 734	2.8	5 044	3.7	134 521
Harry Gwala	5 770	75.6	592	7.7	440	5.8	835	10.9	7 637
Total	3 160 860	45.7	127 960	1.9	103 523	1.5	3 516 886	50.9	6 909 230

Source: NT Igdatabase, downloaded 19 July 2024.

Table 8: Creditor Category Analysis per district (Total) as at the end of Quarter 4 - 2023/24

R' 000	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Creditor Age Analysis										
Bulk Electricity	1 009 141	42.7	58 331	2.5	28 627	1.2	1 266 747	53.6	2 362 845	34.2
Bulk Water	420 288	29.6	(22 607)	(1.6)	24 639	1.7	996 250	70.2	1 418 570	20.5
PAYE deductions	171 566	99.9	8	0.0	8	0.0	193	0.1	171 775	2.5
VAT (output less input)	1 064	96.4	-	-	-	-	39	3.6	1 103	0.0
Pensions / Retirement	155 400	100.0	2	0.0	35	0.0	6	0.0	155 442	2.2
Loan repayments	(621)	100.0	-	-	-	-	-	-	(621)	(0.0)
Trade Creditors	1 223 292	53.7	70 339	3.1	38 726	1.7	944 602	41.5	2 276 959	33.0
Auditor-General	1 192	18.6	43	0.7	693	10.8	4 463	69.8	6 390	0.1
Other ¹	179 539	34.7	21 844	4.2	10 796	2.1	304 586	58.9	516 765	7.5
Total	3 160 860	45.7	127 960	1.9	103 523	1.5	3 516 886	50.9	6 909 230	100.0

Source: NT Igdatabase, downloaded 19 July 2024.

¹ Include Misclassifications of Trade Creditors, Salary control and Retentions.

- The total debt owed by municipalities at the end of the fourth quarter of the 2023/24 financial year was R6.9 billion which represents an increase of R560.5 million or 8.8 percent from R6.3 billion owed by municipalities as at end of the third quarter of the 2023/24 financial year.
- At the end of the fourth quarter of the 2023/24 financial year, a substantial amount of debt totalling R3.5 billion or 50.9 percent was outstanding in the *Over 90 Days* category representing an increase of R115.2 million or 3.4 percent from R3.4 billion reported in the same category as at the end of the third quarter of the 2023/24 financial year. It is concerning that R3.7 billion or 54.3 percent of the debt owed by municipalities was outstanding for longer than 30 days in contravention of Section 65(2)(e) of the MFMA.
- The uMsinga and uMzimkhulu Local Municipalities reported no *Creditors* outstanding as at the end of the fourth quarter of the 2023/24 financial year, whilst the uMhlabuyalingana and Mtubatuba Local Municipality reported negative *Creditors* balances at the end of the fourth quarter of the 2023/24 financial year due inaccurate data strings. Additionally, 15 municipalities reported negative amounts for *Creditors* in at least one of the age categories while the total *Creditors* for each of these municipalities at the end of the fourth quarter of the 2023/24 financial year remained positive which is mainly due to inaccurate data strings due to system errors.
- The majority of the outstanding *Creditors* relate to *Bulk electricity* of R2.4 billion or 34.2 percent followed by *Trade creditors* of R2.3 billion or 33 percent and *Bulk water* of R1.4 billion or 20.5 percent.
- Of the *Bulk electricity* outstanding *Creditors* balance of R2.4 billion, R1.3 billion or 53.6 percent was in the *Over 90 Days* category. This was mainly due to the fact that the Msunduzi, Ulundi, eNdameni, AbaQulusi, Newcastle and the Mthonjaneni Local Municipalities reported amounts in the *Over 90 Days* category owing to Eskom of R881.7 million, R159.7 million, R109.2 million, R61.2 million, R39.1 million and R15.9 million respectively for unpaid electricity.

Due to the poor collection of outstanding Debtors amongst others, the municipalities experienced cash flow challenges and were therefore unable to make full payment on invoices owed to Eskom.

- The Msunduzi Local Municipality applied for the National Treasury debt relief programme which was approved effective 01 November 2023. As per the June 2024 MFMA Section 41 report, Eskom reported that the municipality is currently complying with the terms and conditions of the programme.
- The Ulundi Local Municipality applied for the National Treasury debt relief programme which was approved effective 01 June 2023. As per the June 2024 MFMA Section 41 report, the municipality is partially compliant with the terms and conditions of the programme as recent payments have been made to Eskom of R5.5 million on 05 July 2024 and R10.1 million on 12 July 2024.
- The eNdumeni Local Municipality applied for the National Treasury debt relief programme which was approved effective 01 July 2023. According to the MFMA Section 41 Report for June 2024, the municipality is adhering to the terms and conditions of the debt relief programme.
- The AbaQulusi Local Municipality has a payment arrangement with Eskom however according to the MFMA Section 41 report for June 2024, the municipality has not honoured its payment arrangement and a notice of breach was issued by Eskom on 04 June 2024. The municipality has most recently paid R22 million on 04 July 2024, however there is still significant arrear debt in excess of R80 million which still needs to be settled.
- The Newcastle Local Municipality has a payment arrangement with Eskom however according to the MFMA Section 41 report for June 2024, the municipality has not honoured the payment arrangement signed in April 2024 and a notice of breach was issued to the municipality on 07 June 2024. The municipality made a payment of R82 million to Eskom on 03 July 2024, however the municipality still needs to finalise an updated payment arrangement in order to avoid further defaults. Eskom issued a breach notice to the municipality on 08 July 2024 a further payment of R5.4 million was made on 12 July 2024. The municipality has signed an updated payment arrangement dated 23 July 2024 which was forwarded to Eskom for signature.
- The Mthonjaneni Local Municipality applied for the National Treasury debt relief programme which was approved effective 01 July 2023. According to the June 2024 MFMA Section 41 report, the municipality is adhering to the terms and conditions of the debt relief programme.
- The *Bulk electricity* is understated as the Mpofana Local Municipality reported no amounts owed for *Bulk electricity* whilst the MFMA Section 41 report for June 2024 reflects an amount owed of R486.3 million in the *Over 90 Days* category. The Mpofana Local Municipality applied for the National Treasury debt relief programme which was approved on 01 October 2023. The municipality is currently compliant with the terms and conditions of the programme according to the MFMA Section 41 report from Eskom for June 2024. A recent payment of R1.5 million was made by the municipality to Eskom on 04 July 2024.
- Of the *Bulk water* outstanding *Creditors* balance of R1.4 billion, R996.3 million or 70.2 percent was in the *Over 90 Days* category. This was mainly due to the fact that the Msunduzi Local Municipality, the Ugu District Municipality, the Newcastle Local Municipality, the Amajuba District Municipality and the uMkhanyakude District Municipality reported amounts owing to the Water Boards of R464.3 million, R256.6 million, R210.7 million, R47.1 million and R17.5 million respectively for unpaid *Bulk water* in the *Over 90 Days* category.
- The Msunduzi Local Municipality has a payment arrangement with the uMngeni-uThukela Water Board according to the MFMA Section 41 Report for June 2024 from the uMngeni-uThukela Water Board. The municipality has been paying the water board according to the payment plan from August 2023 and has most recently paid an amount of R47.5 million to the water board on 01 July 2024.
- The Ugu District Municipality has a payment arrangement with the uMngeni-uThukela Water Board and according to the MFMA Section 41 report for June 2024 from the uMngeni-uThukela Water Board, the municipality has been complying with the payment plan in respect of the historic debt, however since March 2023, the municipality has not been settling the current invoices which are also accumulating interest. The municipality indicated that a revision of the payment plan is required as the

municipality is facing huge financial constraints. The water board has agreed to consider a revised payment plan which was submitted to the water board on 27 June 2024. There have been continuing engagements between the municipality and the water board to resolve a few matters regarding the revised payment plan.

- The Newcastle Local Municipality has a payment arrangement with the uThukela Water (Proprietary) Limited Company. The municipality indicated that the bulk of the *Creditors* outstanding as at 30 June 2024 in the over 90 days' category is due to the cash flow challenges facing the municipality. The municipality has made a payment towards the long outstanding debt of R14.6 million during July 2024 and is planning to make an additional payment to the uThukela Water (Proprietary) Limited Company before the end of July 2024.
- The Amajuba District Municipality has a payment arrangement with the uThukela Water (Proprietary) Limited Company. The municipality finalised the latest payment arrangement with the uThukela Water (Proprietary) Limited Company on 09 May 2024 and has been honouring the payment arrangement thus far as a payment of R1.5 million was made on 01 July 2024.
- The MFMA Section 41 Report from the uMngeni-uThukela Water Board for June 2024 reflects that the debt owed to the uMngeni-uThukela Water Board by the uMkhanyakude District Municipality of R41.9 million arose from operations and maintenance performed by the water board. The water board scheduled meetings with the municipality for 06 June 2024 and 07 June 2024 however, the municipality did not honour the meetings. The uMngeni-uThukela Water Board will therefore send the proposed contract which includes an acknowledgement of debt to the municipality and a letter of demand will be issued to the municipality once the agreement is signed.
- The uThukela District Municipality did not report the balance owed to the uMngeni-uThukela Water Board in their MFMA Section 71 data string, however as per the MFMA Section 41 Report for June 2024, it was noted that the uThukela District Municipality owed the water board R166.5 million for unpaid Bulk water. As per the MFMA Section 41 Report, the water board met with the uThukela District Municipality on 12 June 2023 to discuss the overdue balance. The approved payment plan was received on 21 July 2023 and the municipality is now paying the water board according to the payment plan. The municipality has most recently made a payment of R2 million to uMngeni-uThukela Water on 05 July 2024.
- The King Cetshwayo District Municipality did not report the balance owed to the uMngeni-uThukela Water Board in their MFMA Section 71 data string, however as per the MFMA Section 41 Report for June 2024, it was noted that the municipality owed the water board R875.2 million for unpaid water. According to the MFMA Section 41 Report, the municipality is currently paying for Bulk water invoices based on the same tariff structure applied to other municipalities by the water board. A restriction of water supply was implemented by the water board to the municipality on 20 July 2023. However, the restriction was lifted with the understanding that both parties were to meet. A meeting was held on 11 September 2023 between the municipality and the water board executive to find an amicable solution. The municipality wrote to the water board on 15 January 2024 indicating they wish to terminate the Bulk Water Services Agreement.

2.7 National Conditional Grants

Table 9: National Conditional Grants -Summary, Quarter 4 – 2023/24

R'000	DoRA 2023 Total Avail. (Inc. Adjust.)	Unaudited Actual	
		Actual expenditure by municipalities	% Spent
Programme and Project Preparation Support Grant	30 000	18 837	62.8
Local Government Financial Management Grant	112 830	90 980	80.6
Infrastructure Skills Development Grant	33 920	32 644	96.2
Neighbourhood Development Partnership (Schedule 5B)	283 801	264 492	93.2
Integrated Urban Development Grant	260 427	259 015	99.5
Municipal Disaster Grant	88 143	34 550	39.2
Municipal Disaster Recovery Grant	573 917	1 528 529	266.3
Public Transport Network Grant	602 337	430 332	71.4
Rural Road Assets Management Systems Grant	26 831	12 208	45.5
Expanded Public Works Programme Integrated Grant (Municipality)	207 530	188 225	90.7
Integrated National Electrification Programme (Municipal) Grant	506 235	430 698	85.1
Energy Efficiency and Demand Side Management (Municipal) Grant	41 000	33 808	82.5
Regional Bulk Infrastructure Grant (Schedule 5B)	636 452	564 829	88.7
Water Services Infrastructure Grant (Schedule 5B)	881 310	593 238	67.3
Metro Informal Settlements Partnership Grant	769 653	751 140	97.6
Municipal Infrastructure Grant	3 620 716	2 593 591	71.6
Total Direct Transfers	8 675 102	7 827 116	90.2
Allocation In Kind			
Neighbourhood Development Partnership (Schedule 6B)	99 289	-	-
Municipal Systems Improvement Grant (Schedule 6B)	34 786	-	-
Integrated National Electrification Programme (Allocation in-kind) Grant	779 905	-	-
Water Services Infrastructure Grant (Schedule 6B)	209 153	-	-
Municipal Infrastructure Grant (Schedule 6B)	10 000		
Total Allocations in kind	1 133 133		
Total	9 808 235	7 827 116	79.8

Source: NT Igdatabase, downloaded 19 July 2024.

- In terms of the Division of Revenue Act, Act No. 5 of 2023 (DoRA), direct allocations to all 54 municipalities in KwaZulu-Natal, including the eThekwin Metro, amounted to R8.7 billion while allocations in-kind amounted to R1.1 billion, totalling R9.8 billion. Municipalities reflected spending of R7.8 billion or 90.2 percent against the total direct allocation of R8.7 billion which is less than the target of 100 percent at the end of the 2023/24 financial year primarily because of delays in SCM processes and inaccurate reporting by a number of municipalities.
- The total Municipal Infrastructure Grant (MIG) allocation to all the municipalities within the province was R3.6 billion, excluding allocations to the uMhlathuze and Ray Nkonyeni Local Municipalities as well as the eThekwin Metro. The eThekwin Metro receives the Programme and Project Preparation Support Grant (PPPSG) while the uMhlathuze and Ray Nkonyeni Local Municipalities receive the Integrated Urban Development Grant (IUDG), therefore none of these municipalities receive the MIG allocation. As at the end of the fourth quarter of the 2023/24 financial year, a total of R2.6 billion or 71.6 percent was spent of the total MIG allocations of R3.6 billion by the municipalities.
- The total IUDG allocation to the Ray Nkonyeni and uMhlathuze Local Municipalities was R260.4 million of which R259 million or 99.5 percent was spent as at the end of the fourth quarter of the 2023/24 financial year.

- The PPPSG allocation to the eThekweni Metro was R30 million of which R18.8 million or 62.8 percent was spent as at the end of the fourth quarter of the 2023/24 financial year.
- A total of nine municipalities reported expenditure less than 80 percent against their MIG allocations for the 2023/24 financial year as at the end of June 2024 while three municipalities (the uThukela and uMkhanyakude District Municipalities as well as the eNdumeni Local Municipality) reported no expenditure against their MIG allocations.
- The Ugu District Municipality reported expenditure of negative R20.2 million against the MIG allocation due to system challenges which resulted in the uploading of incorrect data strings. The municipality indicated that the grant has been fully spent.
- The Mtubatuba Local Municipality reported expenditure of negative R128 000 against their MIG allocation due to challenges with their financial system. The municipality indicated that they are still experiencing challenges with the use of various modules in the financial system, mainly to the grants, liabilities and cash flow reporting where extracted reports from the financial system reflect incorrectly mapped information which has resulted in the various MFMA Section 71 reports reflecting inaccurate information for operating expenditure, grants, capital, debtors, creditors and cash flows.
- The total Water Services Infrastructure Grant (WSIG) allocation to the municipalities within the province was R881.3 million. As at the end of the fourth quarter of the 2023/24 financial year, total expenditure of R593.2 million or 67.3 percent was reported against the allocations to municipalities.

2.8 Identification of municipalities in financial distress through the In-Year Monitoring (Early Warning System)

Section 71(1) 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 reflecting the following particulars for that month and for the financial year up to the end of that month.*

The purpose of the MFMA Section 71 report is amongst others, to serve as an early warning system to identify and assist municipalities facing financial problems, including any emerging or impending financial problems.

Section 138 of the MFMA specifies criteria for determining serious financial problems at municipalities. As per Section 138 of the MFMA, the following factors, singly or in combination, may indicate a serious financial problem:

- (a) *The municipality has failed to make payments as and when due;*
- (b) *the municipality has defaulted on financial obligations for financial reasons;*
- (c) *the actual current expenditure of the municipality has exceeded the sum of its actual current revenue plus available surpluses for at least two consecutive financial years;*
- (d) *the municipality had an operating deficit in excess of five per cent of revenue in the most recent financial year for which financial information is available;*
- (e) *the municipality is more than 60 days late in submitting its annual financial statements to the Auditor-General in accordance with Section 126 [of the MFMA];*
- (f) *the Auditor-General has withheld an opinion or issued a disclaimer due to inadequacies in the financial statements or records of the municipality, or has issued an opinion which identifies a serious financial problem in the municipality;*
- (g) *any of the above conditions exists in a municipal entity under the municipality's sole control, or in a municipal entity for whose debts the municipality may be responsible, and the municipality has failed to intervene effectively; or*
- (h) *any other material condition exists which indicates that the municipality, or a municipal entity under the municipality's sole control, is likely to be unable for financial reasons to meet its obligations.*

Additionally, Section 140 of the MFMA specifies criteria for determining serious or persistent breach of financial commitments. As per Section 140(2) of the MFMA, the following factors, singly or in combination, may indicate that a municipality is in serious material breach of its obligations to meet its financial commitments:

- (a) *The municipality has failed to make any payment to a lender or investor as and when due;*
- (b) *the municipality has failed to meet a contractual obligation which provides security in terms of Section 48 [of the MFMA];*
- (c) *the municipality has failed to make any other payment as and when due, which individually or in the aggregate is more than an amount as may be prescribed or, if none is prescribed, more than two per cent of the municipality's budgeted operating expenditure; or*
- (d) *the municipality's failure to meet its financial commitments has impacted, or is likely to impact, on the availability or price of credit to other municipalities.*

In this regard, the National and Provincial Treasuries are utilising the criteria as per Sections 138 and 140 of the MFMA to identify and monitor municipalities that display **one or more** of the indicators of serious financial problems on a quarterly basis based on the MFMA Section 71 (data string) reports.

The results of the assessment against the above criteria are set out in Annexure J. However, the reliability and credibility of the MFMA Section 71 reports are a serious concern for KZN Provincial Treasury due to the quality of the data strings submitted by municipalities. It is noted that certain municipalities experience challenges with their financial systems as well as with the capturing of financial data in accordance with the mSCOA segments. These problems cause errors in the data strings submitted by municipalities as well as inaccuracies in the financial information relating to cash flow (reflecting unrealistic Cash and cash equivalents balances) and balance sheet budgeting. As a result, some of the municipalities identified as having serious financial problems based on the MFMA Section 71 reports are questionable. For example,

35 municipalities in the province have been flagged as meeting the criteria for having serious financial problems based on the quarter four MFMA Section 71 figures, however, upon further scrutiny, 18 of the municipalities (list and details as reflected in Annexure J) do not appear to have financial problems due to the following

- The data strings of nine (9) of the 18 municipalities are incorrect due to inaccurate reporting by the municipalities and/or system errors;
- The existence of Creditors over R1 million that are owed for more than 90 days are due to disputes with service providers for one (1) municipality;
- For seven (7) municipalities, whilst the Operating deficit that exceeds five (5) percent of revenue, the municipalities have sufficient cash backed reserves to continue funding their operations; and
- The negative audit opinion was the only criteria for one (1) municipality however, the municipality does not display any other sign of financial problems as at the end of the fourth quarter of the 2023/24 financial year.

The remaining 17 municipalities have been identified as meeting the criteria for having serious financial problems as shown in Table 10.

Table 10: Municipalities meeting the criteria of having financial problems

No.	Name of Municipality	No.	Name of Municipality
1	eThekweni Metro	10	Amajuba DM
2	Ugu DM	11	AbaQulusi
3	Mpofana	12	Nongoma
4	iMpindle	13	Ulundi
5	Msunduzi	14	Zululand DM
6	uThukela DM	15	Mtubatuba
7	eNdumeni	16	uMkhanyakude
8	uMzinyathi DM	17	Mthonjaneni
9	Newcastle		

Source: KZN Provincial Treasury.

Included in the list of the 17 municipalities identified as meeting the criteria for having financial problems are seven (7) municipalities which are listed in Table 11 that have also been identified by National Treasury as being in financial distress. In addition, five (5) of the seven (7) municipalities listed in Table 11 are also under intervention in terms of Section 139(1)(b) of the Constitution.

Table 11: Municipalities in financial distress as per National Treasury

No.	Name of Municipality	Intervention
1	Mpofana	Section 139(1)(b)
2	Msunduzi	N/A
3	uThukela DM	Section 139(1)(b)
4	uMzinyathi DM	Section 139(1)(b)
5	AbaQulusi	N/A
6	Mtubatuba	Section 139(1)(b)
7	uMkhanyakude DM	Section 139(1)(b) and Section 139(4)

Source: KZN Provincial Treasury.

Provincial Treasury provided support to five (5) of the seven (7) municipalities in financial distress whilst National Treasury provides support to the Msunduzi Local Municipality. Finance experts were deployed to the uMkhanyakude, uThukela and uMzinyathi District Municipalities as well as the Mpofana Local Municipality. The support was concluded between April and August 2023. Financial Management Support was provided to the Mtubatuba Local Municipality which was concluded in February 2023. Provincial Treasury provided the Mpofana Local Municipality with Financial Management Support during the 2023/24 financial year. National Treasury, through the Municipal Finance Improvement Programme (MFIP IIIx), deployed a Technical advisor that supported both the uThukela and uMzinyathi District Municipalities

during the 2023/24 financial year and a second Technical advisor that supported the uMkhanyakude District Municipality and the Mtubatuba Local Municipality.

The remaining 10 municipalities shown in Table 12 also meet the criteria for having financial problems based on the financial performance as at the end of quarter four of the 2023/24 financial year and will need to be closely monitored going forward.

Table 12: Municipalities meeting the criteria of having financial problems based on Quarter 4 figures – 2023/24

No.	Name of Municipality	No.	Name of Municipality
1	eThekweni Metro	6	Amajuba DM
2	Ugu DM	7	Nongoma
3	iMpendle	8	Ulundi
4	eNdumeni	9	Zululand DM
5	Newcastle	10	Mthonjaneni

Source: KZN Provincial Treasury.

During the third quarter of the 2023/24 financial year, letters were sent from Provincial Treasury to 23 municipalities that met the criteria of having financial problems. Municipalities were requested to table the letters to their Councils. Despite all efforts made by Provincial Treasury to encourage municipalities to table the letters in Council, 20 of the 23 municipalities complied with this request and submitted the relevant Council resolutions. The remaining three (3) municipalities in Table 13 did not table their letters to their Councils.

Table 13: Municipalities that did not table the Provincial Treasury letters for Quarter 3 of the 2023/24 financial year to their Councils

No.	Name of Municipality	No.	Name of Municipality
1	uMzumbi	3	uMkhanyakude DM
2	Newcastle		

Source: KZN Provincial Treasury.

2.9 Non Compliance with the MFMA Reporting Requirements

KZN Provincial Treasury uses the monthly In-Year reports, creditors, debtors and conditional grants reports to produce the MFMA Section 71(7) Consolidated Municipal Budgets Performance Report.

For the 2023/24 financial year, that is Quarter 1 to Quarter 4 covering the months of July 2023 (M01) to June 2024 (M12), the following municipalities did not submit their data strings for the relevant period as listed below:

- As at 15 August 2023, one (1) municipality did not submit their data strings for Month 01 within 10 working days after the end of July 2023 as required by Section 71(1) of the MFMA and was therefore issued with a non-compliance letter.
- As at 14 September 2023, two (2) municipalities did not successfully submit their data strings for Month 02 within 10 workings days after the end of August 2023 as required by Section 71(1) of the MFMA and were therefore issued with non-compliance letters.
- As at 14 June 2024, one (1) municipality did not submit their data strings for Month 11 within 10 workings days after the end of May 2024 as required by Section 71(1) of the MFMA and was therefore issued with a non-compliance letter.
- As at 12 July 2024, two (2) municipalities did not successfully submit their data strings for Month 12 within 10 workings days after the end of June 2024 as required by Section 71(1) of the MFMA and were therefore issued with non-compliance letters.

Table 14: List of municipalities that did not submit their data string for the 2023/24 financial year

Name of data strings	Period	Non-compliant municipalities
In Year Reporting - Monthly Data strings	July 2023 Outstanding submissions as at 15 August 2023	uMuziwabantu
Age Creditors	July 2023 Outstanding submissions as at 15 August 2023	uMuziwabantu
Age Debtors	July 2023 Outstanding submissions as at 15 August 2023	uMuziwabantu
In Year Reporting - Monthly Data strings submitted with error	August 2023 Outstanding submissions as at 14 September 2023	uMsinga
Age Creditors - Data string submitted with error	August 2023 Outstanding submissions as at 14 September 2023	Dannhauser
In Year Reporting - Monthly Data strings	May 2024 Outstanding submissions as at 14 June 2024	uMzumbe
Age Creditors	May 2024 Outstanding submissions as at 14 June 2024	uMzumbe
Age Debtors	May 2024 Outstanding submissions as at 14 June 2024	uMzumbe
In Year Reporting - Monthly Data string submitted with error	June 2024 Outstanding submissions as at 12 July 2024	iMpendle
Age Debtors - Data string submitted with error	June 2024 Outstanding submissions as at 12 July 2024	Dr. Nkosazana Dlamini Zuma

Source: NT Igdatabase

2.10 KZN Provincial Treasury combined Municipal Support Plan

The various sub-programmes within Provincial Treasury that provide support to KZN Municipalities develop the Combined municipal support plan on an annual basis. The Combined municipal support plan for the 2024/25 departmental financial year was signed by the MEC for Finance on 05 April 2024. The intention of the Combined municipal support plan is to provide packaged support to municipalities. The Audit reports and Management letters of the municipalities for the 2022/23 financial year from the Auditor-General of South Africa (AGSA) amongst other information were analysed to identify common trends/audit findings and potential municipalities to support as well as the type of support dependent on the nature and extent of issues. Provincial Treasury established the Municipal support co-ordination steering committee which is responsible to approve the annual combined plan and to monitor progress with the implementation of the plan. The Combined municipal support plan is communicated to the KZN Department of Co-Operative Governance and Traditional Affairs (COGTA) to include it in the Provincial municipal audit outcomes turnaround plan. The combined plan is monitored by the Operation clean audit committee (OPCA) on a quarterly basis, which is attended by KZN COGTA, KZN Provincial Treasury, the African Local Government Association (SALGA) and the AGSA to ensure that the support provided by the different stakeholders are efficiently aligned to avoid duplication.

The approved Combined municipal support plan for the 2024/25 departmental financial year includes the following support initiatives to be provided by Provincial Treasury at the prioritised municipalities. The support for the 2024/25 departmental financial year was confirmed with the leadership of the identified municipalities to obtain their commitment and co-operation for the respective support initiatives by Provincial Treasury. The implementation of the plan commenced during the fourth quarter of 2023/24 departmental financial year and will continue during the 2024/25 financial year until March 2025:

Table 15: Progress on the implementation of the approved 2023/24 KZN PT Combined municipal support plan

Sub-Programme and Support Initiative	Municipalities identified for support	
Municipal Accounting and Reporting		
<ul style="list-style-type: none"> Review of 2023/24 Annual Financial Statements (AFS): Conducted to assist in maintaining positive audit opinions or assist in improving from negative audit opinions. It includes providing technical guidance on the preparation of the AFS and supporting information, reviewing the AFS (and working papers, recons, registers, schedules, etc.) to assess compliance with GRAP and MFMA requirements as well as audit support 	1. eDumbe 2. Big Five Hlabisa 3. uMshwathi 4. KwaDukuza	5. Richmond 6. uMzimkhulu 7. Maphumulo
	<i>Support to commence during Quarter 1 of 2024/25</i>	
<ul style="list-style-type: none"> Financial Management Support Provision of full time support to assist with complex, comprehensive and technical financial accounting matters and audit issues while also embedding the key fundamental principles of financial management. This is aimed at implementing key processes and controls which ultimately assists the municipality with the preparation of GRAP and MFMA compliant AFS and working papers e.g. reconciliations, registers, etc. 	1. Mpofana 2. eMadlangeni 3. Harry Gwala DM	4. Jozini 5. Ulundi
Municipal Support Programme		
<ul style="list-style-type: none"> Specialised Support - Post Implementation Assessments of AFS Reviews conducted in the prior year: Support includes an assessment to determine if the key recommendations provided to the municipality during the 2022/23 AFS Review have been implemented. A risk-based approach will be applied, including support assisting on high level review with recommendations of audit readiness taking cognisance of prior recommendations, key accounting records and interim financial statements (where available) 	1. uMshwathi 2. eDumbe 3. uBhulebezwe	4. uMngeni 5. Dr. Nkosazana Dlamini Zuma
<ul style="list-style-type: none"> Specialised Support - Cash Management A risk based approach will be applied to identify key focus areas that will assist the municipality regarding Cash Management with an emphasis on cost containment and effective debtor management, including implementing Interim Finance committee 	1. iMpindle 2. eMadlangeni 3. Nkandla	<i>Support to commence during Quarter 1 of 2024/25</i>
Municipal Revenue and Debt Management		
<ul style="list-style-type: none"> Municipal Revenue and Debt Management project Implemented to assist with the review of revenue from service charges to assist with completeness as well as the review of the revenue and debt management policies, processes, procedures and controls to identify weaknesses and provide recommendations. Assisting the municipality to populate the National Treasury tariff setting tool to determine whether tariffs for service charges are cost reflective. Support is also provided with regards to the Eskom Municipal Debt Relief Programme in line with MFMA Circular 124. 	1. Ulundi	

Source: KZN PT

Sub-Programme and Support Initiative	Municipalities identified for support	
Provincial Internal Audit Services		
<ul style="list-style-type: none"> Support initiatives to be provided: <ul style="list-style-type: none"> * Risk Assessments and Risk Management Maturity Review * Internal Audit Capacity Building * Review of Internal Audit and Audit Committee function * Establishment of Disciplinary Board 	1. eMadlangeni * 2. Mpofana 3. eDumbe 4. Big Five Hlabisa 5. Nkandla 6. uMkhanyakude DM 7. Jozini * 8. uMzinyathi DM *	9. iNkosi Langalibalele 10. uMuziwabantu * 11. Mkhambathini * 12. AbaQulusi * 13. uPhongolo * 14. Dannhauser * 15. Mtubatuba * 16. uMngeni
* Support to commence during Quarter 1 of 2024/25		
Additional Municipalities supported in Quarter 4 (over and above those planned for in the 2024/25 Municipal Support Plan)	1. Ulundi 2. uMgungundlovu 3. Richmond 4. uMvoti 5. Ndwedwe 6. Greater Kokstad	7. Mfolozi 8. Ray Nkonyeni 9. uMdoni 10. uThukela DM 11. uMlalazi
Infrastructure Management		
Support will be provided in response to specific requests for assistance as received from municipalities. Support will be customised dependent on the request of the municipality and taking cognisance of applicable expertise available.	1. uMzinyathi DM	2. uBuhlebezwe
<ul style="list-style-type: none"> Training: IMES Unit in collaboration with the PT SCM unit is to conduct training on Infrastructure delivery, Infrastructure procurement, CIDB prescripts and Contract Management at Municipalities (SCM, Technical/Infrastructure and Asset Management Units within a municipality). 	1. uMdoni	
Supply Chain Management (SCM)		
<ul style="list-style-type: none"> Technical Support <ul style="list-style-type: none"> * Technical Support in the review and alignment of SCM policies, SOPS, bidding documents, checklists and structure. * Audit Improvement Plan: Assisting in drafting and implementing action plans to effectively address the root causes of SCM non-compliance issues raised by the Auditor-General, Internal Audit units and National Treasury. * Review of Quotations and Bid management process and establish controls and checklists to mitigate procurement non-compliance. * Review contract registers against expenditure reports, check contract documentation relative to extensions, variation orders, documentation approvals and contract performance. Follow-up on recommendations made during contract register reviews. Provide technical guidance in analysing and reviewing the SCM structure and job descriptions to ensure alignment to the acceptable and applicable SCM structure and job descriptions. 	1. eMadlangeni 2. Harry Gwala DM 3. Mpofana 4. uMkhanyakude DM * 5. iMpindle * 6. Jozini 7. Ulundi	8. Ugu 9. uMzinyathi DM 10. iNkosi Langalibalele 11. Nquthu 12. Amajuba DM 13. uThukela DM
* Support to commence during Quarter 1 of 2024/25		
<ul style="list-style-type: none"> Training: Provision of training to all municipalities, including Bid Committees, CSD and uploading of employee information, CIDB Infrastructure Procurement, Contract Management, Quotations Management 	All KZN Municipalities	
Public Private Partnerships (PPP)		
<ul style="list-style-type: none"> Advisory and Regulatory support <ul style="list-style-type: none"> Support will be based on the requirements of Section 120 of the MFMA, read with the PPP Regulations and the PPP Practice Notes issued by National Treasury. The support will extend to technical, legal, financial advisory and regulatory support to public sector institutions from the conceptualization of potential projects through to complete closeout (i.e. from inception through to contract management phases). 	1. uMhlathuze 2. KwaDukuza	3. iLembe DM
<ul style="list-style-type: none"> PPP Training 	1. Harry Gwala DM * 2. Ugu DM	3. Mandeni * 4. Okhahlamba *
* Training to be provided during 2024/25		

Source: KZN PT

2.11 Conclusion

Whilst Provincial Treasury would continue supporting municipalities, the primary responsibility to avoid, identify and resolve financial problems in a municipality rest with the municipality itself as per Sections 61, 62, 63, 64, 65, 81 and 135 of the MFMA. It is therefore incumbent upon the political and administrative leadership at the municipalities to be vigilant with regard to early identification of financial problems that would threaten their service delivery obligations.

Annexure A: Operating Revenue - As at the end of Quarter 4 - 2023/24

Original Budget Adjusted Budget Unaudited Actual % Generated					Exchange Revenue															Non-exchange Revenue														
					Electricity	Water	Waste Water Management	Waste Management	Sale of Goods and Rendering of Services	Agency services	Interest	Interest earned from Receivables	Interest earned from Current and Non Current Assets	Dividends	Rent on Land	Rental from Fixed Assets	Licence and Permits	Operational Revenue	Property rates	Surcharges and Taxes	Fines, penalties and forfeits	Licences or permits	Transfers and subsidies - Operational	Interest	Fuel Levy	Operational Revenue	Gains on disposal of Assets	Other Gains	Discontinued Operations					
A	KZN2000 eThekweni	52 562 916	53 001 668	53 728 457	101.4	17 031 575	7 732 072	1 770 233	1 010 214	295 605	22 757	2 298	1 440 526	884 415	-	579	936 295	5 237	265 785	12 562 329	345 135	(112 415)	43 784	5 330 295	610 636	3 557 475	-	22 497	5 902	(34 771)				
B	KZN212 uMdoni	368 149	382 966	373 237	97.5	0	-	-	11 151	2 863	2 435	-	1 877	14 554	-	-	7 533	2	533	120 535	-	1 123	2 951	195 528	12 152	-	-	-	-	-				
B	KZN213 uMzumbi	219 682	234 281	221 565	94.6	-	-	-	-	104	-	-	-	8 569	-	-	98	-	219	8 273	-	-	11	204 291	-	-	-	-	-	-				
B	KZN214 uMuzwabantu	204 177	207 969	203 587	97.9	38 490	-	-	2 419	251	567	-	-	8 865	-	-	271	-	1 889	25 280	-	1 992	856	122 726	-	-	-	-	-	-				
B	KZN216 Ray Nkonyeni	1 251 108	1 307 659	1 255 476	96.0	187 331	-	-	63 429	16 749	5 898	-	8 378	11 614	-	-	4 266	598	1 159	508 008	-	20 608	9 064	385 654	32 216	-	-	-	506	-				
C	DC21 Ugu DM	1 287 912	1 391 956	1 246 648	89.6	-	393 146	115 884	-	4 127	-	-	68 822	11 733	-	-	2 753	-	1 952	-	-	-	-	648 231	-	-	-	-	-	-				
Total: Ugu Municipalities					3 331 028	3 524 831	3 300 514	93.6	225 821	393 146	115 884	76 999	24 094	8 899	-	79 076	55 336	-	14 922	599	5 754	662 077	-	23 723	12 881	1 556 431	44 368	-	-	-	506			
B	KZN221 uMshwathi	220 539	237 695	237 233	99.8	-	-	-	2 890	577	3 551	-	939	9 538	-	-	701	14	1 661	57 707	11 385	22	-	140 992	6 309	-	-	949	-	-				
B	KZN222 uMngeni	571 897	577 594	526 261	91.1	109 264	-	-	11 923	4 838	-	-	3 503	4 354	-	-	1 801	2 762	2 027	261 035	-	1 806	832	108 514	12 219	-	-	1 382	-	-				
B	KZN223 Mpofana	200 217	186 418	122 665	65.8	34 929	-	-	5 052	169	-	-	-	559	-	-	191	4 653	4 474	16 583	-	4 949	-	51 107	-	-	-	-	-	-				
B	KZN224 Mpendle	64 448	66 610	63 420	95.2	-	-	-	83	-	110	-	180	-	-	-	871	33	40	7 835	-	-	-	53 122	141	-	-	-	-	-				
B	KZN225 Msunduzi	8 120 726	7 908 043	6 287 727	79.5	2 447 138	769 612	194 099	122 560	14 861	3 452	-	291 173	44 118	-	-	34 812	2 011	51 445	1 367 033	-	32 982	-	814 802	97 631	-	-	-	-	-				
B	KZN226 Mtshambalini	126 922	243 473	237 653	97.7	-	-	-	630	-	1 217	-	-	4 665	-	-	764	7 697	316	24 648	-	1	-	197 915	-	-	-	-	-	-				
B	KZN227 Richmond	154 499	164 287	147 909	90.0	-	-	-	1 023	7 352	-	139	291	2 939	-	-	899	11	1 145	28 871	-	2 952	2 419	99 868	-	-	-	-	-	-				
C	DC22 uMgungundlovu DM	1 405 804	1 345 297	1 347 272	100.1	-	432 127	57 087	-	334	-	-	85 526	38 430	-	-	5	-	135	-	-	-	-	379 824	-	-	-	353 805	-	-	-			
Total: uMgungundlovu Municipalities					10 865 052	10 729 418	8 970 340	83.6	2 591 331	1 201 738	251 186	144 162	29 458	7 183	139	381 431	105 607	-	40 043	17 182	61 244	1 763 711	11 385	42 711	3 251	1 846 143	116 299	353 805	-	2 332	-	0		
B	KZN235 Okhahlamba	213 040	215 375	214 845	99.8	-	-	-	1 758	533	1 778	-	795	5 543	-	-	1 432	1 965	-	26 322	-	324	286	166 640	7 461	-	-	-	-	-	-			
B	KZN237 Nkosi Langalibalele	718 038	724 641	733 036	101.2	291 736	-	-	10 043	604	31	-	38 627	11 398	-	-	670	284	2 130	110 411	-	4 198	2 018	245 042	15 693	-	-	-	-	281	-			
B	KZN238 Alfred Duma	1 289 873	1 339 566	1 317 595	98.4	524 089	-	-	33 377	3 057	3 595	-	12 063	42 547	-	-	3 289	3 715	5 669	301 005	-	52 864	21	328 458	795	3 049	-	-	-	-	-			
C	DC23 uThukela DM	882 331	924 678	912 278	98.7	-	238 707	15 735	-	705	-	-	24 584	8 557	-	-	-	-	233	-	-	34 577	-	581 179	-	-	-	-	-	8 000	-			
Total: uThukela Municipalities					3 103 282	3 204 260	3 177 884	99.2	815 825	238 707	15 735	45 179	4 900	5 404	-	76 069	68 046	-	5 391	5 964	8 041	437 739	-	91 963	2 325	1 321 319	23 950	-	3 049	-	281	8 000		
B	KZN241 eNodume	435 205	441 490	367 572	83.3	125 090	-	-	26 750	543	-	-	3 222	1 821	-	-	945	320	557	104 148	-	17 712	4 117	80 758	-	-	-	1 587	-	-	-			
B	KZN242 Nguthu	282 002	289 794	267 993	92.5	28 644	-	-	1 565	177	-	64	613	2 105	-	-	902	-	171	42 206	-	1 594	977	186 377	2 599	-	-	-	-	-	-			
B	KZN244 uMhlanga	281 928	295 376	307 434	104.1	307 434	-	-	1 485	878	-	-	13 837	-	-	-	718	(42)	21 179	214	24 504	-	214	244 680	-	-	-	-	-	-	-			
B	KZN245 uMvoti	380 694	405 342	371 563	91.7	99 654	-	-	10 462	18 164	-	-	-	5 720	-	-	382	2 904	225	49 561	-	19	-	184 481	(7)	-	-	-	-	-	-			
C	DC24 uMzinyathi DM	665 972	701 610	607 497	86.6	-	49 693	12 095	-	213	-	-	37 211	7 716	-	-	443	-	1 148	-	-	-	-	498 978	-	-	-	-	-	-	-			
Total: Umninyathi Municipalities					2 045 801	2 133 613	1 922 059	90.1	253 388	49 693	12 095	40 262	19 975	-	64	41 046	31 199	-	3 391	3 224	2 059	217 094	24 504	19 539	5 094	1 195 254	2 593	-	-	1 587	-	-		
B	KZN252 Newcastle	2 355 468	2 397 032	2 319 630	96.8	810 112	223 564	134 795	106 644	7 156	-	-	3 928	2 948	-	-	9 438	-	797	400 069	-	11 441	40	599 008	4 558	-	-	5 132	-	-	-			
B	KZN253 eMadlangeni	124 667	125 416	114 959	91.7	16 951	-	-	2 005	322	-	-	0	1 419	-	-	1 701	2 066	-	37 408	-	910	-	45 175	6 292	-	-	-	-	-	-			
B	KZN254 Danthuser	199 869	212 157	169 586	79.9	-	-	-	1 349	212	1 195	-	-	2 080	-	-	48	-	1 093	44 591	-	9	448	118 572	-	-	-	-	-	-	-			
C	DC25 Amajuba DM	284 392	338 296	274 502	81.1	-	21 600	6 293	-	255	-	-	24 426	9 538	-	-	24	-	8 988	-	-	-	-	203 378	-	-	-	-	-	-	-			
Total: Amajuba Municipalities					2 964 396	3 072 901	2 878 688	93.7	827 063	245 164	141 087	109 998	7 945	1 195	-	28 354	15 985	-	11 210	2 066	11 587	482 068	-	12 360	488	966 133	10 850	-	-	5 132	-	-		
B	KZN261 eDumbe	210 761	303 647	272 844	89.9	34 062	-	-	2 715	169	-	-	5 534	1 524	-	-	1 569	254	414	31 410	-	1 961	732	187 033	3 897	1 539	-	-	-	41	-			
B	KZN262 uPhongolo	314 936	339 427	322 193	94.9	51 865	-	-	11 398	308	1 135	-	(33)	4 543	-	-	517	1 655	4 907	48 135	-	1 550	-	195 233	979	-	-	-	-	-	-			
B	KZN263 AluQulusi	786 412	828 688	753 823	91.0	255 615	54 174	35 254	30 761	1 575	-	1 290	342	2 788	-	-	1 040	5 690	9 855	109 475	-	28 121	-	212 292	-	-	-	-	-	5 553	-			
B	KZN265 Nongoma	245 247	248 578	246 104	99.0	-	-	-	2 176	56	-	-	-	527	-	-	231	693	527	6	31 980	-	241	783	207 204	2 327	-	-	-	-	-			
B	KZN266 Ulundi	466 129	471 622	425 784	90.3	75 762	-	-	10 089	541	1 554	-	27	2 311	-	-	1 129	152	1 178	109 381	-	235	-	221 065	2 339	-	-	21	-					

Annexure B: Operating Expenditure - As at the end of Quarter 4 - 2023/24

R'000			Original Budget	Adjusted Budget	Unaudited Actual	% Spent	Detail												
							Employee related costs	Remun. of councillors	Bulk purchases - electricity	Inventory consumed	Debt impairment	Depreciation and amortisation	Interest	Contracted services	Transfers and subsidies	Irrecoverable debts written off	Operational costs	Losses on disposal of Assets	Other Losses
A	KZN2000	eThekwini	52 289 469	52 921 652	47 192 080	89.2	12 240 374	146 843	14 738 759	3 273 556	1 635 084	2 763 590	888 379	6 082 422	587 042	14 412	2 718 006	603	2 103 010
B	KZN212	uMdoni	449 028	462 953	365 058	78.9	146 204	16 335	-	6 439	-	41 194	-	103 342	2 660	-	48 881	4	-
B	KZN213	uMzumb	281 527	307 485	235 196	76.5	65 320	17 690	0	2 759	-	17 249	-	91 853	9 048	-	31 277	-	-
B	KZN214	uMuziwabantu	271 497	289 310	247 885	85.7	81 099	10 411	47 077	2 591	186	16 285	-	40 414	1 048	-	48 774	-	-
B	KZN216	Ray Nkonyeni	1 253 191	1 352 181	1 218 162	90.1	479 025	40 181	127 809	12 798	-	79 998	1 465	262 443	15 664	11 307	188 761	(1 404)	116
B	DC21	Ugu DM	1 109 757	826 043	1 432 237	173.4	520 314	13 098	-	151 942	68 242	221 404	25 562	192 640	-	4 533	234 534	-	(30)
Total: Ugu Municipalities			3 364 999	3 237 971	3 498 538	108.0	1 291 962	97 715	174 886	176 528	68 427	376 129	27 026	690 691	28 420	15 840	552 227	(1 399)	86
B	KZN221	uMshwathi	243 215	342 459	457 122	133.5	94 236	12 610	-	4 321	181 592	19 499	-	47 477	-	61 386	35 890	-	111
B	KZN222	uMngeni	571 590	577 430	520 868	90.2	145 834	11 753	169 435	1 966	-	56 252	36	62 880	1 779	18 771	50 554	1 610	-
B	KZN223	Mpofana	190 428	244 548	180 393	73.8	33 594	1 789	72 721	7 181	-	15 328	28 832	7 982	-	-	12 964	-	-
B	KZN224	iMpendle	68 400	79 781	79 627	99.8	43 596	4 152	-	101	-	6 243	186	11 853	2 037	-	11 459	-	0
B	KZN225	Msunduzi	7 703 788	7 564 072	6 767 453	89.5	1 549 585	63 279	2 714 396	890 918	14 114	382 119	(29 562)	885 804	61 714	22 524	215 605	5 621	(8 664)
B	KZN226	Mkhambathini	141 302	251 606	238 508	94.8	53 639	6 820	-	5 604	-	10 306	-	112 833	20 144	-	29 163	-	-
B	KZN227	Richmond	166 135	177 021	169 041	95.5	70 246	6 549	-	4 705	5 551	16 611	33	38 964	523	-	25 858	-	-
C	DC22	uMgungundlovu DM	1 131 196	1 229 100	944 390	76.8	304 914	16 377	-	133 083	-	53 618	5 639	246 527	11 963	360	85 603	54	86 253
Total: uMgungundlovu Municipalities			10 216 053	10 466 018	9 357 402	89.4	2 295 643	123 329	2 956 553	1 047 880	201 258	559 976	5 165	1 414 320	98 159	103 040	467 094	7 285	77 700
B	KZN235	Okhahlamba	239 024	261 895	247 183	94.4	128 856	12 332	-	2 544	-	21 535	-	42 265	240	506	40 138	(1 234)	-
B	KZN237	iNkosi Langalibalele	756 798	788 314	666 238	84.5	198 986	23 146	265 798	23 596	3 283	3 917	1 550	108 855	200	-	36 454	-	454
B	KZN238	Alfred Duma	1 369 887	1 391 088	1 182 828	85.0	384 400	29 855	371 047	29 653	(2 438)	157 326	229	90 978	4 517	19 581	97 682	-	-
B	DC23	uThukela DM	1 050 536	936 405	849 811	90.8	365 758	6 154	-	57 327	101 389	75 927	1 829	138 911	3 285	-	99 230	-	-
Total: uThukela Municipalities			3 416 245	3 377 703	2 946 060	87.2	1 078 000	71 485	636 845	113 120	102 234	258 704	3 608	381 009	8 242	20 087	273 505	(1 234)	454
B	KZN241	eNdumeni	452 596	440 913	363 010	82.3	144 768	4 857	132 676	1 879	185	-	9 684	41 532	1 367	-	26 068	-	(7)
B	KZN242	Nquthu	284 119	312 703	147 831	47.3	8 504	1 110	28 633	19 519	-	-	-	32 004	5 679	23	52 360	-	-
B	KZN244	uMsinga	323 196	391 381	243 577	62.2	73 127	11 077	-	9 494	-	-	-	82 787	-	20 744	46 347	-	-
B	KZN245	uMvoti	412 010	452 893	405 566	89.6	142 966	11 381	88 302	7 578	5 625	36 269	0	66 553	1 067	-	45 840	(16)	-
C	DC24	uMzinyathi DM	595 164	665 029	619 609	93.2	204 386	5 798	-	73 071	-	73 762	836	166 917	3 997	-	90 804	37	-
Total: Umzinyathi Municipalities			2 067 085	2 262 919	1 779 593	78.6	573 751	34 223	249 611	111 542	5 810	110 031	10 520	389 794	12 110	20 766	261 419	21	(7)
B	KZN252	Newcastle	2 724 589	2 771 049	2 302 753	83.1	664 067	31 788	558 989	166 341	-	371 931	29 465	280 137	-	80 522	119 336	172	6
B	KZN253	eMadlangeni	130 136	129 246	112 371	86.9	50 526	4 647	19 298	3 362	-	6 513	182	18 195	-	1 477	8 169	-	-
B	KZN254	Dannhauser	179 073	191 571	152 379	79.5	40 231	12 764	-	109	-	21 918	2 353	50 057	-	-	24 947	-	-
C	DC25	Amajuba DM	244 217	324 943	296 366	91.2	140 676	10 297	-	18 577	-	16 947	2 744	67 072	6	235	39 813	-	-
Total: Amajuba Municipalities			3 278 015	3 416 808	2 863 869	83.8	895 500	59 496	578 287	188 389	-	417 309	34 744	415 460	6	82 235	192 265	172	6
B	KZN261	eDumbe	209 180	228 724	182 358	79.7	84 972	8 644	42 702	-	-	(923)	54	25 743	-	2 072	19 093	-	-
B	KZN262	uPhongolo	296 245	323 773	310 867	96.0	127 562	11 294	41 199	21 817	4 452	21 529	5	36 172	-	4 334	42 502	-	-
B	KZN263	AbaQulusi	720 495	699 271	855 140	122.3	204 358	17 828	237 530	65 770	-	138 645	8 354	107 416	-	(228)	64 988	-	10 479
B	KZN265	Nongoma	228 435	241 618	235 531	97.5	109 232	16 580	-	6 938	-	19 064	2 769	43 637	3 049	257	34 005	-	-
B	KZN266	Ulundi	427 832	540 106	462 940	85.7	137 391	14 793	115 811	6 730	-	54 770	(1 736)	87 884	286	1 691	45 319	-	-
C	DC26	Zululand DM	722 102	938 831	890 175	94.8	302 463	10 362	-	20 600	-	103 686	7 648	256 021	3 512	1 581	183 795	506	-
Total: Zululand Municipalities			2 604 290	2 972 323	2 937 011	98.8	965 977	79 503	437 242	121 855	4 452	336 771	17 095	556 874	6 848				

Annexure C: Capital Revenue (Source of finance) - As at the end of Quarter 4 - 2023/24

R'000						Detail						
						Sources of Finance				Transfers recognised - capital		
						National Govt.	Provincial Govt.	District Municipality	Other transfers and grants	Borrowing	Internally generated funds	
A	KZN2000	eThekwin	8 143 224	7 630 469	5 764 598	75.5	3 336 419	66 751	-	466	1 420 511	940 452
B	KZN212	uMdoni	54 356	57 591	50 368	87.5	31 513	2 355	-	-	-	16 501
B	KZN213	uMzumbe	94 051	89 887	59 764	66.5	29 213	-	-	-	-	30 551
B	KZN214	uMuziwabantu	47 122	46 808	38 911	83.1	32 579	-	-	-	-	6 331
B	KZN216	Ray Nkonyeni	150 893	175 176	147 065	84.0	99 264	2 951	-	-	643	44 207
B	DC21	Ugu DM	454 992	416 471	319 044	76.6	295 251	-	-	-	-	23 793
Total: Ugu Municipalities			801 414	785 934	615 152	78.3	487 821	5 305	-	-	643	121 383
B	KZN221	uMshwathi	45 670	53 829	44 623	82.9	29 344	707	-	-	-	14 573
B	KZN222	uMngeni	83 818	103 607	(781)	(0.8)	(43)	-	-	-	-	(738)
B	KZN223	Mpofana	20 828	53 209	14 537	27.3	14 122	-	-	-	-	415
B	KZN224	iMpindle	13 369	57 842	21 489	37.2	19 089	1 141	-	404	-	855
B	KZN225	Msunduzi	768 760	802 544	166 560	20.8	(37 283)	42 500	-	-	37 411	123 932
B	KZN226	Mkhambathini	22 922	26 835	23 796	88.7	16 975	-	-	-	-	6 822
B	KZN227	Richmond	24 324	26 495	21 807	82.3	18 097	348	-	-	-	3 361
C	DC22	uMgungundlovu DM	184 315	203 533	63 570	31.2	35 327	-	-	-	-	28 243
Total: uMgungundlovu Municipalities			1 164 006	1 327 894	355 600	26.8	95 628	44 697	-	404	37 411	177 462
B	KZN235	Okhahlamba	34 234	58 406	51 348	87.9	49 614	-	-	7 034	-	(5 299)
B	KZN237	iNkosi Langalibalele	54 004	93 524	88 165	94.3	87 474	-	-	-	-	691
B	KZN238	Alfred Duma	131 661	161 948	126 907	78.4	61 654	18 127	-	-	-	47 127
B	DC23	uThukela DM	308 395	306 868	204 696	66.7	203 467	-	-	-	-	1 229
Total: uThukela Municipalities			528 295	620 747	471 117	75.9	402 208	18 127	-	7 034	-	43 748
B	KZN241	eNdumeni	25 669	31 544	19 191	60.8	18 571	-	-	-	-	620
B	KZN242	Nquthu	60 608	103 579	94 139	90.9	36 984	23 539	-	-	-	33 616
B	KZN244	uMsinga	57 968	80 442	42 134	52.4	29 224	-	-	-	-	12 910
B	KZN245	uMvoti	39 698	36 169	45 554	125.9	30 676	-	-	-	-	14 879
C	DC24	uMzinyathi DM	371 253	224 718	203 876	90.7	200 440	1 355	-	-	-	2 081
Total: uMzinyathi Municipalities			555 195	476 452	404 895	85.0	315 895	24 894	-	-	-	64 105
B	KZN252	Newcastle	255 338	250 902	211 123	84.1	193 943	3 321	-	-	34	13 825
B	KZN253	eMadlangeni	39 051	60 559	43 970	72.6	40 961	-	-	-	-	3 010
B	KZN254	Dannhauser	52 996	44 762	26 984	60.3	20 742	-	-	-	-	6 241
C	DC25	Amajuba DM	83 693	88 152	86 401	98.0	85 497	-	-	-	-	904
Total: Amajuba Municipalities			431 077	444 374	368 478	82.9	341 143	3 321	-	-	34	23 980
B	KZN261	eDumbe	36 938	102 910	96 604	93.9	32 221	62 418	-	-	-	1 966
B	KZN262	uPhongolo	43 124	39 515	35 553	90.0	24 515	6 465	-	-	-	4 574
B	KZN263	AbaQulusi	83 440	80 885	58 407	72.2	48 645	3 163	-	-	-	6 599
B	KZN265	Nongoma	49 623	47 029	29 004	61.7	24 284	-	-	-	-	4 719
B	KZN266	Ulundi	40 776	53 302	43 222	81.1	38 426	-	-	-	-	4 796
C	DC26	Zululand DM	789 967	759 713	712 185	93.7	665 833	-	-	-	44 246	2 106
Total: Zululand Municipalities			1 043 868	1 083 355	974 976	90.0	833 924	72 046	-	-	44 246	24 759
B	KZN271	uMhlabyalingana	58 829	60 632	37 226	61.4	28 193	4 144	-	-	-	4 890
B	KZN272	Jozini	44 865	66 817	59 295	88.7	46 437	170	-	-	-	12 688
B	KZN275	Mtubatuba	47 556	46 282	18 996	41.0	16 643	1 815	-	-	-	538
B	KZN276	Big Five Hlabisa	35 190	33 825	35 405	104.7	27 593	-	-	-	-	7 812
C	DC27	uMkhanyakude DM	233 671	215 529	213 862	99.2	213 862	-	-	-	-	-
Total: uMkhanyakude Municipalities			420 112	423 085	364 785	86.2	332 728	6 128	-	-	-	25 928
B	KZN281	uMfolozi	40 311	38 494	41 825	108.7	28 471	1 025	-	-	-	12 329
B	KZN282	uMhlathuze	802 941	817 407	793 520	97.1	243 152	67	-	2 194	385 211	162 896
B	KZN284	uMlalazi	110 155	114 171	124 662	109.2	61 647	868	-	-	23 403	38 744
B	KZN285	Mthonjaneni	35 933	27 758	21 462	77.3	20 095	-	-	-	-	1 367
B	KZN286	Nkandla	43 469	43 043	33 507	77.8	32 412	-	-	-	-	1 095
C	DC28	King Cetshwayo DM	452 538	436 432	429 837	98.5	389 238	-	-	25	-	40 574
Total: King Cetshwayo Municipalities			1 485 346	1 477 305	1 444 812	97.8	775 016	1 961	-	2 218	408 614	257 004
B	KZN291	Mandeni	143 945	139 784	129 270	92.5	50 122	647	-	-	-	78 500
B	KZN292	KwaDukuza	950 898	1 122 175	667 089	59.4	486 665	7	-	224	1 305	178 888
B	KZN293	Ndwedwe	74 985	103 710	86 261	83.2	36 178	2 609	-	-	-	47 475
B	KZN294	Maphumulo	26 315	30 873	32 254	104.5	29 079	(198)	-	-	-	3 373
C	DC29	iLembe DM	452 465	420 342	273 742	65.1	180 237	8 156	-	-	-	85 349
Total: iLembe Municipalities			1 648 607	1 816 883	1 188 616	65.4	782 281	11 221	-	224	1 305	393 585
B	KZN433	Greater Kokstad	111 109	135 619	97 318	71.8	41 586	32 075	-	-	-	23 657
B	KZN434	uBuhlebezwe	59 605	61 823	52 298	84.6	32 834	5 670	-	-	-	13 794
B	KZN435	uMzimkhulu	108 906	92 795	80 637	86.9	34 608	-	-	-	-	46 029
B	KZN436	Dr. Nkosazana Dlamini Zuma	91 794	84 661	58 039	68.6	25 864	2 429	-	-	-	29 746
C	DC43	Harry Gwala DM	306 141	316 868	304 213	96.0	297 086	-	-	-	-	7 127
Total: Harry Gwala Municipalities			677 555	691 766	592 505	85.7	431 978	40 174	-	-	-	120 352
Total			16 898 700	16 778 264	12 545 535	74.8	8 135 041	294 625	-	10 345	1 912 764	2 192 759

Source: NT Igdatabase

Annexure D: Capital Expenditure - As at the end of Quarter 4 - 2023/24

R'000			Original Budget	Adjusted Budget	Unaudited Actual	% Spent	Detail																
							Governance and Admin.			Community and Public Safety					Economic and Environmental Services			Trading Services				Other	
							Executive & Council	Finance and administration	Internal audit	Community & Social Services	Sport And Recreation	Public Safety	Housing	Health	Planning and Dev.	Road Transport	Environ. Protection	Energy source	Water management	Waste Water Mgt.	Waste Mgt.		
A	KZN2000	eThekwini	8 143 224	7 633 015	5 766 122	75.5	46 395	448 461	144	111 583	219 208	43 736	374 179	14 982	444 155	1 145 789	8 198	443 875	847 365	1 474 879	120 802	22 371	
B	KZN212	uMdoni	54 356	57 591	50 368	87.5	85	7 122	-	13 302	7 993	-	-	-	1 659	19 512	-	-	-	-	696	-	
B	KZN213	uMzumbi	94 051	89 887	59 764	66.5	-	21 014	-	1 609	-	-	-	-	12 424	24 689	-	-	-	-	28	-	
B	KZN214	uMuziwabantu	47 122	46 808	38 911	83.1	-	1 127	-	59	-	-	-	-	-	37 311	-	414	-	-	-	-	
B	KZN216	Ray Nkonyeni	150 893	175 176	147 065	84.0	23	3 396	194	-	-	442	127	-	111 006	30 443	292	643	-	-	499	-	
C	DC21	Ugu DM	454 992	416 471	319 044	76.6	-	23 419	-	-	-	-	-	-	-	-	-	-	184 720	110 905	-	-	
Total: Ugu Municipalities			801 414	785 934	615 152	78.3	108	56 078	194	14 970	7 993	442	127	-	125 089	111 954	292	1 057	184 720	110 905	1 223	-	
B	KZN221	uMshwathi	45 670	53 829	44 623	82.9	75	8 845	-	154	-	-	-	-	16 312	17 614	-	1 132	-	-	492	-	
B	KZN222	uMngeni	83 818	104 737	53 090	50.7	(316)	17 134	-	(133)	-	-	-	-	-	13 408	-	22 998	-	-	-	-	
B	KZN223	Mpofana	20 828	53 209	14 263	26.8	-	314	-	-	2 143	-	-	-	-	11 807	-	-	-	-	-	-	
B	KZN224	iMpendle	13 369	57 842	21 085	36.5	26	312	-	699	1 554	-	-	-	1 036	17 458	-	-	-	-	-	-	
B	KZN225	Msunduzi	768 760	802 544	562 324	70.1	106 196	33 154	(14)	51 528	4 657	5 569	74 791	-	(11 524)	128 836	105	7 590	77 703	75 071	(1 749)	10 410	
B	KZN226	Mkhambathini	22 922	26 835	23 796	88.7	-	2 868	-	592	991	-	-	-	-	19 125	-	-	-	-	-	220	
B	KZN227	Richmond	24 324	26 495	21 935	82.8	973	1 694	-	32	-	-	-	-	145	19 091	-	-	-	-	-	-	
C	DC22	uMgungundlovu DM	184 315	203 533	63 201	31.1	30	3 388	-	408	-	571	-	-	667	-	-	-	58 136	-	-	-	
Total: uMgungundlovu Municipalities			1 164 006	1 329 024	804 318	60.5	106 984	67 711	(14)	53 279	9 345	6 139	74 791	-	6 636	227 339	105	31 720	135 839	75 071	(1 257)	10 629	
B	KZN235	Okhahlamba	34 234	58 406	51 348	87.9	-	(6 427)	-	-	791	-	-	-	56 648	-	-	-	-	-	337	-	
B	KZN237	iNkosi Langalibalele	54 004	93 524	88 788	94.9	113	1 255	-	(338)	-	-	-	-	36 595	35 941	-	15 222	-	-	-	-	
B	KZN238	Alfred Duma	131 661	161 948	126 907	78.4	57	24 519	94	40 998	5 977	1 610	155	-	560	10 455	-	24 068	-	18 350	-	65	
C	DC23	uThukela DM	308 395	306 868	208 595	68.0	71	548	-	-	-	-	-	-	-	-	-	-	193 198	14 778	-	-	
Total: uThukela Municipalities			528 295	620 747	475 639	76.6	241	19 895	94	40 660	5 977	2 401	155	-	93 802	46 396	-	39 290	193 198	33 128	337	65	
B	KZN241	eNdumeni	25 669	31 544	19 378	61.4	15	206	-	7 732	2 478	-	-	-	15	4 586	-	4 345	-	-	-	-	
B	KZN242	Nquthu	60 608	103 579	94 139	90.9	608	478	-	55 784	-	-	-	-	3 621	14 306	-	17 428	-	-	1 914	-	
B	KZN244	uMsinga	57 968	80 442	51 734	64.3	118	12 060	-	3 021	17 547	591	252	-	5 261	-	-	12 883	-	-	-	-	
B	KZN245	uMvoti	39 698	36 169	45 554	125.9	2 988	830	-	14 087	9 839	583	-	-	9 207	6 954	-	123	-	-	943	-	
C	DC24	uMzinyathi DM	371 253	224 718	203 876	90.7	117	1 117	-	3	-	-	-	-	62	-	-	-	188 037	14 540	-	-	
Total: Umzinyathi Municipalities			555 195	476 452	414 681	87.0	3 846	14 691	-	80 627	29 864	1 174	252	-	18 166	25 846	-	34 780	188 037	14 540	2 857	-	
B	KZN252	Newcastle	255 338	250 902	212 909	84.9	1 757	2 385	-	709	27 539	-	453	-	2 011	61 160	-	22 313	87 348	6 914	319	-	
B	KZN253	eMadlangeni	39 051	60 559	43 970	72.6	-	220	-	15	6 427	-	-	-	-	8 970	-	27 913	-	-	-	425	
B	KZN254	Dannhauser	74 656	59 551	31 136	52.3	-	3 473	-	-	-	-	-	-	27 192	-	-	-	-	-	472	-	
C	DC25	Amajuba DM	83 693	88 272	86 401	97.9	-	117	-	12 186	-	-	-	-	-	6 728	-	59 985	7 384	-	-	-	
Total: Amajuba Municipalities			452 737	459 284	374 416	81.5	1 757	6 195	-	12 909	33 967	-	453	-	29 203	76 858	-	50 226	147 333	14 298	791	425	
B	KZN261	eDumbe	36 938	102 910	96 604	93.9	-	1 966	-	-	-	-	-	-	20 317	62 934	-	11 388	-	-	-	-	
B	KZN262	uPhongolo	43 124	39 515	35 553	90.0	1 865	1 159	-	1 813	14 387	562	-	-	14 922	845	-	-	-	-	-	-	
B	KZN263	AbaQulusi	83 440	80 885	70 555	87.2	-	13 029	77	14 938	3 993	-	-	-	3 163	23 117	-	12 238	-	-	-	-	
B	KZN265	Nongoma	49 623	47 029	29 004	61.7	21	1 824	-	1 570	-	1 107	-	-	-	22 887	-	1 544	-	-	50	-	
B	KZN266	Ulundi	40 776	53 302	43 222	81.1	588	1 028	-	18 686	13 801	307	-	-	-	5 186	-	3 625	-	-	-	-	
C	DC26	Zululand DM	790 424	760 508	712 213	93.6	167	1 938	-	28	-	-	-	-	1 932	-	-	708 147	-	-	-	-	
Total: Zululand Municipalities			1 044 326	1 084 150	987 152	91.1	2 642	20 944	77	37 035	32 182	1 976	-	-	40 334	114 969	-	28 796	708 147	-	50	-	
B	KZN271	uMhlabuyalingana	58 959	60 632	40 362	66.6	-	4 389	-	142	7 687	-	-	189	-	25 129	-	-	-	-	-	2 825	
B	KZN272	Jozini	44 865	66 817	59 012	88.3	31	1 601	-	92	10 981	48	-	-	18 673	20 964	173	328	5 952	-	-	170	
B	KZN275	Mtubatuba	47 556	46 282	18 996	41.0	-	755	-	4 086	-	-	-	-	1 615	12 540	-	-	-	-	-	-	
B	KZN276	Big Five Hlabisa	35 190	33 825	35 405	104.7	-	7 411	-	10 393	8 825	4 376	-	-	4 228	89	-	-	-	-	83	-	
C	DC27	uMkhanyakude DM	233 671	215 529	213 862	99.2	-	-	-	-	-	-	-	-	-	-	-	190 785	23 076	-	-	-	
Total: Umkhanyakude Municipalities			420 242	423 085	367 637	86.9	31	14 157	-	14 713	27 493	4 424	-	189	24 515	58 722	173	328	196 737	23 076	83	2 995	
B	KZN281	uMfolozi	40 311	38 494	41 825	108.7	44	11 859	-	8 985	1 951	26	-	-	1 382	17 345	-	-	-	-	233	-	
B	KZN282	uMhlatuze	802 941	817 407	793 520	97.1	82	23 639	-	43 358	74 962	998	-	-	8 967	111 743	4 444	94 860	336 215	80 297	1 936	12 019	
B	KZN284	uMlalazi	110 155	114 171	124 662	109.2	425	316	-	13 365	11 335	168	-	-	868	95 816	-	1 569	-	799	-	-	
B	KZN285	Mthorjaneni	35 933	27 758	21 462	77.3	-	110	-	992	-	-	-	-	-	16 578	-	3 782	-	-	-	-	
B	KZN286	Nkandla	43 469	43 043	33 507	77.8	-	985	-	3 387	155	-	-	-	9 691	6 417	-	12 871	-	-	-	-	
C	DC28	King Cetshwayo DM	452 538	436 432	429 837	98.5	1 915	2 019	-	-	-	505	-	-	12	-	47	393 143	12 754	19 441	-	-	
Total: King																							

Annexure E: Debtors Age Analysis (Total) - As at the end of Quarter 4 - 2023/24

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 ito Council Policy	
			Total	%	Total	%	Total	%	Total	%		Amount	%	Amount	%
A	KZN2000	eThekwini	3 156 963	9.9	1 260 538	3.9	1 087 244	3.4	26 492 985	82.8	31 997 730	-	0.0	1 772 471	5.5
B	KZN212	uMdoni	5 988	3.0	4 317	2.1	3 462	1.7	188 241	93.2	202 009	-	-	-	-
B	KZN213	uMzumbe	-	-	-	-	-	-	36 173	100.0	36 173	-	-	-	-
B	KZN214	uMuziwabantu	4 865	-	2 094	-	1 599	-	29 558	-	38 116	-	-	-	-
B	KZN216	Ray Nkonyeni	23 741	3.9	12 698	2.1	22 502	3.7	543 497	90.2	602 438	-	-	-	-
C	DC21	Ugu DM	56 416	4.1	37 769	2.7	36 110	2.6	1 245 713	90.5	1 376 008	-	-	-	-
Total: Ugu Municipalities			91 010	4.0	56 878	2.5	63 672	2.8	2 043 182	90.6	2 254 743	-	-	-	-
B	KZN221	uMshwathi	13 025	12.5	(35)	-0.0	2 573	2.5	88 570	85.1	104 132	-	-	-	-
B	KZN222	uMngeni	21 703	-	6 436	-	6 952	-	197 065	-	232 156	-	-	-	-
B	KZN223	Mpofana	17 416	4.5	(1 232)	-0.3	6 190	1.6	368 573	94.3	390 947	-	-	-	-
B	KZN224	iMpendle	1 205	5.7	15	0.1	444	2.1	19 589	92.2	21 253	-	-	-	-
B	KZN225	Msunduzi	924 117	-	15 229	-	125 190	-	6 195 552	-	7 260 088	-	-	3 914 528	-
B	KZN226	Mkhambathini	2 463	6.4	(27)	-0.1	564	1.5	35 521	92.2	38 522	-	-	-	-
B	KZN227	Richmond	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC22	uMgungundlovu DM	102 125	8.2	79	0.0	36 324	2.9	1 102 275	88.8	1 240 804	-	-	-	-
Total: uMgungundlovu Municipalities			1 082 054	11.7	20 465	0.2	178 237	1.9	8 007 145	86.2	9 287 902	-	-	3 914 528	42.1
B	KZN235	Okhahlamba	4 921	5.0	(68)	-0.1	1 728	1.8	91 972	93.3	98 554	-	-	-	-
B	KZN237	iNkosi Langalibalele	40 394	7.4	20 124	3.7	14 102	2.6	468 165	86.3	542 785	-	-	-	-
B	KZN238	Alfred Duma	55 675	5.4	31 265	3.1	25 701	2.5	910 305	89.0	1 022 946	-	-	-	-
C	DC23	uThukela DM	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities			100 990	6.1	51 322	3.1	41 530	2.5	1 470 442	88.4	1 664 284	-	-	-	-
B	KZN241	eNdumeni	17 215	-	9 655	-	6 303	-	157 783	-	190 955	-	-	-	-
B	KZN242	Nquthu	7 160	30.9	558	2.4	379	1.6	15 063	65.0	23 160	-	-	-	-
B	KZN244	uMsinga	(7 256)	-14.0	2 056	4.0	2 213	4.3	54 875	105.8	51 889	-	-	-	-
B	KZN245	uMvoti	11 875	20.7	172	0.3	1 811	3.2	43 492	75.8	57 350	-	-	-	-
C	DC24	uMzinyathi DM	14 895	2.3	6 895	1.1	13 258	2.1	603 998	94.5	639 045	-	-	-	-
Total: uMzinyathi Municipalities			43 889	4.6	19 336	2.0	23 964	2.5	875 211	90.9	962 399	-	-	-	-
B	KZN252	Newcastle	94 354	4.9	39 019	2.0	53 209	2.8	1 723 326	90.2	1 909 909	-	-	-	-
B	KZN253	eMadlangeni	4 070	5.5	(50)	-0.1	639	0.9	69 022	93.7	73 682	-	-	-	-
B	KZN254	Dannhauser	2 627	3.4	2 208	2.8	2 102	2.7	70 818	91.1	77 755	1	0.0	-	-
C	DC25	Amajuba DM	10 359	4.2	(11)	-0.0	5 500	2.2	231 561	93.6	247 409	-	-	-	-
Total: Amajuba Municipalities			111 411	4.8	41 166	1.8	61 450	2.7	2 094 727	90.7	2 308 754	1	0.0	-	-
B	KZN261	eDumbe	5 997	2.8	(44)	2.0	2 623	2.8	208 113	90.2	216 689	-	-	-	-
B	KZN262	uPhongolo	10 317	3.4	(89)	-0.0	2 706	0.4	290 165	47.9	303 099	-	-	-	-
B	KZN263	AbaQulusi	36 029	8.6	18 584	4.4	17 195	4.1	348 007	82.9	419 815	-	-	-	-
B	KZN265	Nongoma	2 457	-	(16)	-	712	-	61 508	-	64 662	-	-	-	-
B	KZN266	Ulundi	14 983	8.2	(481)	-0.3	2 319	1.3	165 834	90.8	182 656	-	-	-	-
C	DC26	Zululand DM	9 158	3.8	6 238	2.6	5 195	2.2	217 705	91.4	238 296	-	-	-	-
Total: Zululand Municipalities			78 941	5.5	24 192	1.7	30 750	2.2	1 291 331	90.6	1 425 216	-	-	-	-
B	KZN271	uMhlabyalingana	1 821	2.6	(0)	-0.0	746	1.1	68 355	96.4	70 921	-	-	-	-
B	KZN272	Jozini	4 756	3.5	134	0.1	1 873	1.4	129 162	95.0	135 924	-	-	-	-
B	KZN275	Mtubatuba	11 896	4.5	(399)	-0.2	5 030	1.9	248 296	93.8	264 824	-	-	-	-
B	KZN276	Big Five Hlabisa	2 428	3.9	(166)	-0.3	797	1.3	59 562	95.1	62 621	-	-	-	-
C	DC27	uMkhanyakude DM	11 787	-	(28)	-	5 568	-	254 578	-	271 904	-	-	-	-
Total: uMkhanyakude Municipalities			32 688	4.1	(459)	-0.1	14 014	1.7	759 952	94.3	806 194	-	-	-	-
B	KZN281	uMfolozi	4 181	10.7	(84)	-0.2	1 542	3.9	33 564	85.6	39 202	-	-	-	-
B	KZN282	uMhlathuze	401 929	-	22 034	-	22 016	-	361 106	-	807 085	49 300	-	-	-
B	KZN284	uMlalazi	8 987	7.2	5 302	4.3	4 026	3.2	105 749	85.2	124 064	-	-	-	-
B	KZN285	Mthonjaneni	3 644	9.8	180	0.5	928	2.5	32 333	87.2	37 085	-	-	-	-
B	KZN286	Nkandla	(1 166)	-1.5	(2)	-0.0	1 811	2.4	76 224	99.2	76 867	-	-	-	-
C	DC28	King Cetshwayo DM	11 431	9.4	4 517	3.7	3 120	2.6	103 075	84.4	122 143	4 155	3.4	(50 049)	-41.0
Total: King Cetshwayo Municipalities			429 006	35.6	31 948	2.6	33 443	2.8	712 050	59.0	1 206 447	53 455	4.4	(50 049)	-4.1
B	KZN291	Mandeni	8 481	3.8	(28)	-0.0	3 061	1.4	214 093	94.9	225 607	-	-	-	-
B	KZN292	KwaDukuza	86 876	19.4	29 142	6.5	19 025	4.3	311 871	69.8	446 914	-	-	-	-
B	KZN293	Ndwedwe	938	2.7	(3)	-0.0	347	1.0	33 230	96.3	34 512	-	-	-	-
B	KZN294	Maphumulo	551	9.2	46	0.8	318	5.3	5 049	84.6	5 965	-	-	-	-
C	DC29	iLembe DM	45 869	4.1	36 891	3.3	32 549	2.9	1 003 284	89.7	1 118 592	73	0.0	-	-
Total: Ilembe Municipalities			142 715	7.8	66 048	3.6	55 300	3.0	1 567 526	85.6	1 831 589	73	0.0	-	-
B	KZN433	Greater Kokstad	24 630	27.9	9 953	11.3	3 087	3.5	50 525	57.3	88 194	-	-	-	-
B	KZN434	uBuhlebezwe	6 559	5.9	3 206	2.9	4 074	3.7	97 370	87.6	111 209	-	-	-	-
B	KZN435	uMzimkhulu	1 344	11.6	376	3.3	323	2.8	9 495	82.3	11 537	(196)	-1.7	-	-
B	KZN434	Dr. Nkosazana Dlamini Zuma	1 440	1.6	2 110	2.4	1 846	2.1	83 277	93.9	88 673	-	-	-	-
C	DC43	Harry Gwala DM	8 923	3.8	7 320	3.1	5 782	2.5	212 144	90.6	234 169	-	-	-	-
Total: Harry Gwala Municipalities			42 896	8.0	22 965	4.3	15 112	2.8	452 810	84.8	533 783	(196)	-0.0	-	-
Total			5 312 563	9.8	1 594 399	2.9	1 604 718	3.0	45 767 361	84.3	54 279 041	53 332	0.1	5 636 950	10.4

Source: NT Publication

Annexure F: Debtors by Customer Group (Total) - As at the end of Quarter 4 - 2023/24

R'000		Organs of State					Commercial					Household					Other					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			
A	KZN2000 eThekwini	313 444	129 765	48 956	699 816	1 191 980	3.7	1 226 928	358 143	286 755	5 395 930	7 267 755	22.7	1 602 181	761 718	743 550	20 291 210	23 398 660	73.1	14 410	10 912	7 983	106 030	139 335	0.4	31 997 730
B	KZN212 uMdoni	563	261	207	46 258	47 289	23.4	1 195	531	584	23 804	26 114	12.9	4 196	3 485	2 632	114 705	125 018	61.9	34	40	40	3 474	3 588	1.8	202 009
B	KZN213 uMzombe	-	-	-	20 917	20 917	-	-	-	-	9 221	9 221	25.5	-	-	-	-	-	-	-	-	-	6 035	6 035	16.7	36 173
B	KZN214 uMuziwabantu	903	572	481	12 210	14 165	-	2 981	893	524	6 867	11 264	-	981	630	594	10 482	12 686	-	-	-	-	-	-	-	38 116
B	KZN216 Ray Nkonyeni	2 271	868	755	55 020	58 914	9.8	11 729	6 507	6 463	98 149	122 847	20.4	9 742	5 324	15 284	390 328	420 677	69.8	-	-	-	-	-	-	602 438
C	DC21 Ugu DM	3 768	947	2 449	16 421	23 585	-	16 088	6 774	5 918	170 039	198 819	14.4	36 593	30 077	27 773	1 059 142	1 153 586	83.8	(34)	(30)	(30)	112	18	0.0	1 376 008
Total: Ugu Municipalities		7 505	2 647	3 892	150 825	164 869	7.3	31 993	14 705	13 488	308 080	368 266	16.3	51 512	39 516	46 283	1 574 657	1 711 967	75.9	1	10	10	9 620	9 641	0.4	2 254 743
B	KZN221 uMshwathi	1 828	3	494	14 366	16 691	16.0	4 218	6	1 040	38 274	43 539	41.8	6 462	(14)	920	37 517	44 885	43.1	516	(29)	118	(1 588)	(982)	-0.9	104 132
B	KZN222 uMngeni	1 020	119	73	2 477	3 688	-	1 064	39	37	1 907	3 047	-	19 111	5 622	6 339	165 299	196 371	-	508	656	503	27 383	29 050	-	232 156
B	KZN223 Mpofana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17 416	(1 232)	6 190	368 573	390 947	100.0	390 947
B	KZN224 iMpendle	290	1	110	7 322	7 724	36.3	86	(0)	33	1 206	1 324	6.2	81	(0)	31	1 063	1 175	5.5	748	14	270	9 998	11 030	51.9	21 253
B	KZN225 Msunduzi	89 338	(214)	6 000	126 403	221 528	-	404 319	3 401	24 440	827 218	1 259 378	-	430 460	12 042	94 750	5 241 930	5 779 182	-	-	-	-	-	-	-	7 260 088
B	KZN226 Mkhambathini	107	(1)	16	806	928	2.4	1 643	(16)	299	15 163	17 089	44.4	546	(10)	178	5 204	5 919	15.4	167	-	71	14 348	14 586	37.9	38 522
B	KZN227 Richmond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC22 uMgungundlovu DM	11 672	2	1 791	39 475	52 941	4.3	11 089	(0)	1 693	23 595	36 377	2.9	68 589	72	28 484	916 243	1 013 389	81.7	10 774	4	4 356	122 962	138 097	11.1	1 240 804
Total: uMgungundlovu Municipalities		104 255	(89)	8 484	190 849	303 500	3.3	422 418	3 430	27 543	907 363	1 360 754	14.7	525 250	17 711	130 702	6 367 257	7 040 921	75.8	30 130	(587)	11 508	541 676	582 727	6.3	9 287 902
B	KZN235 Okhahlamba	819	-	401	32 947	34 167	34.7	1 243	(21)	291	12 629	14 142	14.3	1 052	(23)	384	17 928	19 341	19.6	1 807	(23)	652	28 468	30 904	31.4	98 554
B	KZN237 iNkosi Langalibalele	3 806	3 076	2 123	57 325	66 330	12.2	30 233	11 745	7 270	222 162	271 409	50.0	6 355	5 304	4 709	188 678	205 046	37.8	-	-	-	-	-	-	542 785
B	KZN238 Alfred Duma	11 614	12 677	9 375	275 020	308 687	30.2	36 127	7 917	6 649	188 172	238 865	23.4	7 934	10 670	9 676	447 113	475 394	46.5	-	-	-	-	-	-	1 022 946
C	DC23 uThukela DM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities		16 239	15 754	11 899	365 292	409 183	24.6	67 602	19 641	14 210	422 963	524 416	31.5	15 342	15 951	14 769	653 719	699 781	42.0	1 807	(23)	652	28 468	30 904	1.9	1 664 284
B	KZN241 eNdameni	2 175	1 338	1 004	13 349	17 866	-	8 298	3 874	1 815	27 298	41 285	-	6 741	4 444	3 484	117 135	131 804	-	-	-	-	-	-	-	190 955
B	KZN242 Nquthu	1 118	72	84	4 159	5 433	23.5	1 774	269	116	1 642	3 801	16.4	3 949	74	69	2 889	6 981	30.1	318	143	109	6 373	6 944	30.0	23 160
B	KZN244 uMsinga	(145)	603	497	13 688	14 642	28.2	(7 111)	1 453	1 717	41 196	37 254	71.8	0	0	0	(8)	(7)	-0.0	-	-	-	-	-	-	51 889
B	KZN245 uMvoti	1 736	(0)	(11)	7 099	8 824	-	5 919	0	571	6 711	13 201	23.0	3 383	17	1 010	18 411	22 821	39.8	837	156	241	11 270	12 504	21.8	57 350
C	DC24 uMzinyathi DM	2 129	1 847	1 674	47 381	53 031	8.3	1 753	487	1 447	55 071	58 757	9.2	10 654	4 373	9 852	496 704	521 581	81.6	359	188	286	4 843	5 676	0.9	639 045
Total: Umzinyathi Municipalities		7 014	3 859	3 247	85 675	99 796	10.4	10 633	6 082	5 666	131 918	154 299	16.0	24 728	8 907	14 415	635 131	683 181	71.0	1 514	487	636	22 486	25 124	2.6	962 399
B	KZN252 Newcastle	4 741	1 111	15 329	14 252	35 433	1.9	33 167	5 380	4 629	88 421	131 597	6.9	56 446	32 525	33 248	1 620 566	1 742 784	91.2	0	4	4	87	95	0.0	1 909 909
B	KZN253 eMadlangeni	731	-	790	21 956	23 477	31.9	746	-	(54)	2 701	3 393	4.6	1 392	(12)	(480)	16 955	17 855	24.2	1 202	(38)	382	27 411	28 957	39.3	73 682
B	KZN254 Dannhauser	862	687	652	21 621	23 822	30.6	873	694	654	15 894	18 115	23.3	892	827	796	33 303	35 819	46.1	-	-	-	-	-	-	77 755
C	DC25 Amajuba DM	625	-	280	11 826	12 732	5.1	171	(3)	300	12 346	12 815	5.2	8 308	12	4 764	202 960	216 043	87.3	1 255	(19)	156	4 428	5 819	2.4	247 409
Total: Amajuba Municipalities		6 959	1 797	17 051	69 655	95 463	4.1	34 957	6 071	5 529	119 363	165 919	7.2	67 038	33 351	38 329	1 873 784	2 012 502	87.2	2 457	(53)	542	31 925	34 871	1.5	2 308 754
B	KZN261 eDumbe	1 611	-	610	32 586	34 807	-	2 893	(41)	806	32 998	36 656	16.9	1 860	(2)	942	129 857	132 658	61.2	(367)	(1)	264	12 671	12 567	5.8	216 689
B	KZN262 uPhongolo	67	-	24	2 474	2 565	0.8	6 918	(77)	1 268	68 059	76 167	25.1	2 606	(12)	1 566	218 944	223 104	73.6	726	(0)	(151)	688	1 262	0.4	303 099
B	KZN263 AbaQulusi	5 163	3 513	2 734	75 451	86 861	20.7	14 418	5 166	3 749	41 671	65 004	15.5	16 448												

Annexure G: Creditors Age Analysis (Total) - As at the end of Quarter 4 - 2023/24

R'000			0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total
			Total	%	Total	%	Total	%	Total	%	
A	KZN2000	eThekwini	763 434	97.2	14	0.0	4 377	0.6	17 658	2.2	785 483
B	KZN212	uMdoni	956	100.0	-	-	-	-	-	-	956
B	KZN213	uMzumbe	4 832	95.7	(409)	(8.1)	105	2.1	523	10.3	5 050
B	KZN214	uMuziwabantu	350	100.0	-	-	-	-	-	-	350
B	KZN216	Ray Nkonyeni	2 822	99.1	21	0.7	-	-	5	0.2	2 848
C	DC21	Ugu DM	121 310	17.7	24 374	3.6	11 836	1.7	527 613	77.0	685 133
Total: Ugu Municipalities			130 270	18.8	23 986	3.5	11 941	1.7	528 140	76.1	694 337
B	KZN221	uMshwathi	4 393	40.1	-	-	-	-	6 573	59.9	10 966
B	KZN222	uMngeni	15 828	97.9	334	2.1	-	-	4	0.0	16 165
B	KZN223	Mpofana	15 616	2.9	6 708	1.2	7 796	1.4	509 208	94.4	539 328
B	KZN224	iMpendle	(321) (32 145 100.0)		(61) (6 050 900.0)		382 38 196 100.0		-	-	0
B	KZN225	Msunduzi	1 285 950	49.4	(37 707)	(1.4)	8 094	0.3	1 349 373	51.8	2 605 710
B	KZN226	Mkhambathini	268	152.3	(92)	(52.3)	(0)	(0.0)	(0)	(0.0)	176
B	KZN227	Richmond	221	100.0	-	-	-	-	-	-	221
C	DC22	uMgungundlovu DM	8 573	89.7	324	3.4	111	1.2	545	5.7	9 552
Total: uMgungundlovu Municipalities			1 330 526	41.8	(30 494)	(1.0)	16 383	0.5	1 865 703	58.6	3 182 118
B	KZN235	Okhahlamba	723	100.0	(842)	(116.4)	842	116.4	-	-	723
B	KZN237	iNkosi Langalibalele	35 279	100.0	16	0.0	-	-	0	0.0	35 295
B	KZN238	Alfred Duma	11 998	98.8	-	-	-	-	152	1.2	12 150
C	DC23	uThukela DM	2 634	9.5	12 063	43.4	3 041	10.9	10 066	36.2	27 804
Total: uThukela Municipalities			50 634	66.6	11 237	14.8	3 883	5.1	10 218	13.4	75 972
B	KZN241	eNdumeni	15 267	9.1	12 648	7.6	9 592	5.7	129 664	77.6	167 172
B	KZN242	Nquthu	14 009	55.3	10 076	39.8	234	0.9	1 024	4.0	25 342
B	KZN244	uMsinga	-	-	-	-	-	-	-	-	-
B	KZN245	uMvoti	16 536	98.6	6	0.0	-	-	232	1.4	16 773
C	DC24	uMzinyathi DM	77 778	26.3	21 704	7.3	19 711	6.7	177 014	59.8	296 207
Total: uMzinyathi Municipalities			123 590	24.4	44 434	8.8	29 537	5.8	307 934	60.9	505 495
B	KZN252	Newcastle	194 775	40.6	18 431	3.8	16 660	3.5	250 262	52.1	480 128
B	KZN253	eMadlangeni	5 414	94.5	59	1.0	29	0.5	225	3.9	5 726
B	KZN254	Dannhauser	10 899	91.3	25	0.2	1 017	8.5	2	0.0	11 943
C	DC25	Amajuba DM	23 873	20.3	10 108	8.6	2 580	2.2	80 978	68.9	117 539
Total: Amajuba Municipalities			234 961	38.2	28 622	4.7	20 286	3.3	331 467	53.9	615 336
B	KZN261	eDumbe	12 679	70.6	2 645	14.7	2 639	14.7	(0)	(0.0)	17 963
B	KZN262	uPhongolo	137	11.8	-	-	-	-	1 029	88.2	1 167
B	KZN263	AbaQulusi	42 547	28.5	24 357	16.3	19 841	13.3	62 543	41.9	149 288
B	KZN265	Nongoma	4 973	21.9	(258)	(1.1)	(4 339)	(19.1)	22 382	98.4	22 758
B	KZN266	Ulundi	15 395	7.8	22 697	11.5	-	-	159 772	80.7	197 864
C	DC26	Zululand DM	804	92.7	-	-	63	7.3	-	-	867
Total: Zululand Municipalities			76 534	19.6	49 441	12.7	18 206	4.7	245 727	63.0	389 907
B	KZN271	uMhlabyalingana	(2 139)	19.7	(1 329)	12.3	(5 938)	54.8	(1 431)	13.2	(10 837)
B	KZN272	Jozini	18 733	95.8	773	4.0	(163)	(0.8)	220	1.1	19 564
B	KZN275	Mtubatuba	(8 384)	1 296.1	(9 951)	1 538.2	(2 426)	375.0	20 114	(3 109.3)	(647)
B	KZN276	Big Five Hlabisa	(7 081)	(1 187.9)	7 423	1 245.3	(1 178)	(197.6)	1 432	240.2	596
C	DC27	uMkhanyakude DM	9 115	5.4	3 063	1.8	(4 099)	(2.4)	160 642	95.2	168 722
Total: uMkhanyakude Municipalities			10 245	5.8	(20)	(0.0)	(13 803)	(7.8)	180 977	102.0	177 398
B	KZN281	uMfolozi	3 705	129.1	(1 327)	(46.2)	(98)	(3.4)	590	20.6	2 871
B	KZN282	uMhlathuze	259 977	100.0	-	-	-	-	-	-	259 977
B	KZN284	uMlalazi	2 761	100.0	-	-	-	-	-	-	2 761
B	KZN285	Mthonjaneni	18 591	37.9	(163)	(0.3)	8 638	17.6	21 975	44.8	49 041
B	KZN286	Nkandla	1 490	93.8	58	3.6	0	0.0	41	2.5	1 589
C	DC28	King Cetshwayo DM	24 210	97.7	-	-	-	-	577	2.3	24 787
Total: King Cetshwayo Municipalities			310 735	91.1	(1 432)	(0.4)	8 541	2.5	23 183	6.8	341 027
B	KZN291	Mandeni	17 092	100.0	-	-	-	-	-	-	17 092
B	KZN292	KwaDukuza	22 219	85.7	1 136	4.4	2 105	8.1	469	1.8	25 929
B	KZN293	Ndwedwe	3 393	100.2	-	-	-	-	(6)	(0.2)	3 387
B	KZN294	Maphumulo	489	129.9	16	4.1	23	6.0	(150)	(40.0)	376
C	DC29	iLembe DM	80 969	92.3	430	0.5	1 606	1.8	4 732	5.4	87 736
Total: iLembe Municipalities			124 162	92.3	1 581	1.2	3 734	2.8	5 044	3.7	134 521
B	KZN433	Greater Kokstad	3 417	99.8	-	-	-	-	7	0.2	3 424
B	KZN434	uBuhlebezwe	(418)	(3 733.4)	438	3 904.9	2	18.6	(10)	(90.1)	11
B	KZN435	uMzimkhulu	-	-	-	-	-	-	-	-	-
B	KZN436	Dr. Nkosazana Dlamini Zuma	1 342	92.1	86	5.9	-	-	30	2.0	1 458
C	DC43	Harry Gwala DM	1 429	52.1	68	2.5	438	16.0	808	29.5	2 744
Total: Harry Gwala Municipalities			5 770	75.6	592	7.7	440	5.8	835	10.9	7 637
Total			3 160 860	45.7	127 960	1.9	103 523	1.5	3 516 886	50.9	6 909 230

Source: NT Publication

Annexure H : Creditors per Category (Total) - As at the end of Quarter 4 - 2023/24

R'000		Bulk Electricity		Bulk Water		PAYE Deductions		VAT (output less input)		Pensions / Retirement		Loan repayments		Trade Creditors		Auditor-General		Other		Total
		Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
A	KZN2000 eThekwini	-	-	-	-	171 775	21.9	-	-	154 711	19.7	-	-	458 997	58.4	-	-	-	-	785 483
B	KZN212 uMdoni	-	-	-	-	-	-	956	100.0	-	-	-	-	-	-	-	-	-	-	956
B	KZN213 uMzumbhe	-	-	-	-	-	-	-	-	-	-	-	-	1 015	20.1	-	-	4 035	79.9	5 050
B	KZN214 uMuziwabantu	-	-	-	-	-	-	108	31.0	-	-	-	-	241	69.0	-	-	-	-	350
B	KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-	-	-	-	2 848	100.0	-	-	-	-	2 848
C	DC21 Ugu DM	-	-	319 207	46.6	-	-	-	-	-	-	-	-	309 158	45.1	1 995	0.3	54 773	8.0	685 133
Total: Ugu Municipalities		-	-	319 207	46.0	-	-	1 064	0.2	-	-	-	-	313 263	45.1	1 995	0.3	58 808	8.5	694 337
B	KZN221 uMshwathi	-	-	-	-	-	-	-	-	-	-	-	-	1 609	14.7	-	-	9 357	85.3	10 966
B	KZN222 uMngeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16 165	100.0	16 165
B	KZN223 Mpofana	-	-	-	-	-	-	-	-	-	-	-	-	538 051	99.8	803	0.1	474	0.1	539 328
B	KZN224 iMpindle	-	-	-	-	-	-	-	-	-	-	-	-	0	100.0	-	-	-	-	0
B	KZN225 Msunduzi	1 475 926	56.6	733 784	28.2	0	0.0	-	-	-	-	-	-	395 260	15.2	738 844	0.0	-	-	2 605 710
B	KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-	-	-	-	121	68.8	-	-	55	31.2	176
B	KZN227 Richmond	-	-	-	-	-	-	-	-	23	10.3	-	-	199	89.7	-	-	-	-	221
C	DC22 uMgungundlovu DM	-	-	-	-	-	-	-	-	-	-	-	-	6 211	65.0	-	-	3 341	35.0	9 552
Total: uMgungundlovu Municipalities		1 475 926	46.4	733 784	23.1	0	0.0	-	-	23	0.0	-	-	941 451	29.6	1 542	0.0	29 392	0.9	3 182 118
B	KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-	-	-	-	669	92.5	-	-	54	7.5	723
B	KZN237 iNkosi Langalibalele	34 514	97.8	-	-	-	-	-	-	-	-	-	-	781	2.2	-	-	-	-	35 295
B	KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-	-	-	-	12 150	100.0	-	-	-	-	12 150
C	DC23 uThukela DM	-	-	-	-	-	-	-	-	-	-	-	-	27 804	100.0	-	-	-	-	27 804
Total: uThukela Municipalities		34 514	45.4	-	-	-	-	-	-	-	-	-	-	41 404	54.5	-	-	54	0.1	75 972
B	KZN241 eNdumeni	146 308	87.5	-	-	-	-	-	-	-	-	-	-	20 863	12.5	-	-	-	-	167 172
B	KZN242 Nquthu	-	-	0	0.0	-	-	-	-	-	-	-	-	21 648	85.4	18 442	0.1	3 675	14.5	25 342
B	KZN244 uMsinga	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN245 uMvoti	14 239	84.9	-	-	-	-	-	-	-	-	-	-	2 301	13.7	-	-	234	1.4	16 773
C	DC24 uMzinyathi DM	-	-	-	-	-	-	-	-	-	-	-	-	18 423	6.2	-	-	277 784	93.8	296 207
Total: uMzinyathi Municipalities		160 547	31.8	0	0.0	-	-	-	-	-	-	-	-	63 236	12.5	18	0.0	281 693	55.7	505 495
B	KZN252 Newcastle	160 391	33.4	246 034	51.2	-	-	-	-	-	-	-	-	39 171	8.2	141 054	0.0	34 392	7.2	480 128
B	KZN253 eMadlangeni	2 338	40.8	-	-	-	-	-	-	-	-	-	-	3 278	57.3	-	-	110	1.9	5 726
B	KZN254 Dannhauser	-	-	-	-	-	-	-	-	-	-	-	-	11 943	100.0	-	-	-	-	11 943
C	DC25 Amajuba DM	-	-	54 096	46.0	-	-	-	-	-	-	-	-	17 539	14.9	8	0.0	45 896	39.0	117 539
Total: Amajuba Municipalities		162 729	26.4	300 129	48.8	-	-	-	-	-	-	-	-	71 931	11.7	149	0.0	80 398	13.1	615 336
B	KZN261 eDumbe	-	-	-	-	-	-	-	-	-	-	-	-	3 948	22.0	-	-	14 014	78.0	17 963
B	KZN262 uPhongolo	-	-	-	-	-	-	-	-	-	-	-	-	1 031	88.4	-	-	135	11.6	1 167
B	KZN263 AbaQulusi	127 574	85.5	-	-	-	-	-	-	-	-	-	-	21 714	14.5	-	-	-	-	149 288
B	KZN265 Nongoma	-	-	-	-	-	-	-	-	-	-	-	-	5 996	26.3	464 219	2.0	16 298	71.6	22 758
B	KZN266 Ulundi	198 553	100.3	-	-	-	-	-	-	-	-	-	-	(212)	(0.1)	-	-	(477)	(0.2)	197 864
C	DC26 Zululand DM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	867	100.0	867
Total: Zululand Municipalities		326 127	83.6	-	-	-	-	-	-	-	-	-	-	32 478	8.3	464	0.1	30 837	7.9	389 907
B	KZN271 uMhlabyalingana	-	-	-	-	(0)	0.0	-	-	(118)	1.1	-	-	353	(3.3)	-	-	(11 072)	102.2	(10 837)
B	KZN272 Jozini	-	-	-	-	-	-	-	-	-	-	-	-	6 053	30.9	-	-	13 510	69.1	19 564
B	KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-	-	-	-	2 508	(387.7)	419 149	(64.8)	(3 574)	552.5	(647)
B	KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-	-	-	-	756	126.8	-	-	(159)	(26.8)	596
C	DC27 uMkhanyakude DM	-	-	17 525	10.4	-	-	-	-	-	-	(621)	(0.4)	130 956	77.6	-	-	20 862	12.4	168 722
Total: uMkhanyakude Municipalities		-	-	17 525	9.9	(0)	(0.0)	-	-	(118)	(0.1)	(621)	(0.3)	140 626	79.3	419	0.2	19 566	11.0	177 398
B	KZN281 uMfolozi	-	-	-	-	-	-	-	-	-	-	-	-	1 220	42.5	-	-	1 651	57.5	2 871
B	KZN282 uMhlathuze	175 301	67.4	-	-	-	-	-	-	-	-	-	-	84 636	32.6	22 506	0.0	18	0.0	259 977
B	KZN284 uMlalazi	-	-	-	-	-	-	-	-	-	-	-	-	2 511	90.9	-	-	250	9.1	2 761
B	KZN285 Mthonjaneni	27 376	55.8	-	-	-	-	-	-	-	-	-	-	14 189	28.9	1 780 882	3.6	5 696	11.6	49 041
B	KZN286 Nkandla	227	14.3	-	-	-	-	-	-	-	-	-	-	1 362	85.7	-	-	-	-	1 589
C	DC28 King Cetshwayo DM	-	-	19 230	77.6	-	-	-	-	-	-	-	-	5 557	22.4	-	-	-	-	24 787
Total: King Cetshwayo Municipalities		202 903	59.5	19 230	5.6	-	-	-	-	-	-	-	-	109 475	32.1	1 803 388	0.5	7 616	2.2	341 027
B	KZN291 Mandeni	98	0.6	-	-	-	-	-	-	-	-	-	-	12 018	70.3	-	-	4 976	29.1	17 092
B	KZN292 KwaDukuza	-	-	-	-	-	-	39	0.2	827	3.2	-	-	25 063	96.7	-	-	-	-	25 929
B	KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-	-	-	-	1 576	46.5	0	0.0	1 811	53.5	3 387
B	KZN294 Maphumulo	-	-	-	-	-	-	-	-	-	-	-	-	224	59.5	-	-	153	40.5	376
C	DC29 iLembe DM	-	-	28 694	32.7	-	-	-	-	-	-	-	-	59 042	67.3	-	-	-	-	87 736
Total: iLembe Municipalities		98	0.1	28 694	21.3	-	-	39	0.0	827	0.6	-	-	97 922	72.8	0	0.0	6 940	5.2	134 521
B	KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-	-	-	-	3 424	100.0	-	-	-	-	3 424
B	KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-	-	-	-	9	84.7	-	-	2	15.3	11
B	KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN436 Dr. Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 458	100.0	1 458
C	DC43 Harry Gwala DM	-	-	-	-	-	-	-	-	-	-	-	-	2 744	100.0	-	-	-	-	2 744
Total: Harry Gwala Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	6 177	80.9	-	-	1 460	19.1	7 637
Total		2 362 845	34.2	1 418 570	20.5	171 775	2.5	1 103	0.0	155 442	2.2	(621)	(0.0)	2 276 959	33.0	6 390	0.1	516 765	7.5	6 909 230

Source: NT Igdatabase

Annexure I: National Conditional Grant - As at the end of Quarter 4 - 2023/24

R'000			Financial Management Grant			Regional Bulk Infrastructure Grant (Schedule 5B Grant)			Municipal Infrastructure Grant		
			DoRA 2023 Total Avail. (Inc.Adjust.)		Unaudited Actual	DoRA 2023 Total Avail. (Inc.Adjust.)		Unaudited Actual	DoRA 2023 Total Avail. (Inc.Adjust.)		Unaudited Actual
			Expenditure Munis.	% Spent		Expenditure Munis.	% Spent		Expenditure Munis.	% Spent	
A	KZN2000	eThekwini	1 000	1 000	100.0	-	-	-	-	-	-
B	KZN212	uMdoni	1 950	1 950	100.0	-	-	-	37 635	37 635	100.0
B	KZN213	uMzumbe	1 850	1 787	96.6	-	-	-	29 934	21 308	71.2
B	KZN214	uMuziwabantu	1 850	1 850	100.0	-	-	-	25 356	24 800	97.8
B	KZN216	Ray Nkonyeni	1 950	1 950	100.0	-	-	-	-	-	-
C	DC21	Ugu DM	1 950	1 950	100.0	-	-	-	270 958	(20 215)	(7.5)
Total: Ugu Municipalities			9 550	9 487	99.3	-	-	-	363 883	63 528	17.5
B	KZN221	uMshwathi	1 920	1 920	100.0	-	-	-	33 153	34 001	102.6
B	KZN222	uMngeni	1 720	1 720	100.0	-	-	-	25 017	25 017	100.0
B	KZN223	Mpofana	3 000	2 525	84.2	-	-	-	20 063	17 059	85.0
B	KZN224	iMpendle	2 400	2 400	100.0	-	-	-	12 245	13 190	107.7
B	KZN225	Msunduzi	1 950	1 950	100.0	-	-	-	229 322	178 171	77.7
B	KZN226	Mkhambathini	3 000	3 000	100.0	-	-	-	17 162	17 162	100.0
B	KZN227	Richmond	1 950	1 950	100.0	-	-	-	22 331	22 331	100.0
C	DC22	uMgungundlovu DM	1 200	0	0.0	-	-	-	114 034	101 813	89.3
Total: uMgungundlovu Municipalities			17 140	15 465	90.2	-	-	-	473 327	408 743	86.4
B	KZN235	Okhahlamba	1 850	1 850	100.0	-	-	-	30 956	30 956	100.0
B	KZN237	iNkosi Langalibalele	2 300	2 300	100.0	-	-	-	41 513	41 768	100.6
B	KZN238	Alfred Duma	2 100	2 100	100.0	-	-	-	63 613	63 613	100.0
C	DC23	uThukela DM	2 100	-	0.0	-	-	-	196 538	-	-
Total: uThukela Municipalities			8 350	6 250	74.9	-	-	-	332 620	136 337	41.0
B	KZN241	eNdumeni	2 100	-	0.0	-	-	-	17 416	-	-
B	KZN242	Nquthu	1 850	1 696	91.7	-	-	-	39 222	39 222	100.0
B	KZN244	uMsinga	1 850	111	6.0	-	-	-	50 244	46 063	91.7
B	KZN245	uMvoti	2 550	2 550	100.0	-	-	-	32 647	38 556	118.1
C	DC24	uMzinyathi DM	1 850	1 850	100.0	-	-	-	211 672	217 755	102.9
Total: Umzinyathi Municipalities			10 200	6 207	60.9	-	-	-	351 201	341 596	97.3
B	KZN252	Newcastle	1 850	1 850	100.0	-	-	-	133 499	130 507	97.8
B	KZN253	eMadlangeni	3 000	3 000	100.0	-	-	-	17 028	17 028	100.0
B	KZN254	Dannhauser	1 950	1 950	100.0	-	-	-	23 581	23 286	98.7
C	DC25	Amajuba DM	2 750	263	9.6	-	-	-	45 323	1 696	3.7
Total: Amajuba Municipalities			9 550	7 063	74.0	-	-	-	219 431	172 517	78.6
B	KZN261	eDumbe	3 000	3 000	100.0	-	-	-	19 385	19 385	100.0
B	KZN262	uPhongolo	3 000	3 000	100.0	-	-	-	30 954	30 954	100.0
B	KZN263	AbaQulusi	3 000	3 000	100.0	-	-	-	40 385	40 385	100.0
B	KZN265	Nongoma	2 000	1 620	81.0	-	-	-	34 983	30 005	85.8
B	KZN266	Ulundi	2 100	2 100	100.0	-	-	-	46 885	46 885	100.0
C	DC26	Zululand DM	1 200	649	54.1	413 905	342 282	82.7	256 512	230 361	89.8
Total: Zululand Municipalities			14 300	13 368	93.5	413 905	342 282	82.7	429 104	397 974	92.7
Treas	KZN271	uMhlabyalingana	1 850	(1)	0.0	-	-	-	45 883	6 360	13.9
B	KZN272	Jozini	3 000	3 000	100.0	-	-	-	50 211	50 211	100.0
B	KZN275	Mtubatuba	1 920	(1 781)	-92.8	-	-	-	42 309	(128)	(0.3)
B	KZN276	Big Five Hlabisa	2 750	2 750	100.0	-	-	-	30 584	30 584	100.0
C	DC27	uMkhanyakude DM	2 200	-	0.0	-	-	-	241 535	-	-
Total: uMkhanyakude Municipalities			11 720	3 968	33.9	-	-	-	410 522	87 027	21.2
B	KZN281	uMfolozi	1 850	1 850	100.0	-	-	-	32 180	32 214	100.1
B	KZN282	uMhlatuze	2 500	2 500	100.0	-	-	-	-	-	-
B	KZN284	uMlalazi	1 720	1 720	100.0	-	-	-	58 576	58 576	100.0
B	KZN285	Mthonjaneni	2 850	2 850	100.0	-	-	-	19 370	19 370	100.0
B	KZN286	Nkandla	2 650	2 649	100.0	-	-	-	24 785	24 785	100.0
C	DC28	King Cetshwayo DM	1 200	1 200	100.0	222 547	222 547	100.0	191 737	190 111	99.2
Total: King Cetshwayo Municipalities			12 770	12 769	100.0	222 547	222 547	100.0	326 648	325 056	99.5
B	KZN291	Mandeni	1 850	1 850	100.0	-	-	-	46 392	36 201	78.0
B	KZN292	KwaDukuza	1 750	1 394	79.7	-	-	-	40 640	40 624	100.0
B	KZN293	Ndwedwe	3 100	3 100	100.0	-	-	-	32 654	32 654	100.0
B	KZN294	Maphumulo	1 850	1 701	92.0	-	-	-	19 327	19 327	100.0
C	DC29	iLembe DM	1 000	505	50.5	-	-	-	216 306	178 192	82.4
Total: iLembe Municipalities			9 550	8 550	89.5	-	-	-	355 319	306 997	86.4
B	KZN433	Greater Kokstad	1 750	1 885	107.7	-	-	-	18 562	22 956	123.7
B	KZN434	uBuhlebezwe	1 950	1 950	100.0	-	-	-	36 857	36 857	100.0
B	KZN435	uMzimkhulu	1 850	1 850	100.0	-	-	-	47 958	37 452	78.1
B	KZN436	Dr. Nkosazana Dlamini Zuma	1 950	230	11.8	-	-	-	29 654	9 744	32.9
C	DC43	Harry Gwala DM	1 200	937	78.1	-	-	-	225 630	246 807	109.4
Total: Harry Gwala Municipalities			8 700	6 852	78.8	-	-	-	358 661	353 816	98.6
Total			112 830	90 980	80.6	636 452	564 829	88.7	3 620 716	2 593 591	71.6

Source: NT Igdatabase

Annexure I: National Conditional Grant - 4th Quarter 2023/24 (Continued...)

R'000			Intergrated National Electrification Programme (municipal) Grant			Expanded Public Works Programme Intergrated Grant (municipality)			Water Services Infrastructure Grant (Schedule 5B Grant)		
			DoRA 2023 Total Avail. (Inc.Adjust.)	Unaudited Actual		DoRA 2023 Total Avail. (Inc.Adjust.)	Unaudited Actual		DoRA 2023 Total Avail. (Inc.Adjust.)	Unaudited Actual	
				Expenditure Munis.	% Spent		Expenditure Munis.	% Spent		Expenditure Munis.	% Spent
A	KZN2000	eThekwini	-	-	-	60 790	60 790	100.0	-	-	-
B	KZN212	uMdoni	815	815	100.0	1 601	1 601	100.0	-	-	-
B	KZN213	uMzumbe	23 506	19 619	83.5	1 431	1 404	98.1	-	-	-
B	KZN214	uMuziwabantu	640	658	102.9	1 155	1 155	100.0	-	-	-
B	KZN216	Ray Nkonyeni	-	-	-	5 084	5 084	100.0	-	-	-
C	DC21	Ugu DM	-	-	-	3 606	3 606	100.0	135 900	135 900	100.0
Total: Ugu Municipalities			24 961	21 092	84.5	12 877	12 850	99.8	135 900	135 900	100.0
B	KZN221	uMshwathi	-	-	-	2 968	2 968	100.0	-	-	-
B	KZN222	uMngeni	19 476	19 476	100.0	2 199	2 199	100.0	-	-	-
B	KZN223	Mpofana	33 819	24 360	72.0	1 215	1 215	100.0	-	-	-
B	KZN224	iMpendle	-	-	-	1 545	1 545	100.0	-	-	-
B	KZN225	Msunduzi	10 500	12 219	116.4	4 701	4 701	100.0	53 659	39 152	73.0
B	KZN226	Mkhambathini	30 055	50 524	168.1	1 456	1 456	100.0	-	-	-
B	KZN227	Richmond	8 000	-	-	1 125	1 125	100.0	-	-	-
C	DC22	uMgungundlovu DM	-	-	-	2 794	507	18.1	90 650	(31 950)	(35.2)
Total: uMgungundlovu Municipalities			101 850	106 578	104.6	18 003	15 716	87.3	144 309	7 202	5.0
B	KZN235	Okhahlamba	9 000	9 000	100.0	2 437	2 437	100.0	-	-	-
B	KZN237	iNkosi Langalibalele	15 000	14 948	99.7	1 860	1 860	100.0	-	-	-
B	KZN238	Alfred Duma	1 244	-	-	2 808	2 808	100.0	-	-	-
C	DC23	uThukela DM	-	-	-	1 816	-	-	85 000	-	-
Total: uThukela Municipalities			25 244	23 948	94.9	8 921	7 105	79.6	85 000	-	-
B	KZN241	eNdumeni	-	-	-	1 542	-	-	-	-	-
B	KZN242	Nquthu	14 000	14 480	103.4	1 162	1 162	100.0	-	-	-
B	KZN244	uMsinga	20 000	18 009	90.0	4 046	3 680	91.0	-	-	-
B	KZN245	uMvoti	12 355	10 126	82.0	2 967	2 967	100.0	-	-	-
C	DC24	uMzinyathi DM	-	-	-	4 942	4 942	100.0	42 500	42 500	100.0
Total: Umzinyathi Municipalities			46 355	42 616	91.9	14 659	12 751	87.0	42 500	42 500	100.0
B	KZN252	Newcastle	20 550	20 550	100.0	2 932	2 682	91.5	50 000	50 000	100.0
B	KZN253	eMadlangeni	30 834	25 381	82.3	1 124	-	-	-	-	-
B	KZN254	Dannhauser	-	-	-	950	950	100.0	-	-	-
C	DC25	Amajuba DM	-	-	-	2 901	736	25.4	46 600	5 491	11.8
Total: Amajuba Municipalities			51 384	45 931	89.4	7 907	4 368	55.2	96 600	55 491	57.4
B	KZN261	eDumbe	18 005	18 005	100.0	1 638	1 638	100.0	-	-	-
B	KZN262	uPhongolo	3 240	3 240	100.0	2 169	2 169	100.0	-	-	-
B	KZN263	AbaQulusi	15 000	9 676	64.5	2 220	1 254	56.5	-	-	-
B	KZN265	Nongoma	9 000	5 210	57.9	2 130	-	-	-	-	-
B	KZN266	Ulundi	5 800	5 799	100.0	3 681	3 681	100.0	-	-	-
C	DC26	Zululand DM	-	-	-	7 077	6 682	94.4	95 000	93 318	98.2
Total: Zululand Municipalities			51 045	41 930	82.1	18 915	15 424	81.5	95 000	93 318	98.2
Treas	KZN271	uMhlabyalingana	24 760	16 740	67.6	2 037	62	3.0	-	-	-
B	KZN272	Jozini	15 000	-	-	3 184	3 184	100.0	-	-	-
B	KZN275	Mtubatuba	6 760	-	-	2 100	-	-	-	-	-
B	KZN276	Big Five Hlabisa	2 600	2 600	100.0	1 906	1 906	100.0	-	-	-
C	DC27	uMkhanyakude DM	-	-	-	5 082	-	-	-	-	-
Total: uMkhanyakude Municipalities			49 120	19 340	39.4	14 309	5 152	36.0	-	-	-
B	KZN281	uMfolozi	8 500	2 012	23.7	2 012	-	-	-	-	-
B	KZN282	uMhlathuze	13 840	13 840	100.0	2 916	2 916	100.0	52 001	52 001	100.0
B	KZN284	uMlalazi	3 500	1 804	51.6	3 146	3 146	100.0	-	-	-
B	KZN285	Mthonjaneni	13 000	13 000	100.0	2 092	2 092	100.0	-	-	-
B	KZN286	Nkandla	15 000	14 802	98.7	3 651	3 651	100.0	-	-	-
C	DC28	King Cetshwayo DM	-	-	-	5 534	5 534	100.0	60 000	60 000	100.0
Total: King Cetshwayo Municipalities			53 840	45 458	84.4	19 351	17 339	89.6	112 001	112 001	100.0
B	KZN291	Mandeni	7 384	5 361	72.6	2 553	-	-	-	-	-
B	KZN292	KwaDukuza	10 800	8 536	79.0	1 624	1 624	100.0	-	-	-
B	KZN293	Ndwedwe	14 500	11 756	81.1	1 760	1 760	100.0	-	-	-
B	KZN294	Maphumulo	23 168	13 262	57.2	1 524	1 323	86.8	-	-	-
C	DC29	iLembe DM	-	-	-	3 840	4 903	127.7	80 000	70 457	88.1
Total: iLembe Municipalities			55 852	38 915	69.7	11 301	9 610	85.0	80 000	70 457	88.1
B	KZN433	Greater Kokstad	16 560	20 488	123.7	2 508	9 547	380.7	-	-	-
B	KZN434	uBuhlebezwe	21 863	21 541	98.5	7 394	7 394	100.0	-	-	-
B	KZN435	uMzimkhulu	600	18	3.0	2 594	2 594	100.0	-	-	-
B	KZN436	Dr. Nkosazana Dlamini Zuma	7 561	2 843	37.6	2 178	1 762	80.9	-	-	-
C	DC43	Harry Gwala DM	-	-	-	5 823	5 823	100.0	90 000	76 369	84.9
Total: Harry Gwala Municipalities			46 584	44 890	96.4	20 497	27 120	132.3	90 000	76 369	84.9
Total			506 235	430 698	85.1	207 530	188 225	90.7	881 310	593 238	67.3

Source: NT Igdatabase

Source: NT Igdatabase

Annexure J : Criteria for serious financial problems - As at the end of Quarter 4 - 2023/24																															
R'000		Failure to make payments as and when due as per Section 138(a) of the MFMA		Operating deficit in excess of five per cent of revenue as per Section 138(d) of the MFMA				Late submission of AFS/Negative audit opinion as per Sections 138(e) and (f) of the MFMA		Failure to make payments as and when due - amounts of R1 million or more owed for longer than 90 days				Negative cash position for two consecutive quarters as per Section 138(h) of the MFMA				Failure to make payment which is greater than two percent of Operating expenditure and failure to make payment greater than 40 percent of Operating expenditure as per Section 140(2)(c) of the MFMA				Failure to make payment which is greater than two percent of Operating expenditure and failure to make payment greater than 40 percent of Operating expenditure as per Section 140(2)(c) of the MFMA				Failure to make payment which is greater than two percent of Operating expenditure and failure to make payment greater than 40 percent of Operating expenditure as per Section 140(2)(c) of the MFMA		Municipality meeting one or more criteria for financial problems			
		Total creditors owed > 90 days	Indicator	Operating Surplus/(Deficit)	Direct revenue	Percentage	Indicator	Opinion - 2022/23 financial year	Indicator	Bulk electricity amount owed > 90 days	Indicator	Bulk water amount owed > 90 days	Indicator	Cash and cash equivalents - 31 March 2024	Cash and cash equivalents - 30 June 2024	Indicator (Negative cash for two consecutive quarters)	Bulk electricity				Bulk water				Total creditors						
																	Operating expenditure Budget	Bulk electricity creditors > 90 days	Bulk electricity creditors > 90 days as % Opex Budget	Indicator (> 2%)	Indicator (> 40%)	Bulk water creditors > 90 days	Bulk water creditors > 90 days as % Opex Budget	Indicator (> 2%)	Indicator (> 40%)	Total creditors > 90 days	Total creditors > 90 days as % Opex Budget	Indicator (> 2%)	Indicator (> 40%)		
A	KZN2000	eThekweni	17 658	TRUE	6 536 377	53 728 457	12.2	-	Unqualified with findings	-	-	-	-	(979 260)	985 125	-	52 921 652	-	-	-	-	-	-	-	-	17 658	0.0	-	-	TRUE	
B	KZN212	uMdoni	-	-	8 179	373 237	2.2	-	Unqualified with findings	-	-	-	-	177 571	127 455	-	462 953	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN213	uMzombe	523	-	(13 630)	221 565	(6.2)	TRUE	Qualified	TRUE	-	-	-	14 665	(86 557)	-	307 485	-	-	-	-	-	-	-	-	523	0.2	-	-	TRUE	
B	KZN214	uMuziwabantu	-	-	(44 297)	203 587	(21.8)	TRUE	Unqualified with findings	-	-	-	-	34 796	(28 976)	-	289 310	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	
B	KZN216	Ray Nkonyeni	5	-	37 314	1 255 476	3.0	-	Unqualified with findings	-	-	-	-	304 707	183 165	-	1 352 181	-	-	-	-	-	-	-	-	5	0.0	-	-	-	
C	DC21	Ugu DM	527 613	TRUE	(185 589)	1 246 648	(14.9)	TRUE	Unqualified with findings	-	-	256 638	TRUE	3 284 866	3 538 157	-	826 043	-	-	-	-	256 638	31.1	TRUE	-	527 613	63.9	TRUE	TRUE	TRUE	
B	KZN221	uMshwathi	6 573	TRUE	(219 889)	237 233	(92.7)	TRUE	Unqualified with findings	-	-	-	-	98 831	95 221	-	342 459	-	-	-	-	-	-	-	-	6 573	1.9	-	-	TRUE	
B	KZN222	uMngeni	4	-	5 392	526 261	1.0	-	Unqualified with findings	-	-	-	-	114 010	84 330	-	577 430	-	-	-	-	-	-	-	-	4	0.0	-	-	-	
B	KZN223	Mpofana	509 208	TRUE	(57 727)	122 665	(47.1)	TRUE	Qualified	TRUE	-	-	-	(49 392)	(61 137)	TRUE	244 548	-	-	-	-	-	-	-	-	509 208	208.2	TRUE	TRUE	TRUE	
B	KZN224	iMpindle	-	-	(16 208)	63 420	(25.6)	TRUE	Unqualified with findings	-	-	-	-	81 756	2 658	-	79 781	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	
B	KZN225	Msunduzi	1 349 373	TRUE	(479 726)	6 287 727	(7.6)	TRUE	Qualified	TRUE	881 687	TRUE	464 282	TRUE	262 970	123 602	-	7 564 072	881 687	11.7	TRUE	-	464 282	6.1	TRUE	-	1 349 373	17.8	TRUE	TRUE	
B	KZN226	Mkhambathini	(0)	-	(655)	237 853	(0.3)	-	Unqualified with findings	-	-	-	-	47 156	28 182	-	251 606	-	-	-	-	-	-	-	-	(0)	(0.0)	-	-	-	
B	KZN227	Richmond	-	-	(21 132)	147 909	(14.3)	TRUE	Unqualified with findings	-	-	-	-	194 714	230 433	-	177 021	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	
C	DC22	uMgungundlovu DM	545	-	402 881	1 347 272	29.9	-	Unqualified with findings	-	-	-	-	541 439	730 028	-	1 229 100	-	-	-	-	-	-	-	-	545	0.0	-	-	-	
B	KZN235	Okhahlamba	-	-	(32 338)	214 845	(15.1)	TRUE	Unqualified with no findings	-	-	-	-	(60 409)	(75 774)	TRUE	261 895	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	
B	KZN237	iNkosi Langalibalele	0	-	66 928	733 166	9.1	-	Qualified	TRUE	-	-	-	265 051	218 750	-	788 314	-	-	-	-	-	-	-	-	0	0.0	-	-	TRUE	
B	KZN238	Alfred Duma	152	-	134 766	1 317 595	10.2	-	Unqualified with findings	-	-	-	-	1 066 754	1 122 042	-	1 391 088	-	-	-	-	-	-	-	-	152	0.0	-	-	-	
C	DC23	uThukela DM	10 066	TRUE	62 468	912 278	6.8	-	Qualified	TRUE	-	-	-	617 966	532 728	-	936 405	-	-	-	-	-	-	-	-	10 066	1.1	-	-	TRUE	
B	KZN241	eNdameni	129 664	TRUE	4 561	367 572	1.2	-	Qualified	TRUE	109 171	TRUE	-	225 307	265 925	-	440 913	109 171	24.8	TRUE	-	-	-	-	-	129 664	29.4	TRUE	-	TRUE	
B	KZN242	Nquthu	1 024	TRUE	120 162	267 993	44.8	-	Unqualified with findings	-	-	-	-	(198 198)	(258 415)	TRUE	312 703	-	-	-	-	-	-	-	-	1 024	0.3	-	-	TRUE	
B	KZN244	uMsinga	-	-	63 857	307 434	20.8	-	Unqualified with findings	-	-	-	-	291 144	336 856	-	391 381	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN245	uMvoti	232	-	(34 003)	371 563	(9.2)	TRUE	Unqualified with findings	-	-	-	-	507 102	574 332	-	452 893	-	-	-	-	-	-	-	-	232	0.1	-	-	TRUE	
C	DC24	uMzinyathi DM	177 014	TRUE	(12 112)	607 497	(2.0)	-	Adverse	TRUE	-	-	-	1 048 373	1 694 608	-	665 029	-	-	-	-	-	-	-	-	177 014	26.6	TRUE	-	TRUE	
B	KZN252	Newcastle	250 262	TRUE	16 877	2 319 630	0.7	-	Unqualified with findings	-	39 051	TRUE	210 708	TRUE	1 654 687	2 139 922	-	2 771 049	39 051	1.4	-	-	210 708	7.6	TRUE	-	250 262	9.0	TRUE	-	TRUE
B	KZN253	eMadlangeni	225	-	2 589	114 959	2.3	-	Unqualified with findings	-	-	-	-	9 597	(24 886)	-	129 246	-	-	-	-	-	-	-	-	225	0.2	-	-	-	
B	KZN254	Dannhauser	2	-	17 217	169 596	10.2	-	Unqualified with findings	-	-	-	-	(8 945)	(24 041)	TRUE	191 571	-	-	-	-	-	-	-	-	2	0.0	-	-	TRUE	
C	DC25	Amajuba DM	80 978	TRUE	(21 864)	274 502	(8.0)	TRUE	Qualified	TRUE	-	47 096	TRUE	36 156	74 798	-	324 943	-	-	-	-	47 096	14.5	TRUE	-	80 978	24.9	TRUE	-	TRUE	
B	KZN261	eDumbe	(0)	-	90 486	272 844	33.2	-	Unqualified with findings	-	-	-	-	(209 582)	(260 786)	TRUE	228 724	-	-	-	-	-	-	-	-	(0)	(0.0)	-	-	TRUE	
B	KZN262	uPhongolo	1 029	TRUE	11 326	322 193	3.5	-	Unqualified with findings	-	-	-	-	(13 916)	(67 792)	TRUE	323 773	-	-	-	-	-	-	-	-	1 029	0.3	-	-	TRUE	
B	KZN263	AbaQulusi	62 543	TRUE	(101 317)	753 823	(13.4)	TRUE	Unqualified with findings	-	61 215	TRUE	-	183 752	221 972	-	699 271	61 215	8.8	TRUE	-	-	-	-	-	62 543	8.9	TRUE	-	TRUE	
B	KZN265	Nongoma	22 382	TRUE	10 573	246 104	4.3	-	Unqualified with findings	-	-	-	-	47 942	47 942	-	241 618	-	-	-	-	-	-	-	-	22 382	9.3	TRUE	-	TRUE	
B	KZN266	Ulundi	159 772	TRUE	(37 157)	425 784	(8.7)	TRUE	Unqualified with findings	-	159 743	TRUE	-	280 211	302 155	-	540 106	159 743	29.6	TRUE	-	-	-	-	-	159 772	29.6	TRUE	-	TRUE	
C	DC26	Zululand DM	-	-	(57 101)	833 073	(6.9)	TRUE	Unqualified with findings	-	-	-	-	1 750 518	1 755 310	-	938 831	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	
B	KZN271	uMhlabuyalingana	(1 431)	-	68 071	278 002	24.5	-	Unqualified with findings	-	-	-	-	267 805	212 065	-	283 167	-	-	-	-	-	-	-	-	(1 431)	(0.5)	-	-	-	
B	KZN272	Jozini	220	-	(61 089)	328 994	(18.6)	TRUE	Qualified	TRUE	-	-	-	368 336	330 421	-	364 076	-	-	-	-	-	-	-	-	220	0.1	-	-	TRUE	
B	KZN275	Mtubatuba	20 114	TRUE	110 212	347 980	31.7	-	Qualified	TRUE	-	-	-	(295)	(309)	TRUE	295 452	-	-	-	-	-	-	-	-	20 114	6.8	TRUE	-	TRUE	
B	KZN276	Big Five Hlabisa	1 432	TRUE	12 818	200 915	6.4	-	Unqualified with findings	-	-	-	-	75 681	20 843	-	219 808	-	-	-	-	-	-	-	-	1 432	0.7	-	-	TRUE	
C	DC27	uMkhanyakude DM	160 642	TRUE	(83 045)	695 518	(11.9)	TRUE	Qualified	TRUE	-	17 525	TRUE	383 911	199 480	-	696 356	-	-	-	-	17 525	2.5	TRUE	-	160 642	23.1	TRUE	-	TRUE	
B	KZN281	uMfolozi	590	-	(8 099)	232 899	(3.5)	-	Unqualified with findings	-																					

Annexure J : Criteria for serious financial problems - As at the end of Quarter 4 - 2023/24

R900		Municipality meeting one or more criteria for financial problems	Comments
A KZN2000 eThekweni		TRUE	The municipality reported of Creditors of R17.7 million over 90 days as at 30 June 2024. The municipality indicated that outstanding creditors are due to outstanding documents that are required to make payment. The municipality further indicated that it is in financial distress.
B KZN212 uMdoni		-	-
B KZN213 uMzumbi		TRUE	The municipality reported an Operating deficit of R13.6 million which is 6.2 percent of Direct revenue. The reported deficit for the 12 month period is lower than the budgeted Operating deficit of R61.8 million as per the 2023/24 Adjustments Budget. The municipality also received a qualified audit opinion for the 2022/23 financial year relating to Commitments, Contingent liabilities, Unauthorised expenditure and irregular expenditure. However, the municipality's financial information indicates that the municipality is not in financial distress.
B KZN214 uMuzwabantu		TRUE	As at the end of quarter four of the 2023/24 financial year, the municipality reported an Operating deficit of R44.3 million, which is 21.8 percent of Direct revenue of R203.6 million. This is due to the municipality adopting an Adjustments Budget which included an Operating deficit of R81.3 million. The municipality has indicated that all expenditure incurred to date is consistent with procurement plans. The municipality also indicated that they are not in financial distress.
B KZN216 Ray Nkonyeni		-	-
C DC21 Ugu DM		TRUE	The municipality reported an Operating deficit of R185.6 million as at the end of 30 June 2024 against the budgeted Surplus of R565.9 million as per the Adjustments Budget, which is an indication of poor budgeting and budget controls. The municipality attributed the reported Operating deficit to under budgeting during the Adjustments Budget process and to poor management and implementation of expenditure management controls. The municipality further indicated that it will implement strategies to manage its expenditure going forward. The Ugu District Municipality also reported Creditors of R527.5 million outstanding for more than 90 days as at 30 June 2024. According to the MFMA Section 41 report from the uMngeni-uThukela Water Board as at 30 June 2024, the municipality owed R408.1 million to the Water Board, which is an increase of R38.5 million from the balance of R369.6 million owed as at 31 March 2024. The municipality is currently not complying with the signed repayment plan for the debt with the uMngeni-uThukela Water Board due to financial constraints. The municipality is currently engaging the uMngeni-uThukela Water Board for a revised repayment plan. The municipality is therefore in financial distress.
B KZN221 uMshwathi		TRUE	The municipality reported Creditors of R6.6 million over 90 days, however these are due to Retentions. The municipality also reported an Operating deficit of R219.9 million for the year ended 30 June 2024 which is 92.7 percent of Direct revenue of R237.2 million. The municipality has indicated that the Operating deficit is as a result of an Irrecoverable debt write-off of R61.4 million. The municipality has also reported Debt impairment of R181.6 million as at 30 June 2024 which appears to be overstated. The municipality indicated that the reported amount will be investigated and rectified during the preparation of the AFS. The municipality is therefore not in financial distress.
B KZN222 uMngeni		TRUE	The Mpofana Local Municipality is one of the municipalities which was also identified by National Treasury to be in financial crisis. The municipality is currently under intervention in terms of Section 139(1)(b) of the Constitution. The municipality has a long outstanding debt from Eskom which is reported as Creditors over 90 days. As at 30 June 2024, the municipality owed R497 million to Eskom which is an increase of R24.3 million from the balance of R472.7 million as at 30 March 2024. The municipality is still not monitoring and controlling expenditure which has resulted in a significant Operating deficit of R57.7 million or 47.1 percent of Revenue which exceeds 5 percent. The municipality is therefore in financial distress.
B KZN223 Mpofana		TRUE	The Mpofana Local Municipality is one of the municipalities which was also identified by National Treasury to be in financial crisis. The municipality is currently under intervention in terms of Section 139(1)(b) of the Constitution. The municipality has a long outstanding debt from Eskom which is reported as Creditors over 90 days. As at 30 June 2024, the municipality owed R497 million to Eskom which is an increase of R24.3 million from the balance of R472.7 million as at 30 March 2024. The municipality is still not monitoring and controlling expenditure which has resulted in a significant Operating deficit of R57.7 million or 47.1 percent of Revenue which exceeds 5 percent. The municipality is therefore in financial distress.
B KZN224 iMpende		TRUE	The iMpende Local Municipality reported an Operating deficit of R16.2 million for the 2023/24 financial year, which is 25.6 percent of Direct revenue of R63.4 million. The municipality stated that the Operating deficit resulted from the under-budgeting of Operational expenditure such as Employee-related costs, Contracted services and Operational costs, resulting in higher actual spending in this category and further exacerbating the financial strain. The municipality is therefore in financial distress.
B KZN225 Msunduzi		TRUE	The Msunduzi Local Municipality has high creditors and indicated that they are closely monitoring their cashflow. According to the MFMA Section 41 report for June 2024 from Eskom, the Msunduzi Local Municipality is currently complying with the conditions of the debt relief programme and with the payment arrangement with Eskom. The municipality owed Eskom R1.5 billion as at 30 June 2024. Furthermore, according to the MFMA Section 41 report for June 2024 from the uMngeni-uThukela Water Board, a new payment plan was submitted by the Msunduzi Local Municipality at the end of May 2023 which was reviewed and accepted by the uMngeni-uThukela Water Board. As from August 2023, Msunduzi Municipality has been paying the water board according to the payment plan. The municipality owed the water board R719.7 million as at 30 June 2024.
B KZN226 Mkhambathini		-	-
B KZN227 Richmond		TRUE	The Richmond Local Municipality reported an Operating deficit of R21.1 million which is 14.3 percent of their Direct revenue of R147.9 million. The municipality has not provided an explanation for this deficit in the MFMA Section 71 report or in Table SC1 of the Schedule C dated 30 June 2024. However, the municipality's financial information indicates that the municipality is not in financial distress.
C DC22 uMgungundlovu DM		-	-
B KZN223 Oshahlamba		TRUE	The municipality indicated that the MFMA Section 71 report for June 2024 incorrectly reflected Cash and cash equivalents of negative R75.8 million. The Bank reconciliation and Investment register as at the end of June 2024 reflects R1.1 million and R29.5 million respectively therefore the correct Cash and cash equivalents balance is R30.6 million as at the end of the fourth quarter of the 2023/24 financial year. The MFMA Section 71 report as at 31 March 2024 reflected negative R60.4 million as opposed to R103.2 million as per the Bank statement and Investment register as at the end of March 2024. There are thus no financial problems at the municipality. The municipality indicated that they are engaging with their system vendor to ensure accurate reporting going forward.
B KZN237 iNkosi Langalibalele		TRUE	The municipality received a qualified audit opinion in the 2022/23 financial year as the municipality did not correctly record all items of Property, Plant and Equipment in accordance with GRAP 17, Property, Plant and Equipment. The municipality has an audit action plan which includes a plan to address the qualification issue. Thus, the qualification matter is not an indication of financial distress.
B KZN238 Alfred Duma		-	-
C DC23 uThukela DM		TRUE	The uThukela District Municipality is one of the municipalities identified by National Treasury to be in financial distress. The municipality is currently under intervention in terms of Section 139(1)(b) of the Constitution. The Creditors over 90 days are attributed to the unfavourable cash position at the municipality. The municipality finalised new repayment plans for the overdue Creditor balances. The municipality is currently paying monthly instalments of R2 million to the uMngeni-uThukela Water Board and R1 million to the Department of Water and Sanitation. It should also be noted that the Creditors over 90 days of R101.1 million is significantly understated in relation to the outstanding balance of R166.5 million in the over 120 days category as per the MFMA Section 41 report at the end of June 2024.
B KZN241 eNdameni		TRUE	The municipality stated that it is facing financial difficulties and are thus struggling to make full payments as and when due. The municipality has paid R5 million towards the Eskom debt in June 2024 and has entered into a payment arrangement with Eskom to settle its historical debt.
B KZN242 Nquthu		TRUE	The municipality indicated that the Creditors age analysis contained errors as creditors that have already been paid were still reflected as outstanding. The municipality further stated that the issue has been discussed with financial system vendor for correction. The municipality attributed the negative Cash and cash equivalent to system errors which have been discussed with the financial system vendor for correction.
B KZN244 uMsinga		TRUE	The municipality reported an Operating deficit of R34 million as opposed to the anticipated deficit of R47 million which reflects a decrease of R13 million. The municipality stated that the deficit is largely driven by non-cash items, which the municipality is still working towards covering, however in cash the municipality stated that it is facing financial difficulties and a low collection of revenue led the municipality to not paying the Creditors on time. The municipality has signed a payment arrangement with the uThukela Water (Pty) Ltd Company and is in the process of making payment arrangements with the Department of Water Affairs. The municipality is also currently under intervention in terms of Sections 139(1)(b) of the Constitution and has an Interim Finance Committee in place to assist with the management of the payment of its Creditors.
B KZN245 uMvol		TRUE	The municipality reported an Operating deficit of R34 million as opposed to the anticipated deficit of R47 million which reflects a decrease of R13 million. The municipality stated that the deficit is largely driven by non-cash items, which the municipality is still working towards covering, however in cash the municipality stated that it is facing financial difficulties and a low collection of revenue led the municipality to not paying the Creditors on time. The municipality has signed a payment arrangement with the uThukela Water (Pty) Ltd Company and is in the process of making payment arrangements with the Department of Water Affairs. The municipality is also currently under intervention in terms of Sections 139(1)(b) of the Constitution and has an Interim Finance Committee in place to assist with the management of the payment of its Creditors.
C DC24 uMkhenkhe DM		TRUE	The municipality reported an Operating deficit of R34 million as opposed to the anticipated deficit of R47 million which reflects a decrease of R13 million. The municipality stated that the deficit is largely driven by non-cash items, which the municipality is still working towards covering, however in cash the municipality stated that it is facing financial difficulties and a low collection of revenue led the municipality to not paying the Creditors on time. The municipality has signed a payment arrangement with the uThukela Water (Pty) Ltd Company and is in the process of making payment arrangements with the Department of Water Affairs. The municipality is also currently under intervention in terms of Sections 139(1)(b) of the Constitution and has an Interim Finance Committee in place to assist with the management of the payment of its Creditors.
B KZN252 Newcastle		TRUE	According to the municipality, Creditors in over 90 days of R250.3 million are attributable to uThukela Water, Eskom and other creditors. The municipality indicated that the Creditors in the over 90 days category is due to the financial constraints. The municipality has however signed a payment arrangement with uThukela Water and has entered into a payment arrangement with Eskom to pay off outstanding debt. The municipality further indicated that R14.7 million was paid toward the current Water debt and that the balance will be paid before the end of July 2024.
B KZN253 eMadlangeni		-	-
B KZN254 Dannhauser		TRUE	The municipality attributed the negative Cash and cash equivalent to system errors.
C DC25 Amajuba DM		TRUE	The municipality indicated that the Creditors balance over 90 days includes retentions and guarantees which are included in the age analysis. The municipality further indicated that it has not been able to pay all its creditors as they fall due owing to the inability to collect all revenue due from debtors. The municipality stated that they have entered into a payment arrangement with uThukela Water for their arrear debt. The municipality indicated that the Operating deficit is due to staff turnover which has increased employee costs.
B KZN261 eDumbe		TRUE	The municipality attributed the negative Cash and cash equivalents of R209.6 million and R260.8 million reported at 31 March 2024 and 30 June 2024 respectively to challenges with cash flow reporting. The municipality indicated that they are engaging with their system vendor to ensure accurate reporting going forward.
B KZN262 uPhongolo		TRUE	The municipality indicated that the outstanding Creditor's balance as at the end of Quarter 4 relates to the invoice from the Department of Labour which is under dispute. The municipality has handed over the matter for litigation and it is waiting to finalize the disagreement on the relevant invoice.
B KZN263 AbaQulusi		TRUE	The municipality indicated that the negative cash position observed for two consecutive quarters is due to inaccuracies in financial reporting and incorrect cash flow transactions. The municipality has taken steps to address the incorrect reporting by collaborating with the system vendor to rectify the errors.
B KZN265 Nongoma		TRUE	The municipality indicated that Creditors outstanding of R62.5 million as at 30 June 2024 in the over 90 days' category is attributable to the Eskom debt of R61.2 million as the municipality was unable to fully pay the Eskom invoices. The municipality has a payment arrangement with Eskom however, a notice of breach was issued by Eskom on 04 June 2024. A meeting was held with CoGTA, Provincial Treasury and the Municipality on 06 June 2024 wherein CoGTA advised the municipality to review their cashflow and propose a new payment proposal. The meeting to discuss a new payment arrangement has not yet been confirmed. The other portion of the long outstanding debt is due to the inability of the financial system to process payments to suppliers that have issues on the Central Supplier Database (CSD) such as their tax matters.
B KZN266 Ulundi		TRUE	The municipality indicated that the Creditors outstanding as at 30 June 2024 in the over 90 days' category of R22.4 million is attributable to cash flow challenges faced by the municipality. The municipality also indicated that payment arrangements have been made to settle amounts owed to the Creditors.
C DC26 Zululand DM		TRUE	The municipality has a long outstanding debt with Eskom and the municipality is unable to meet its payment obligations due to financial challenges. The Ulundi Local Municipality defaulted on the repayment plan with Eskom. The municipality has applied for Debt relief that has been approved by National Treasury, the however, municipality has not fully honoured the current obligations. The Creditor's balance is expected to reduce if the municipality meets all the conditions stated in MFMA Circular No. 124 for the debt relief programme. The municipality budgeted for an Operating deficit in the 2023/24 budget year. The municipality was advised to review the budgeted revenue and expenditure across all items with a view to ensuring that reasonable budget estimates are provided. The municipality was urged to budget for revenue that will be realistically collected as per Section 18 of the MFMA and to budget for reasonable expenditure that will be incurred against such revenue.
B KZN271 uMhlabuyalingana		TRUE	The municipality indicated that the overspending reported on Operational costs contributed to the Operating deficit which exceeded five percent of revenue as per Section 138(d) of the MFMA. Furthermore, the municipality indicated that early payment of the account and interest on loan contributed to the overspending.
B KZN272 Jozi		TRUE	As per the MFMA Section 71 report for Month 12, the municipality reported an Operating deficit of R61.1 million. In the first half of the financial year, the municipality incurred high expenditure against the budgets for Transfers and subsidies, Contracted Services and Operational expenditure due to the localised flooding within the municipal area. Although the municipality increased the budget for these expenditure line items in the 2023/24 Adjustments Budget, Provincial Treasury raised concerns in the assessment feedback letter on the 2023/24 Adjustments budget over the possible underestimation of the budgeted amounts in relation expenditure already incurred as per the Month 07 (January 2024) MFMA Section 71 report. In a correspondence dated 07 September 2023, the municipality indicated to Provincial Treasury that cost containment was being implemented in order to ensure that expenditure on the 3 expenditure line items mentioned above remains within budget. The municipality maintained the same explanation throughout the 2023/24 financial year, which was again mentioned in the 2023/24 Adjustments Budget narrative report. As per the MFMA Section 71 report for Month 12, the municipality reported expenditure of R390.1 million which exceeded the Operating expenditure budget of R364.1 million mainly due to over expenditure against Operational Costs (Budget: R75.2 million, Expenditure: R92.8 million). The municipality confirmed that the expenditure against Operational costs is currently being verified for accuracy and classification and therefore no specific reasons could be provided. The municipality however confirmed that some unavoidable expenditure has had to be incurred and that the municipality will report an Operating deficit in the Draft 2023/24 AFS.
B KZN275 Mthabatha		TRUE	The Mthabatha Local Municipality is currently under intervention in terms of Section 139(1)(b) of the Constitution. As part of the intervention process, all payments to Creditors are approved by an Interim Finance Committee which according to the municipality, continues to result in delays in payments. The municipality further indicated that the Creditors balance outstanding for a period of greater than 30 days are due to the constraints on the cash position of the municipality which results in Creditors being settled on a priority basis. The Creditors balance outstanding for a period of greater than 90 days of R20.1 million is incorrect and exceeds the total creditors balance of negative R647 000 reported in the MFMA Section 71 report to the challenges with the use of the Creditors' module which resulted in negative creditors balance being reflected in the other creditors age categories, amongst others. As per the municipality prepared Schedule C for Month 12, the municipality reflected total creditors of R42.2 million (45 percent) in the Over 90 days' category. The municipality also maintained the explanation that part of the creditors' balance outstanding for a period of greater than 90 days are related to disputes where work performed before the commencement of the Section 139 Intervention could not be verified. As confirmed by Provincial Treasury during prior IYM engagements with the municipality, the municipality indicated that a program to reduce the long outstanding creditors balance was being implemented wherein the municipality advertised in local media for legitimate creditors to come forward. This process has now been completed and payment arrangements are being made to pay long outstanding creditors. The remaining creditors balance will be written off during the AFS preparation process. It is positively noted that the percentage creditors outstanding for more than 90 days decreased from 71 percent in Quarter 3 to 48 percent in Quarter 4. The negative Cash and cash equivalent balance of R295 000 as at 31 March 2024 and the negative amount of R309 000 as at 30 June 2024 are clearly inaccurate. As per the MFMA Section 71 reports and accompanying narrative reports submitted for March 2024 (Quarter 2) and for June 2024 (Quarter 4), the municipality had positive balances of R61.5 million and R2.1 million as Cash and cash equivalent balances as at 31 March 2024 and as at 30 June 2024, respectively. In explaining the incorrect MFMA Section 71 Reporting for operating expenditure, grants, capital, debtors, creditors and cash flows, the Mthabatha Local Municipality indicated that they are still experiencing challenges with the use of various modules on the financial system mainly with the grants, liabilities and cash flow reporting where extracted reports from the financial system reflect incorrectly mapped information. As per the municipality, they are continuing to engage the financial system service provider to improve the quality of the MFMA Section 71 reporting.
B KZN276 Big Five Habisa		TRUE	As per the municipality, the Creditors balance over the 90 days' category as reflected in the MFMA Section 71 report of R1.4 million is incorrect due to the incorrect use of mSCOA grids. The creditors balance in the over the 90 days' category as at 30 June 2024 amounts to a negative balance of R439 782 as per the Age Analysis submitted by the municipality as extracted from the financial system. The negative creditors balances are mainly due to the fact that certain debit orders for some of the municipality's big creditors such as Eskom are paid well before invoices are accrued on the financial system. The negative creditors balance is also due to timing differences where invoices are not paid within 30 days as a result of disputes with suppliers are settled as and when the invoices are resolved, hence there are negative payments reflected in the Creditors balance over the 90 days age category. Thus, there are no apparent financial problems at the municipality as at the end of Quarter 4 as the Creditors balance over the 90 days' category is well below the threshold of R1 million (Section 138(a) of the MFMA), however the municipality is still required to address the incorrect reporting.
C DC27 uMkhanyakude DM		TRUE	The uMkhanyakude District Municipality is under intervention in terms of Section 139(1)(b) of the Constitution. As explained by the municipality in prior reporting periods, the municipality has included payments of long outstanding Creditors as a priority over the 3 years of the 2023/24 MTREF Budget approved by Council. As part of the Section 139(1)(b) intervention process, all payments to Creditors continue to be first approved by an Interim Finance Committee (IFC), which is chaired by the Ministerial Representative. The amount reflected in the Over 90 days category for Creditors as at the end of June 2024 is mainly attributable to the bulk water amount owed to Mhlathuze Water and the Department of Water and Sanitation (DWS). The municipality indicated that there have been engagements with the Mhlathuze Water Board with the last one being at the beginning of April 2024 regarding outstanding payments as a result of disputes. The municipality further indicated that the invoices under dispute are for the water scheme that belongs to DWS and not the municipality. Since the DWS could not be part of the April 2024 meeting, the municipality advised that they have made a request to secure another meeting to further engage on the matter, which they still awaiting a response to. The municipality is again reminded that a higher creditors balance poses a risk to the funding position of the municipality's budget and the payment arrangements with Mhlathuze and DWS must be concluded as a matter of urgency. Similar to Quarter 3, it is also noted that the amount of R17.5 million reflected in the Over the 90 Days' category for Bulk Water as at Month 12 is incorrect due to the ongoing challenges being experienced by the municipality with the use of the Creditors' module where the municipality has incorrectly classified the outstanding debt for DWS in the mSCOA grid. The correct amount in the Over 90 Days' category for Bulk water is a total of R129.4 million (DWS: R111.9 million and Mhlathuze: R17.5 million) as per the Accounts Payables Age Analysis submitted by the municipality. As per the Section 71 report for Month 12, the municipality reported an operating deficit of R83 million. The municipality attributed the Operating deficit to high expenditure against Depreciation and amortisation (Budget: R53.9 million, expenditure: R112.1 million) and Operational costs (Budget:
B KZN281 uMfolozi		TRUE	The municipality indicated that the main contributor to the Operating deficit is the under generation on the Operating revenue, due to key customers. Below are the reasons for the decline in revenue in the 2023/24 financial year: Service Charges - Electricity revenue The reduction in billed electricity revenue amounting to R264 million when compared to a reduction in purchases of R100 million, resulted in a gross drop in electricity revenue by R164 million. The two primary reasons for this are due to a drop in commercial and industrial consumption due to the transition taken by large manufacturers and commercial businesses to alternative sources of energy, such as gas and solar. The second major issue is that the local economy has not picked up to the extent anticipated. The following are a few examples of the reduction by major industries. • Two key customers (Mondi and Foskor) had reduction in volumes from March 2024 to June 2024. The reduction for Mondi is due to the implementation of a yearly shutdown. • There was a R2 million adjustment on Bell's account which is as a result of non-functioning substations which led to estimating the demand for more than twelve (12) months. Furthermore, it must be noted that Bell has installed solar panels for the workshop which means that the municipality must anticipate more reductions from this customer in the current financial year. • There was an additional adjustment for eSikhaleni mall with a value of R2 million for the July 2021 unrest (RPT 177377). • Departmental accounts are currently being investigated and anomalies are corrected as and when identified. Due to this exercise, there is a huge reduction of departmental electricity. Service Charges - Water revenue The reduction is due to adjustments passed to the King Cetshwayo District Municipality accounts after finalising the negotiated tariffs. Furthermore, it is noted that the District Municipality volumes have declined. Interest earned from Receivables Due to SAP configuration which was finalised late, the billing for these interest charges commenced in June 2024. The adjustments have been posted to the affected accounts, however the balances will appear on the accumulated surplus account. Fines, Penalties and forfeits There is no contract in place for traffic fines, the TMT contract lapsed and the new tender was not advertised. Because of this, less and less revenue is generated by the Traffic Department. The traffic department has been aware of this. Property Rates There was anticipation that eSikhaleni mall would be completed and valued during the 2023/24 financial year, however delays were experienced in obtaining the valuation. This has led to deferred billing and not achieving the property rates target. The municipality also indicated that non-cash items such as Debt impairment of R221.4 million and Depreciation and amortisation of R304.5 million also contributed to the Operating deficit of R302.4 million and that there is no indication of a financial crisis at the municipality.
B KZN284 uMalazi		-	-
B KZN285 Mthorjaneni		TRUE	The Creditors balance of R22 million in the Over 90 category includes the Eskom arrears account which the municipality was not in a position to pay due to financial constraints. National Treasury held a meeting on 08 July 2024 with the Municipality, Provincial Treasury and Eskom to discuss the non-payment of the Eskom current account and other issues. The CFO/MM confirmed that the municipality has paid R2.4 million and R2.2 million on 08 July 2024 towards the May 2024 and June 2024 current accounts respectively. The municipality has entered into a 12 month payment arrangement to settle the R3.9 million arrears amount from 01 April 2023 to the debt relief approval date. A signed debt order arrangement for the R 3.9 million was submitted by the municipality. The above meeting also resolved that the municipality will also provide a payment plan for the remainder of their account in arrears.
B KZN286 Ntanda		TRUE	The municipality indicated that there is no apparent indication of a financial crisis at the municipality. The municipality further stated that the Year to date actual deficit for the month that ended on 30 June 2024 is R139 million, as per the monthly budget statement summary in Table C1 of the Schedule C, which is attributable from non cash items, such as Debt impairment and Depreciation and amortisation. Taking into account the budget items that are not cash backed where Depreciation and amortisation charges amounted to R101.8 million, as at the end of June 2024 and Internally funded operational expenditure amounting to R82.9 million, when adding this expenditure amounting to R184.7 million and this results in a surplus of R45.9 million.
C DC29 iLembe DM		TRUE	As per the municipality, the Creditors balance of R4.7 million in the Over the 90 days' category as reflected in the MFMA Section 71 report is due to invoices not paid as a result of disputes. The municipality indicated that these are being resolved and should be cleared in the next reporting period. It must however be noted that the municipality has reflected balances over the 90 days' category resulting from disputed creditors over the last 2 quarters.
B KZN433 Greater Kokstad		-	-
B KZN434 uBuhlebezwe		-	-
B KZN435 uMzimkhulu		TRUE	The Deficit of R28.2 million as at the end of June 2024 which constitutes 9.7 percent of the Operating direct revenue is attributable to the non-cash items comprising of Debt impairment and Depreciation and amortisation which amount to a total of R45 million. Nevertheless, continuing Operating deficits could result in cash flow problems for the municipality in the future. The bank reconciliation and investments register as at the end of June 2024 indicate that the municipality has total Cash and equivalents of R178.1 million whilst Unspent conditional grants amount to R14.5 million therefore the municipality has net available cash reserves of R163.6 million as at the end of June 2024. Thus, in the short-term, the municipality appears to have sufficient cash reserves however, the municipality should generate Operating surpluses in future periods to improve the available cash reserves. The municipality indicated that expenditure incurred was in accordance with the budget for the 2023/24 financial year and that going forward, the municipality will prioritise decreasing the Operating deficit and generating an Operating surplus in order to increase the cash reserves.
B KZN436 Dr. Nkomo Dlamini Zuma		TRUE	The Schedule C that was tabled to Council reflects an Operating surplus of R7 million whilst the MFMA Section 71 data string that was uploaded to the National Treasury GoMuni Portal reflects an Operating deficit of R23 million. According to the municipality, the Schedule C that was tabled to Council and the MFMA Section 71 data string that was uploaded to the National Treasury GoMuni Portal are drawn directly from the financial system therefore the difference in the reports noted will be investigated by municipality.
C DC43 Harry Gwala DM		-	-
Total		36	

Source: MTREF database