

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

DECEMBER 2021

Table of Contents

A. Introduction	3
B. Purpose.....	3
C. Challenges and Progress.....	3
1. Performance Service delivery.....	3
Table C2 – Financial Performance (Standard Classification).....	36
Table C3 – Fin’ Performance (Revenue and Expenditure by vote).....	37
Table C4: Financial Performance by Revenue Source and Expenditure Type.....	38
Table C5C: Monthly Capital Expenditure by Vote.....	40
Table C7: Monthly Budget Statement Cash Flow.....	43
TOP TWENTY DEBTORS.....	45
Supporting Table: SC 4 - Creditors Age Analysis.....	46
TOP CREDITORS PAID.....	46
Supporting Table: SC 5 - Investment Portfolio.....	47
Supporting Table: SC 6 - Transfers and Grant Receipts.....	48
Supporting Table: SC 7 Transfers and grants – Expenditure.....	49
Supporting Table: SC7 (2) – Expenditure against approved rollovers.....	51
Supporting Table: SC8 - Councillor Allowances and Employee Related Costs.....	52
Supporting Table: SC 12 Capital Expenditure Trend.....	56
Supporting Table: SC 13(a) Capital Expenditure on New Assets.....	57
Supporting Table: SC 13(b) Capital Expenditure on Renewal of Existing Assets.....	58
Supporting Table: SC 13(c) Repairs and Maintenance Expenditure.....	59
Supporting Table: SC 13(d) Depreciation and asset impairment.....	60
Supporting Table: SC 13(e) Capital Expenditure on upgrading of Existing Assets.....	61
List of Capital Programmes and Projects.....	63
Table: C4 Proposed Adjustment Budget.....	64
Table: C5 Capex Proposed Adjustment Budget.....	65

A. Introduction

Elias Motsoaledi local municipality is hereby reporting on for the institutional performance relating to 2021/2022 financial year. This reporting is required through the Local Government: Municipal Systems Act, Act No. 32 of 2000 as amended (referred to herein as MSA) and Local Government: Municipal Financial Management Act, Act No 56 of 2003 (referred to herein as MFMA). In terms of section 72 of the MFMA ***the accounting officer of a municipality must by 25 January of every year assess the performance of the municipality during the first half of the financial year.***

B. Purpose

The purpose of the report is to account to the public on the 2021/2022 mid-year institutional performance of Elias Motsoaledi local municipality. This report contains information which is based on the Service Delivery and Budget Implementation Plan (SDBIP) formulated for the financial year 2021/2022 and focuses on both the **financial** and service delivery performance (**non-financial**) assessment. The report was compiled using first and second quarter performance information.

C. Challenges and Progress

MFMA section 72(1)(a)(iii) require the accounting officer to assess the performance of a municipality during the first half of the financial year, taking into account the past year's annual report and progress on resolving problems identified in the annual report. Reflected here under, are performance of the municipality for the first half of the financial year.

1. Performance Service delivery

The report is based on analysed and evaluated information through a process whereby information of the KPA's, objectives, KPI's and programmes/ projects reflected in the IDP objectives of the municipality. The information is based on the institutional IDP scorecard.

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
kilometres of gravelled roads re-gravelled	155km of gravel municipal roads/ streets re-graveled by 30 June 2022	20km of gravel municipal roads/ streets re-gravelled by 30 September 2021	60km of gravel municipal roads/ streets re-gravelled by 31 December 2021	Achieved	None	None
number of reports for waste collection	16 reports for waste collection by June 2022	4 reports for waste collection by 30 September 2021	8 reports for waste collection by 31 December 2021	Achieved	none	None
number of waste received (tons) at landfill site	400 tons of waste received at landfill site by 30 June 2021	100 tons of waste received at landfill site by 30 September 2021	200 tons of waste received at landfill site by 31 December 2021	Achieved	None	None
Number of initiatives held to promote library facilities	4 initiatives held to promote library facilities by 30 June 2022	1 initiatives held to promote library facilities by 30	2 initiatives held to promote library facilities by 31	Achieved	None	None

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
		September 2021	December 2021			
number of environmental awareness conducted	4 environmental awareness conducted by 30 June 2022	1 environmental awareness conducted by 30 September 2021	2 environmental awareness conducted by 31 December 2021	Achieved	None	None
Number of disaster awareness campaigns conducted	4 disaster awareness campaigns conducted by 30 June 2022	1 disaster awareness campaigns conducted by 30 September 2021	2 disaster awareness campaigns conducted by 31 December 2021	Achieved	None	None
% of disaster relief provided	100% of disaster cases attended	100% of disaster cases attended	100% of disaster cases attended	Achieved	None	None
% of disaster cases reported and attended to within 48 hours	100% of disaster cases reported and attended to within 48 hours by 30 June 2022	100% of disaster cases reported and attended to within 48 hours by	100% of disaster cases reported and attended to within 48 hours by	Achieved	None	None

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
		30 September 2021	31 December 2021			
number of community safety forum meetings held	4 community safety forum meetings held by 30 June 2022	1 community safety forum meetings held by 30 September 2021	2 community safety forum meetings held by 31 December 2021	Achieved	None	None
number of households in municipal area registered as indigents	1176 registered indigents who receives free basic electricity by 30 June 2022	1176 registered indigents who receives free basic electricity by 30 September 2021	1176 registered indigents who receives free basic electricity by 31 December 2021	Achieved	none	None
CAPITAL PROJECTS						
number of vehicles to be procured	06 used vehicles to be procured by	n/a	06 used vehicles to be procured	Achieved	None	None

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
from the existing lease to buy contract	31 December 2021		by 31 December 2021			
% processing of procurement request submitted for air conditioners	100% Processing of procurement request submitted by 30 September 2021	100% Processing of procurement request submitted by 30 September 2021	n/a	Not achieved	Project is currently on advertisement stage.	procurement will be done after appointment of service provider by end of October
% expenditure on computer equipment	90% minimum expenditure on computer equipment by 30 June 2020	10% minimum expenditure on computer equipment by 30 September 2021	25% minimum expenditure on computer equipment by 31 December 2021	Achieved	None	None
Fencing of Game Farm	Fencing of Game farm by 30 June 2022	Development of Specification by 30 September 2021	placing of Advertisement of service provider by 31 December 2021	Not achieved	Only Specifications were developed	Advertisement to be issued by end of January.2022

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
Upgrading of Groblersdal landfill site	Upgrading of landfill site by 30 June 2022	advertising of the project by 30 September 2021	appointment of service providers, site hand over and site establishment by 31 December 2021	Not achieved	Project currently on hold till further notice due to change of designs as per LEDET request	New drawings, as per new regulations done & sent to LEDET awaiting approval. (The KPI will be zero weighted pending the approval of new designs by DWA)
Number of stands reticulated with electrical infrastructure at Ga Posa	116 stands reticulated with electrical infrastructure by 30 th June 2022	Appointment of the contractor, site handover and site establishment by 30 September 2021	construction of MV and LV by 31 December 2021	Not achieved	contractor was introduced and handed over to the community in December 2021	Site establishment and construction to commence on January 2022
Number of stands reticulated with electrical infrastructure at Maleoskop	191 stands reticulated with electrical infrastructure by 30 th June 2022	Appointment of the contractor, site handover and site establishment by 30 September 2021	construction of MV and LV by 31 December 2021	Not achieved	None	Waiting for final designs from the service provider by end of January
Number of stands	324 stands reticulated with electrical	Appointment of the contractor,	construction of MV and LV by	Not achieved	None	Waiting for final designs

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
reticulated with electrical infrastructure at Masakaneng	infrastructure by 30 th June 2022	site handover and site establishment by 30 September 2021	31 December 2021			from the service provider by end of January
Number of stands reticulated with electrical infrastructure at Matlala Lehwelere	191 stands reticulated with electrical infrastructure by 30 th June 2022	Appointment of the contractor, site handover and site establishment by 30 September 2021	construction of MV and LV by 31 December 2021	Not achieved	contractor was introduced and handed over to the community in December 2021	Site establishment and construction to commence on January 2022
Number of stands reticulated with electrical infrastructure at Rondebosch	67 stands reticulated with electrical infrastructure by 30 th June 2022	Appointment of the contractor, site handover and site establishment by 30 September 2021	construction of MV and LV by 31 December 2021	Not achieved	contractor was introduced and handed over to the community in December 2021	Site establishment and construction to commence on January 2022
Number of stands reticulated with electrical infrastructure at Vlakfontein	320 stands reticulated with electrical infrastructure by 30 th June 2022	Appointment of the contractor, site handover and site establishment by 30 September 2021	construction of MV and LV by 31 December 2021	Not achieved	contractor was introduced and handed over to the community in December 2021	Site establishment and construction to commence on January 2022

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
upgrading of 2.2km of Dipakapakeng road	2.2km Upgrading of Dipakapakeng access road by 30 June 2022	0km Appointment of the contractor, site handover and site establishment by 30 September 2021	0km Construction of the road by 31 December 2021	Achieved	None	none
upgrading of Tafelkop Stadium access road	upgrading of Tafelkop stadium access road by 30 June 2022	Advertising of the project by 30 September 2021	Appointment of service provided, site hand over and site establishment by 31 December 2021	Achieved	None	None
upgrading of Bloompoot to Uitspanning access road	upgrading of Bloompoot/Uitspanning access road by 30 June 2022	Advertising of the project by 30 September 2021	Appointment of service provided, site hand over and site establishment by 31	Achieved	None	None

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
			December 2021			
designs of 5200m of Kgaphamadi bus road storm water control	100% designs of Storm water control in Kgaphamadi bus road by 31 March 2022	20% scoping report completed by 30 September 2021	40% preliminary report completed by 31 December 2021	Not achieved	Delays in preparing the design report for storm water	Consultant to submit the storm water detailed designed (The project will be zero weighted/ discontinued during the revision of the SDBIP due to delay in approval of the MIG funding)
% expenditure on procurement of culverts road signs for stormwater channels	95% expenditure on procurement of culverts, road signs for storm water channels by 31 December 2021	50% expenditure on procurement of culverts, road signs for storm - water channels by 30	95% expenditure on procurement of culverts, road signs for storm water channels by 31	Not achieved	Financial constrain	Project was put on hold due to financial constrain (The project will be zero weighted/ discontinued to boost municipal

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
		September 2021	December 2021			funding plan as approved by municipal council)
Rehabilitation of roads/streets in various wards	1.4km of Roads\Streets in various wards rehabilitated by 30 September 2021	1.4km of Roads\Streets in various wards rehabilitated by 30 September 2021	n/a	Achieved	None	None
Construction of Disaster management centre emergency relief store room	Construction of Disaster management centre emergency relief store room by 30 June 2022	Development of Specification by 30 September 2021	placing of Advertisement of service provider by 31 December 2021	Not achieved	Financial constrain	Project was put on hold due to financial constrain (The project will be zero weighted/ discontinued to boost municipal funding plan as approved by municipal council)

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
number of parks to be developed and upgraded	2 parks upgraded and developed by 30 June 2022	Development of Specification by 30 September 2021	placing of Advertisement of service provider by 31 December 2021	Not achieved	Financial constrain	Project was put on hold due to financial constrain (The project will be zero weighted/ discontinued to boost municipal funding plan as approved by municipal council)
Fencing of Elandsdoorn / Ntwane cemetery	Fencing of Elandsdoorn/ Ntwane cemeteries by June 2022	development of terms of reference (TOR) by 30 September 2021	Advertisement by 31 December 2021	Achieved	None	None
procurement of No illegal dumping boards	Procurement of No illegal dumping boards by 30 June 2022	Development of Specification by 30	placing of Advertisement of service provider by 31	Not achieved	Financial constrain	The project was put on hold due to financial constrain

KPA 1: BASIC SERVICE DELIVERY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
		September 2021	December 2021			(The project will continue to be implemented as the project will be funded during adjustment budget)
upgrading of Roosenekaal concrete palisade	Upgrading of Roosenekaal concrete palisade by 30 June 2022	Development of Specification by 30 September 2021	placing of Advertisement of service provider by 31 December 2021	Not achieved	Financial constrain	The project was put on hold due to financial constrain (The project will be zero weighted/ discontinued to boost municipal funding plan as approved by municipal council)

KPA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
Number of LLF meetings held	6 LLF meetings held by 30 June 2022	2 LLF meetings held by 30 September 2021	3 LLF meetings held by 31 December 2021	Achieved	None	None
% of reported ICT incidents resolved	90%-100% of reported ICT incidents resolved by 30 June 2022	90%-100% of reported ICT incidents resolved by 30 September 2021	90%-100% of reported ICT incidents resolved by 31 December 2021	Achieved	None	None
turnaround time in placing documents and information on the municipal website	Placement of documents & information on the municipal website 5 (five)	Placement of documents & information on the municipal website 5 (five)	Placement of documents & information on the municipal website 5 (five)	Achieved	None	None

KPA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
	working days from the date submitted to ICT by 30 June 2022	working days from the date submitted to ICT by 30 September 2021	working days from the date submitted to ICT by 31 December 2021			
Number of ICT Service Providers Performance Monitoring and Evaluation meetings held	4 ICT Service Providers Performance Monitoring & Evaluation meetings held by 30 June 2022	1 ICT Service Providers Performance Monitoring & Evaluation meetings held by 30 September 2021	2 ICT Service Providers Performance Monitoring & Evaluation meetings held by 31 December 2021	Achieved	None	None
% of KPIs and projects attaining organisational targets (total organisation)	95% of KPIs and projects attaining organisational targets (total organization)	25% Of KPI and Projects Attaining Organizational Targets by	50% Of KPI and Projects Attaining Organizational Targets by	Achieved	None	none

KPA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
	n) by 30 June 2022	30 September 2021	31 December 2021			
number of litigations reports created	4 litigations report created by 30 June 2022	1 litigation report created by 30 September 2021	2 litigation reports created by 31 December 2021	Achieved	None	None
number of MIG reports submitted to CoGHSTA	12 MIG reports submitted to CoGHSTA by 30 June 2022	3 MIG reports submitted to CoGHSTA by 30 September 2021	6 MIG reports submitted to CoGHSTA by 31 December 2021	Achieved	None	None
number of INEP reports submitted to department of energy	12 INEP reports submitted to department of energy by 30 June 2022	3 INEP reports submitted to department of energy by 30 September 2021	6 INEP reports submitted to department of energy by 31 December 2021	Not achieved	unable to retrieve proof of submission sent to DOE from the server	Engaging with ICT unit for assistance

KPA 3: FINANCIAL MANAGEMENT AND VIABILITY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
Number of SCM deviation reports submitted to municipal manager (reduction of number of deviations)	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 31 December 2021	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 31 December 2021	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 31 December 2021	Achieved	None	None
% of billed revenue collected	80% of billed revenue collected by 30 June 2022	20% of billed revenue collected by 30 September 2021	40% of billed revenue collected by 31 December 2021	Achieved	None	None
% Payment of creditors within 30 days	100% Payment of creditors within 30 days by 30 June 2022	100% Payment of creditors within 30 days by 30 September 2021	100% Payment of creditors within 30 days by 31 December 2021	Achieved	None	None

KPA 3: FINANCIAL MANAGEMENT AND VIABILITY

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
% spend of the total operational budget excluding non-cash items by 30 June 2022	95% spend of the total operation budget excluding non- cash items by 30 June 2022	25% spend of the total operation budget excluding non- cash items by 30 September 2021	55% spend of the total operation budget excluding non- cash items by 31 December 2021	Achieved	None	None
Remuneration (Employee related costs and councillors remuneration) as % of total operating expenditure per quarter	25% to 40% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure	25% to 40% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per quarter by 30 September 2021	25% to 40% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure	Not achieved	None	Understatement of operational expenditure
% spending on MIG funding by 30 June 2022	100% spending on MIG funding by the 30 June 2022	10% spending on MIG funding by the 30	50% spending on MIG funding by 31	Achieved	None	none

KPA 3: FINANCIAL MANAGEMENT AND VIABILITY						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
		September 2021	December 2021			
% spending on INEP funding by 30 June 2022	100% spending on INEP funding by 30 June 2022	25% spending on INEP funding by 30 September 2021	30% spending on INEP funding by 31 December 2021	Not achieved	None	Late appointment of contractors. Contractors to resume work after the holidays

KPA 4: LOCAL ECONOMIC DEVELOPMENT						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
Number of job opportunities provided through EPWP grant by 30 June 2022 (GKPI)	69 jobs opportunities provided through EPWP grant by 30 June 2022 (GKPI)	n/a	69 jobs opportunities provided through EPWP grant by 31 December 2021 (GKPI)	Achieved	None	None

number of SMME's and Co-operatives capacity building workshops/ training held by 30 June 2022 (LED training)	14 SMME's and Co-operatives capacity building workshops/ Training held by 30 June 2022 [LED Training]	3 SMME's and Co-operatives capacity building workshops/ Training held by 30 September 2021 [LED Training]	6 SMME's and Co-operatives capacity building workshops/ Training held by 31 December 2021 [LED Training]	Achieved	None	None
Number of job opportunities created through infrastructure projects by 30 June 2022(GKPI)	300 job opportunities created through infrastructure projects by 30 June 2022 (GKPI)	90 job opportunities created through infrastructure projects by 30 September 2021 (GKPI)	160 job opportunities created through infrastructure projects by 31 December 2021 (GKPI)	Not Achieved	None	None

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions	
2021/2022 IDP review process plan approved by August 2020	1 2021/2022 IDP review process Plan approved by August 2021	1 2021/2022 IDP Review Process plan	n/a n/a	Achieved	None	None	

		Approved By August 2021				
% of internal audit findings resolved per quarter as per the audit plan (total organisation)	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation) by 30 June 2022	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation) by 30 September 2021	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation) by 31 December 2021	Achieved	None	None

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
Number of security risk assessment conducted by 30 June 2022	2 risk based internal audits conducted by 30 June 2022	1 risk based internal audits conducted by 30 September 2021	n/a	Achieved	None	None
Number of project risk assessments conducted by 30 June 2022	4 project risk assessments conducted	1 project risk assessments conducted by 30	2 project risk assessments conducted by 31	Achieved	None	None

	by 30 June 2022	September 2021	December 2021			
Number of strategic and operational risk assessment conducted	4 strategic and operational risk assessment conducted by 30 June 2022	1 strategic and operational risk assessment conducted by 30 September 2021	2 strategic and operational risk assessment conducted by 31 December 2021	Achieved	None	none

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
Number of risk management training conducted	2 Management training conducted by 30 June 2022	n/a	1 risk management training conducted by 31 December 2021	Achieved	None	None
Number of risk management reports submitted to the risk	4 Risk Management reports	1 Risk Management reports	2 Risk Management reports	Achieved	None	None

management committee per quarter	submitted to the Risk Management Committee per quarter by 30 June 2022	submitted to the Risk Management Committee per quarter by 30 September 2021	submitted to the Risk Management Committee per quarter by 31 December 2021			
Number of quarterly risk management committee meetings convened by June 2022	4 quarterly Risk Management Committee meetings convened by June 2022	1 quarterly Risk Management Committee meetings convened by 30 September 2021	2 quarterly Risk Management Committee meetings convened by 31 December 2021	Achieved	None	None

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
% execution of identified risk management plan within prescribed timeframes per quarter (total organisation)	100% execution of identified risk management plan within prescribed timeframes per quarter (total organisation) by 30 June 2022	25% execution of identified risk management plan within prescribed timeframes per quarter (total organisation) by 30 September 2021	50% execution of identified risk management plan within prescribed timeframes per quarter (total organisation) by 31 December 2021	Achieved	None	None

Number of MPAC quarterly reports submitted to council	4 MPAC quarterly reports submitted to council by 30 June 2022	1 MPAC quarterly reports submitted to council by 30 September 2021	2 MPAC quarterly reports submitted to council by 31 December 2021	Not Achieved	None	To be submitted to council after the official handover from the previous MPAC committee
% of community complaints received and processed	100% community complaints received and processed by 30 June 2022	100% community complaints received and processed by 30 September 2021	100% community complaints received and processed by 31 December 2021	Achieved	None	None
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
number of customer care implementation plan and monitoring conducted	4 customer care implementation plan and monitoring conducted by 30 June 2022	1 customer care implementation plan and monitoring conducted by 30 September 2021	2 customer care implementation plan and monitoring conducted by 31 December 2021	Achieved	None	None

number of municipal newsletter printed/ produced	5000 Of copies municipal newsletter printed/ produced by 30 June 2022	250 Of municipal newsletter printed/ produced by 30 September 2021	2500 of municipal newsletter printed/ produced by 31 December 2021	Achieved	None	none
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KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
% council resolutions implemented	100% council resolutions implemented by 30 June 2022	25% council resolutions implemented by 30 September 2021	50% council resolutions implemented by 31 December 2021	Achieved	None	None
Obtain an Unqualified Auditor General opinion for the 2020/2021 financial year	Obtain an Unqualified Auditor General opinion for	n/a	Obtain an Unqualified Auditor General opinion for	Achieved	None	none

	the 2020/2021 financial year by 30 November 2021		the 2020/2021 financial year by 30 November 2021			
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KPA 6: SPATIALE RATIONALE						
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
% of land use applications received and processed within 90 days	100% of land use applications received and processed within 90 days by 30 June 2022	100% of land use applications received and processed within 90 days by 30 September 2021	100% of land use applications received and processed within 90 days By 31 December 2021	Achieved	None	None
% of new building plans of less than 500 square metres assessed within 10 days of receipt of plans	100% of new building plans of less than 500 square metres assessed within 10 days of receipt of	100% of new building plans of less than 500 square metres assessed within 10 days of	100% of new building plans of less than 500 square metres assessed within 10 days of	Achieved	None	None

KPA 6: SPATIALE RATIONALE

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
	plans by 30 June 2022	receipt of plans by 30 September 2021	receipt of plans by 31 December 2021			
% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans	100% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans by 30 June 2022	100% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans by 30 September 2021	100% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans by December 2021	Achieved	None	None
% of inspections conducted on building construction with an approved plan to ensure compliance with Sec6© and 17 (b) of National Building regulations and building standards Act	100% of inspections conducted on building construction with an approved plan to ensure compliance with Sec. 6(c) and 17	100% of inspections conducted on building construction with an approved plan to ensure compliance with Sec. 6(c) and 17	100% of inspections conducted on building construction with an approved plan to ensure compliance	Achieved	None	None

KPA 6: SPATIALE RATIONALE

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Q2 Target	Comments	Challenges	Remedial Actions
	(b) of National Building Regulations and Building Standards Act by 30 June 2022	(b) of National Building Regulations and Building Standards Act by 30 September 2021	with Sec. 6(c) and 17 (b) of National Building Regulations and Building Standards Act by 31 December 2021			

The table below represents the institutional performance for Mid Year per Key Performance Area:

Key Performance Area Number	Key Performance Area	Total 2nd quarter target	Achieved KPIs	Not achieved KPIs	not applicable	Total Percentage achieved %
1	Spatial Rationale	4	4	0	0	100%
2	Institutional Development & Transformation	8	7	1	0	88%
3	Local Economic Development	3	2	1	0	67%
4	Basic Service Delivery	30	15	10	5	60%
5	Financial Management & Viability	8	6	2	0	75%
6	Good Governance & Public Participation	18	16	2	0	89%
	Total	71	50	16	5	76%

2. Financial performance assessment

1. INTRODUCTION

1.1 In terms of section 72 of the MFMA Act no 56 of 2003 the Accounting Officer of the municipality must by the 25th January each year-

Assess the performance of the municipality during the first half of the financial year, taking into account-

- a) the monthly budget statement referred to as section 71 for the first half of the financial year
- b) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan,
- c) the past years annual report, and progress on resolving problems identified in the annual report.

The draft Annual Report 2020/21 and the Mid-year performance/progress reports of 2021/2022 SDBIPs referred to as part b and c above are respectively submitted under a separate report elsewhere in the agenda.

Submit a report on such assessment to –

- a) the mayor of the municipality,
- b) the National and the relevant provincial treasury.

1.2 The Accounting Officer must, as part of the review-

- a) make recommendations as to whether an adjustment budget is necessary, and
- b) Recommend revised projections for revenue and expenditure to the extent that this may be necessary.

CHAPTER 2: FINANCIAL HEALTH ASSESSMENT AND MID-YEAR BUDGET STATEMENT: 31 DECEMBER 2021

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	39,442	38,865	-	3,327	19,978	19,723	255	1%	38,865
Service charges	97,738	113,490	-	8,625	53,696	54,778	(1,082)	-2%	113,490
Investment revenue	585	1,900	-	160	860	1,380	(521)	-38%	1,900
Transfers and subsidies	351,908	307,637	-	101,179	229,131	210,751	18,379	9%	307,637
Other own revenue	27,313	84,734	-	2,130	12,830	45,994	(33,163)	-72%	84,734
Total Revenue (excluding capital transfers and contributions)	516,985	546,626	-	115,421	316,494	332,627	(16,132)	-5%	546,626
Employee costs	150,619	163,212	-	20,179	80,591	81,437	(846)	-1%	163,212
Remuneration of Councillors	24,279	27,334	-	2,403	12,350	13,667	(1,317)	-10%	27,334
Depreciation & asset impairment	58,788	58,392	-	-	-	29,196	(29,196)	-100%	58,392
Finance charges	3,516	3,729	-	-	39	2,369	(2,330)	-98%	3,729
Materials and bulk purchases	114,603	129,586	-	9,282	62,868	61,516	1,353	2%	129,586
Transfers and subsidies	1,402	3,784	-	166	1,412	1,792	(380)	-21%	3,784
Other expenditure	189,313	146,638	-	15,798	70,933	80,014	(9,082)	-11%	146,638
Total Expenditure	542,520	532,675	-	47,829	228,193	269,992	(41,798)	-15%	532,675
Surplus/(Deficit)	(25,535)	13,951	-	67,592	88,301	62,635	25,666	41%	13,951
Transfers and subsidies - capital (monetary allocations)	68,450	79,332	-	6,396	33,420	44,235	(10,814)	-24%	79,332
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	42,916	93,283	-	73,988	121,721	106,870	14,851	14%	93,283
Surplus/ (Deficit) for the year	42,916	93,283	-	73,988	121,721	106,870	14,851	14%	93,283
Capital expenditure & funds sources									
Capital expenditure	85,102	88,032	-	6,893	29,786	64,655	(34,869)	-54%	88,032
Capital transfers recognised	79,029	79,332	-	6,893	28,829	58,768	(29,939)	-51%	79,332
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	6,073	8,700	-	-	957	5,886	(4,929)	-84%	8,700
Total sources of capital funds	85,102	88,032	-	6,893	29,786	64,655	(34,869)	-54%	88,032
Financial position									
Total current assets	155,157	165,299	-	-	245,426	-	-	-	165,299
Total non current assets	1,138,294	1,305,435	-	-	1,168,308	-	-	-	1,305,435
Total current liabilities	122,770	111,087	-	-	127,379	-	-	-	111,087
Total non current liabilities	74,813	114,907	-	-	77,486	-	-	-	114,907
Community wealth/Equity	1,095,868	1,244,739	-	-	1,208,869	-	-	-	1,244,739
Cash flows									
Net cash from (used) operating	102,726	97,304	-	63,095	102,630	164,559	61,929	38%	97,304
Net cash from (used) investing	(84,301)	(80,993)	-	(6,893)	(29,786)	(63,786)	(34,000)	53%	(80,993)
Net cash from (used) financing	(13,938)	(11,947)	-	25	(2,486)	(7,501)	(5,016)	67%	(11,947)
Cash/cash equivalents at the month/year end	6,415	31,852	-	-	76,773	120,758	43,985	36%	10,780
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	13,943	5,034	3,654	3,242	3,118	3,276	17,899	90,645	140,813
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The above C1 Sum table summarizes the following activities: -

Revenue:

The actual year to date operational revenue as at end of December is R316, 494 million and the year to date budget of R332, 627 million and this reflects a negative variance of R16, 132 million which is mostly attributable to other revenue amounting to R33, 163 million unfavourable variance. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 38% unfavourable variance,
- Interest earned – outstanding debtors: 2% favourable variance,

- Rental on Facilities and Equipment: 17% unfavourable variance,
- Fines, penalties and forfeits: 100% unfavourable variance
- Services Charges – electricity revenue: 3% unfavourable variance
- Services Charges – refuse revenue: 6% favourable variance
- Licenses and permits: 18% favourable variance
- Property rates: 1% favourable variance
- Other revenue: 28% favourable
- Transfer and subsidies: 9% favourable

Operating Expenditure

The year to date operational expenditure as at end of December amounts to R228, 193 million and the year to date budget is R269, 992 million. This reflects underspending variance of R41, 798 million that translates to 15% variance. The variance is attributed underspending variance on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

All other expenditure line items are performing almost in line with the year to date budget since the variance thereof is less than 10% except for the following:

- Remuneration of councillors: 10% under performance
- Other Materials: 87% over performance
- Depreciation and asset impairment: 100% under performance
- Debt impairment: 100% under performance
- Finance charges: 98% under performance
- Bulk Purchases : 13% under performance
- Contracted Services : 26% over performance
- Transfer and Subsidies : 21% under performance
- Other Expenditure : 31% over performance

Capital Expenditure

The year to date actual capital expenditure as at end of December 2021 amounts to R29, 786 million and the year to date budget amounts to R64, 655 million and this gives rise to R34, 869 million under performance.

Surplus/Deficit

Taking the above into consideration, year to date net operating surplus is R121, 721 million that is mainly attributed over performance on capital and operating expenditure in the reporting period.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of December amounts to R140, 813 million and this shows an increase of R15, 802 million as compared to R108, 238 million as at end of 2020/21 financial year.

Consumer debtors is made up of service charges and property rates that amount to R81, 750 million and other debtors amounting to R40, 172 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

Creditors

All creditors are paid within 30 days of receipt of invoice in the month of December as required by MFMA.

Table C2 – Financial Performance (Standard Classification)

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	273,364	245,185	-	72,066	177,919	164,190	13,729	8%	245,185
Executive and council	56,129	48,669	-	22,573	42,852	32,927	9,925	30%	48,669
Finance and administration	203,805	184,328	-	46,434	126,930	123,652	3,278	3%	184,328
Internal audit	13,430	12,188	-	3,059	8,138	7,611	526	7%	12,188
Community and public safety	32,043	88,396	-	6,509	16,329	51,565	(35,237)	-68%	88,396
Community and social services	11,515	9,924	-	3,865	8,012	7,706	305	4%	9,924
Sport and recreation	17,675	13,472	-	2,627	8,227	9,952	(1,725)	-17%	13,472
Public safety	2,853	65,000	-	17	90	33,907	(33,817)	-100%	65,000
Economic and environmental services	136,383	126,286	-	28,282	83,320	70,572	12,748	18%	126,286
Planning and development	30,386	24,295	-	7,235	17,425	14,368	3,057	21%	24,295
Road transport	104,380	99,173	-	20,028	63,702	54,063	9,639	18%	99,173
Environmental protection	1,617	2,818	-	1,020	2,194	2,141	52	2%	2,818
Trading services	143,645	166,092	-	14,959	72,347	90,535	(18,188)	-20%	166,092
Energy sources	109,642	134,030	-	9,604	53,495	68,829	(15,334)	-22%	134,030
Waste management	34,003	32,062	-	5,356	18,852	21,706	(2,854)	-13%	32,062
Total Revenue - Functional	585,436	625,958	-	121,817	349,915	376,862	(26,947)	-7%	625,958
Expenditure - Functional									
Governance and administration	239,954	199,255	-	19,140	104,489	107,123	(2,634)	-2%	199,255
Executive and council	43,307	42,577	-	3,339	17,503	21,404	(3,901)	-18%	42,577
Finance and administration	188,602	148,683	-	13,845	81,175	81,059	116	0%	148,683
Internal audit	8,045	7,995	-	1,955	5,811	4,660	1,151	25%	7,995
Community and public safety	73,578	76,374	-	3,771	15,561	38,391	(22,830)	-59%	76,374
Community and social services	7,157	7,280	-	773	3,032	3,500	(468)	-13%	7,280
Sport and recreation	8,292	12,783	-	1,001	3,956	6,193	(2,237)	-36%	12,783
Public safety	58,129	56,311	-	1,997	8,573	28,698	(20,125)	-70%	56,311
Economic and environmental services	89,082	103,751	-	6,068	30,108	50,182	(20,073)	-40%	103,751
Planning and development	12,907	17,950	-	1,848	6,662	8,108	(1,446)	-18%	17,950
Road transport	75,556	85,136	-	4,221	23,249	41,746	(18,497)	-44%	85,136
Environmental protection	618	665	-	-	197	328	(131)	-40%	665
Trading services	139,906	153,295	-	18,850	78,035	74,296	3,739	5%	153,295
Energy sources	99,470	128,242	-	15,616	62,725	61,404	1,321	2%	128,242
Waste management	40,435	25,053	-	3,234	15,310	12,892	2,417	19%	25,053
Total Expenditure - Functional	542,520	532,675	-	47,829	228,193	269,992	(41,798)	-15%	532,675
Surplus/ (Deficit) for the year	42,916	93,283	-	73,988	121,721	106,870	14,851	14%	93,283

Table C3 – Fin’ Performance (Revenue and Expenditure by vote)

Vote Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	49,347	42,820	–	20,725	38,567	29,421	9,146	31%	42,820
Vote 2 - Municipal Manager	47,408	42,149	–	9,602	27,164	30,142	(2,978)	-10%	42,149
Vote 3 - Budget & Treasury	84,415	74,785	–	13,034	47,887	47,410	477	1%	74,785
Vote 4 - Corporate Services	51,431	46,749	–	14,388	33,867	29,638	4,229	14%	46,749
Vote 5 - Community Services	75,047	130,531	–	14,201	42,158	79,641	(37,483)	-47%	130,531
Vote 6 - Technical Services	233,125	250,001	–	35,335	129,456	133,407	(3,952)	-3%	250,001
Vote 7 - Developmental Planning	21,988	17,052	–	4,578	11,750	9,096	2,653	29%	17,052
Vote 8 - Executive Support	22,675	21,871	–	9,954	19,067	18,107	960	5%	21,871
Total Revenue by Vote	585,436	625,958	–	121,817	349,915	376,862	(26,947)	-7%	625,958
Expenditure by Vote									
Vote 1 - Executive & Council	37,311	37,114	–	2,930	15,616	18,749	(3,133)	-17%	37,114
Vote 2 - Municipal Manager	47,145	36,199	–	5,137	22,915	19,460	3,454	18%	36,199
Vote 3 - Budget & Treasury	78,812	56,980	–	5,637	33,582	33,895	(313)	-1%	56,980
Vote 4 - Corporate Services	31,806	35,707	–	1,395	12,981	18,251	(5,270)	-29%	35,707
Vote 5 - Community Services	122,250	109,512	–	8,018	35,275	55,343	(20,068)	-36%	109,512
Vote 6 - Technical Services	195,386	228,211	–	20,487	91,992	111,003	(19,011)	-17%	228,211
Vote 7 - Developmental Planning	8,333	13,293	–	1,291	4,320	5,614	(1,295)	-23%	13,293
Vote 8 - Executive Support	21,476	15,657	–	2,934	11,513	7,676	3,837	50%	15,657
Total Expenditure by Vote	542,520	532,675	–	47,829	228,193	269,992	(41,798)	-15%	532,675
Surplus/ (Deficit) for the year	42,916	93,283	–	73,988	121,721	106,870	14,851	14%	93,283

Table C2 and C3 measure the monthly actuals and year to date actuals against the year to date budget. The aforementioned budget tables are presented by standard classification and vote respectively for both revenue and expenditure. The variances are all reflected in the year-to-date variance column.

The financial results portrayed in the two tables are the same as those in other tables (i.e. it is only the description or basis of reporting that is based on financial or budget performance by vote or department, and National Treasury’s standard classification.

Table C4: Financial Performance by Revenue Source and Expenditure Type

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	39,442	38,865		3,327	19,978	19,723	255	1%	38,865
Service charges - electricity revenue	88,812	104,214		7,823	48,891	50,243	(1,352)	-3%	104,214
Service charges - refuse revenue	8,926	9,276		803	4,805	4,535	270	6%	9,276
Rental of facilities and equipment	956	898		58	372	449	(77)	-17%	898
Interest earned - external investments	585	1,900		160	860	1,380	(521)	-38%	1,900
Interest earned - outstanding debtors	17,041	12,860		1,552	8,812	8,615	198	2%	12,860
Fines, penalties and forfeits	2,861	65,071		13	82	33,931	(33,849)	-100%	65,071
Licences and permits	4,635	5,240		486	3,139	2,667	473	18%	5,240
Transfers and subsidies	351,908	307,637		101,179	229,131	210,751	18,379	9%	307,637
Other revenue	1,819	664		20	424	332	93	28%	664
Gains							-		
Total Revenue (excluding capital transfers and contributions)	516,985	546,626	-	115,421	316,494	332,627	(16,132)	-5%	546,626
Expenditure By Type									
Employee related costs	150,619	163,212		20,179	80,591	81,437	(846)	-1%	163,212
Remuneration of councillors	24,279	27,334		2,403	12,350	13,667	(1,317)	-10%	27,334
Debt impairment	61,327	48,632		-	-	24,316	(24,316)	-100%	48,632
Depreciation & asset impairment	58,788	58,392		-	-	29,196	(29,196)	-100%	58,392
Finance charges	3,516	3,729		-	39	2,369	(2,330)	-98%	3,729
Bulk purchases	88,182	110,035		7,681	45,561	52,241	(6,680)	-13%	110,035
Other materials	26,421	19,551		1,601	17,308	9,275	8,033	87%	19,551
Contracted services	75,365	60,088		12,786	47,616	37,872	9,744	26%	60,088
Transfers and subsidies	1,402	3,784		166	1,412	1,792	(380)	-21%	3,784
Other expenditure	52,620	37,918		3,013	23,316	17,826	5,490	31%	37,918
Losses							-		
Total Expenditure	542,520	532,675	-	47,829	228,193	269,992	(41,798)	-15%	532,675
Surplus/(Deficit)	(25,535)	13,951	-	67,592	88,301	62,635	25,666	41%	13,951
Transfers and subsidies - capital (monetary allocations)	68,450	79,332		6,396	33,420	44,235	(10,814)	-24%	79,332
Transfers and subsidies - capital (monetary allocations)							-		-
Transfers and subsidies - capital (in-kind - all)							-		-
Surplus/(Deficit) after capital transfers & contributions	42,916	93,283	-	73,988	121,721	106,870			93,283
Taxation									
Surplus/(Deficit) after taxation	42,916	93,283	-	73,988	121,721	106,870			93,283
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	42,916	93,283	-	73,988	121,721	106,870			93,283
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	42,916	93,283	-	73,988	121,721	106,870		-	93,283

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on property rates, service charges – electricity, refuse, rental of facilities and equipment, interest earned – external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits and other revenue.

In the case of expenditure, the following line items reflect material variance; Remuneration of councillors, Bulk purchases, other expenditure, debt impairment, depreciation and asset impairment, finance charges, employee related costs, other materials, and transfer and subsidies.

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and except for the following:

Employee related costs	-1%	The actual expenditure incurred on employee related costs are less than the projections thereof	The expenditure should improve as soon as the appoint of vacant positions are filled
Remuneration of councillors	-10%	The actual expenditure incurred on remuneration of councillors is less than the projected monthly expenditure	This will be addressed in the main budget adjustment.
Debt impairment	-100%	Debt impairment is still calculated at bi-annually	The municipality should do away with this approach as it not viable
Depreciation & asset impairment	-100%	Depreciation is still calculated bi-annually.	The municipality should do away with this approach as it not viable
Finance charges	-98%	has expired.	The municipality should prioritize the lease contract to start.
Bulk purchases	-13%	The municipal licenced electrification areas have increased and the projections are more than the actual expenditure.	The end users which happens to be the infrastructure department should sent invoices on time to the supply chain for orders.
Other materials	87%	thereof.	This should be addressed in the main budget adjustment
Contracted services	26%	expenditure	This should be addressed in the main budget adjustment
Transfers and subsidies	-21%	expenditure	No remedial action is needed
Other expenditure	31%	The actual expenditure incurred is more than the projected monthly expenditure	The projections will be addressed during the main adjustment budget should this continue.

Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

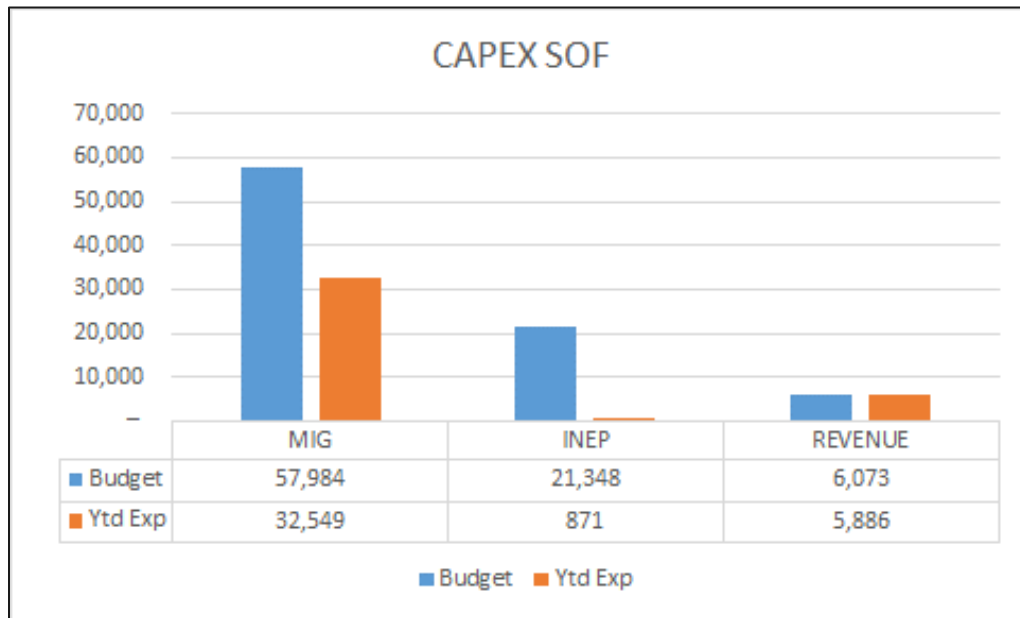
Vote Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	1,111	1,360	-	-	459	943	(484)	-51%	1,360
Executive and council							-		
Finance and administration	1,111	1,360		-	459	943	(484)	-51%	1,360
Internal audit							-		
Community and public safety	2,063	800	-	-	498	700	(202)	-29%	800
Community and social services	598	600		-	498	500	(2)	0%	600
Sport and recreation	1,465	200		-	-	200	(200)	-100%	200
Public safety	-						-		
Housing							-		
Health							-		
Economic and environmental services	62,035	63,584	-	6,893	28,071	51,588	(23,517)	-46%	63,584
Planning and development		1,100		-	-	-	-		1,100
Road transport	62,035	62,484		6,893	28,071	51,588	(23,517)	-46%	62,484
Environmental protection							-		
Trading services	19,894	22,288	-	-	758	11,423	(10,666)	-93%	21,988
Energy sources	19,894	21,988		-	758	11,123	(10,366)	-93%	21,988
Waste management	-	300		-	-	300	(300)	-100%	-
Other							-		
Total Capital Expenditure - Functional Classification	85,102	88,032	-	6,893	29,786	64,655	(34,869)	-54%	87,732
Funded by:									
National Government	79,029	79,332		6,893	28,829	58,768	(29,939)	-51%	79,332
Provincial Government							-		
District Municipality							-		
Transfers and subsidies - capital (monetary allocations)							-		
Transfers recognised - capital	79,029	79,332	-	6,893	28,829	58,768	(29,939)	-51%	79,332
Borrowing									
Internally generated funds	6,073	8,700		-	957	5,886	(4,929)	-84%	8,700
Total Capital Funding	85,102	88,032	-	6,893	29,786	64,655	(34,869)	-54%	88,032

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,105	460	-	-	459	253	206	81%	460
Vote 5 - Community Services	-	300	-	-	-	300	(300)	-100%	300
Vote 6 - Technical Services	7,468	40,840	-	6,893	23,270	30,264	(6,995)	-23%	40,840
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	8,574	41,600	-	6,893	23,729	30,818	(7,089)	-23%	41,600
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	100	-	-	-	100	(100)	-100%	100
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	1,972	800	-	-	498	700	(202)	-29%	800
Vote 6 - Technical Services	74,557	44,432	-	-	5,559	33,037	(27,478)	-83%	44,432
Vote 7 - Developmental Planning	-	1,100	-	-	-	-	-	-	1,100
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	76,528	46,432	-	-	6,057	33,837	(27,780)	-82%	46,432
Total Capital Funding	85,102	88,032	-	6,893	29,786	64,655	(34,869)	-54%	88,032

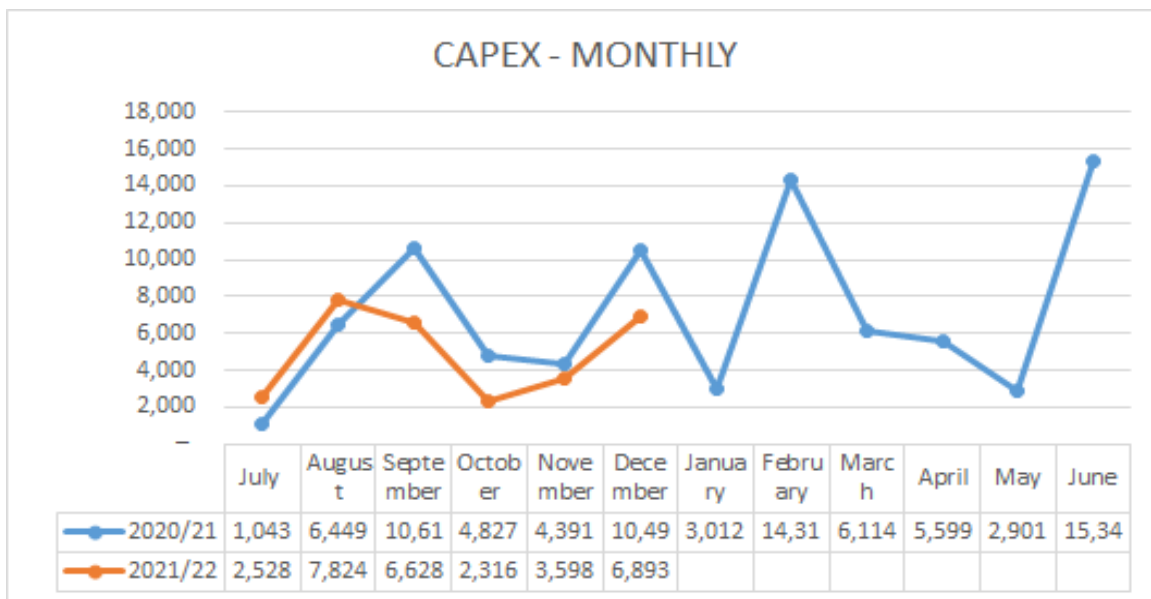
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of December 2021, R6, 893 million spending is incurred and that increased the year to date expenditure to R29, 786 million whilst the year to date budget is R64, 655 million and this gave rise to under spending variance of R34, 869 million that translates to 54%.

Figure 1: Capital expenditure by source



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R85, 405 million, R57, 984 million is funded from Municipal Infrastructure grant, R21, 348 million from Integrated National Electrification Programme and R6, 073 million from own revenue and the spending per source of finance is presented in the above graph.

Figure 2: Monthly capital expenditure



The above graph compares the 2020/21 and 2021/22 monthly capital expenditure performance.

Table C6: Monthly Budget Statement Financial Position

Description	2020/21	Budget Year 2021/22			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	6,848	8,536		1,612	8,536
Call investment deposits		23,315		75,160	23,315
Consumer debtors	77,298	63,924		93,643	63,924
Other debtors	23,157	60,917		58,311	60,917
Current portion of long-term receivables	–				
Inventory	11,082	8,606		16,699	8,606
Total current assets	118,385	165,299	–	245,426	165,299
Non current assets					
Long-term receivables				–	
Investments	–	–		–	–
Investment property	80,312	60,343		80,312	60,343
Investments in Associate	–				
Property, plant and equipment	1,056,784	1,229,559		1,086,045	1,229,559
Biological				–	
Intangible	23	31		23	31
Other non-current assets	15,978	15,502		1,928	15,502
Total non current assets	1,153,097	1,305,435	–	1,168,308	1,305,435
TOTAL ASSETS	1,271,482	1,470,733	–	1,413,734	1,470,733
LIABILITIES					
Current liabilities					
Bank overdraft	–	–		–	–
Borrowing	2,441	12,271		1,872	12,271
Consumer deposits	5,778	5,700		5,740	5,700
Trade and other payables	86,298	87,165		117,514	87,165
Provisions	3,218	5,950		2,253	5,950
Total current liabilities	97,735	111,087	–	127,379	111,087
Non current liabilities					
Borrowing	–	19,467		2,058	19,467
Provisions	78,431	95,439		75,428	95,439
Total non current liabilities	78,431	114,907	–	77,486	114,907
TOTAL LIABILITIES	176,166	225,994	–	204,865	225,994
NET ASSETS	1,095,315	1,244,739	–	1,208,869	1,244,739
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,095,315	1,234,739		1,208,869	1,234,739
Reserves		10,000			10,000
TOTAL COMMUNITY WEALTH/EQUITY	1,095,315	1,244,739	–	1,208,869	1,244,739

The above table shows that community wealth amounts to R1, 208 billion, total liabilities R204, 865 million and the total assets R1, 413 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site. Taking the current liabilities and current assets together, the municipality has current ratio of 2:1 that meet the acceptable norm of 1:9. The municipality still needs to keep the current liabilities low and increase the current assets to strengthen the liquidity ratio.

Table C7: Monthly Budget Statement Cash Flow

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	26,292	29,997		2,599	14,202	14,812	(610)	-4%	29,997
Service charges	82,882	107,419		8,107	48,136	55,974	(7,838)	-14%	107,419
Other revenue	71,970	20,923		1,989	19,513	9,330	10,183	109%	20,923
Transfers and Subsidies - Operational	283,458	307,637		100,929	231,410	226,372	5,038	2%	307,637
Transfers and Subsidies - Capital	68,450	79,332		6,594	63,942	63,786	156	0%	79,332
Interest	585	3,018		570	1,440	928	512	55%	3,018
Payments									
Suppliers and employees	(429,250)	(443,509)		(57,527)	(274,557)	(202,497)	65,466	-32%	(443,509)
Finance charges	(2,123)	(3,729)		-	(43)	(2,344)	(2,301)	98%	(3,729)
Transfers and Grants	(1,523)	(3,784)		(166)	(1,412)	(1,803)	(391)	22%	(3,784)
NET CASH FROM/(USED) OPERATING ACTIVITIES	100,741	97,304	-	63,095	102,630	164,559	61,929	38%	97,304
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	451	-					-		-
Decrease (increase) in non-current receivables	-	-					-		-
Decrease (increase) in non-current investments	(58)	-					-		-
Payments									
Capital assets	(85,238)	(80,993)		(6,893)	(29,786)	(63,786)	(34,000)	53%	(80,993)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(84,845)	(80,993)	-	(6,893)	(29,786)	(63,786)	(34,000)	53%	(80,993)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-						-		
Increase (decrease) in consumer deposits		325		25	(45)	(2,247)	2,202	-98%	325
Payments									
Repayment of borrowing	(10,978)	(12,271)		-	(2,441)	(5,255)	(2,813)	54%	(12,271)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(10,978)	(11,947)	-	25	(2,486)	(7,501)	(5,016)	67%	(11,947)
NET INCREASE/(DECREASE) IN CASH HELD	4,919	4,364	-	56,226	70,358	93,271			4,364
Cash/cash equivalents at beginning:	1,929	27,487			6,415	27,487			6,415
Cash/cash equivalents at month/year end:	6,848	31,852			76,773	120,758			10,780

Table C7 presents details pertaining to cash flow performance. As at end of December 2021, the net cash inflow from operating activities is R102, 630 million whilst net cash outflow from investing activities is R29, 786 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R2, 486 million. The cash and cash equivalent held at end of December 2021 amounted to R76, 773 million and the net effect of the above cash flows is cash outflow movement of R70, 358 million. The cash and cash equivalent at end of the reporting period of R76, 773 million, is mainly made up of cash in the primary bank account amounting to R1, 612 million and short-term investment amounting to R75, 160 million.

SUPPORTING TABLES

Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2020/21										Bad Debts Written Off	Impairment - Bad Debts
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	7,431	1,255	386	135	87	100	433	2,074	11,901	2,829	8%	
Receivables from Non-exchange Transactions - Property Rates	3,321	1,605	1,359	1,408	1,159	1,373	6,605	40,324	57,154	50,869	41%	
Receivables from Exchange Transactions - Waste Management	802	504	426	412	405	398	2,268	13,792	19,007	17,275	13%	
Receivables from Exchange Transactions - Property Rental Debtors	58	36	36	33	30	29	262	990	1,475	1,345	1%	
Interest on Arrear Debtor Accounts	1,552	1,514	1,461	1,417	1,382	1,341	8,124	31,899	48,689	44,163	35%	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-	0%	
Other	779	121	(13)	(163)	55	35	207	1,567	2,587	1,701	2%	
Total By Income Source	13,943	5,034	3,654	3,242	3,118	3,276	17,899	90,645	140,813	118,182	-	-
2020/21 - totals only	13,073	6,367	3,428	3,422	3,289	3,047	15,123	77,263	125,011	102,144		
Debtors Age Analysis By Customer Group												
Organs of State	1,812	1,294	1,203	1,144	999	963	5,800	28,756	41,970	37,661		
Commercial	7,409	1,293	621	326	492	485	2,164	11,889	24,679	15,355		
Households	4,692	2,437	1,819	1,763	1,617	1,817	9,881	49,748	73,775	64,827		
Other	30	11	11	9	11	11	55	252	390	338		
Total By Customer Group	13,943	5,034	3,654	3,242	3,118	3,276	17,899	90,645	140,813	118,182	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of December amount to R140, 813 million. The debtors' book is made up as follows:

- Rates 41%
- Electricity 8%
- Rental 1%
- Refuse removal 13%
- Interest on Debtors 35%
- Other 2%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

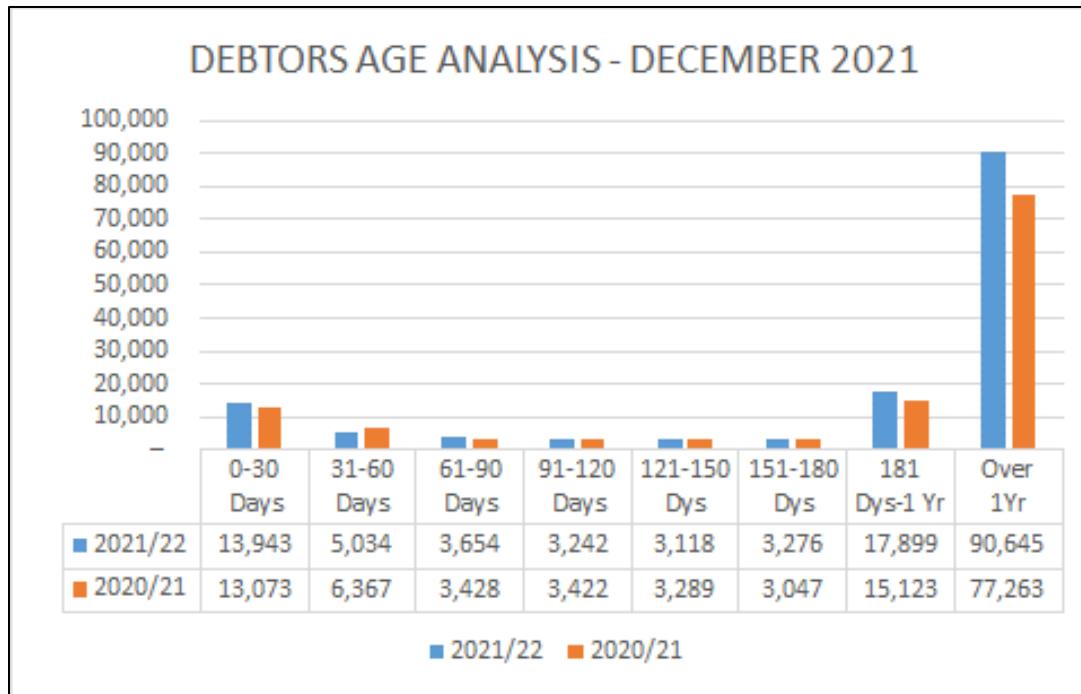
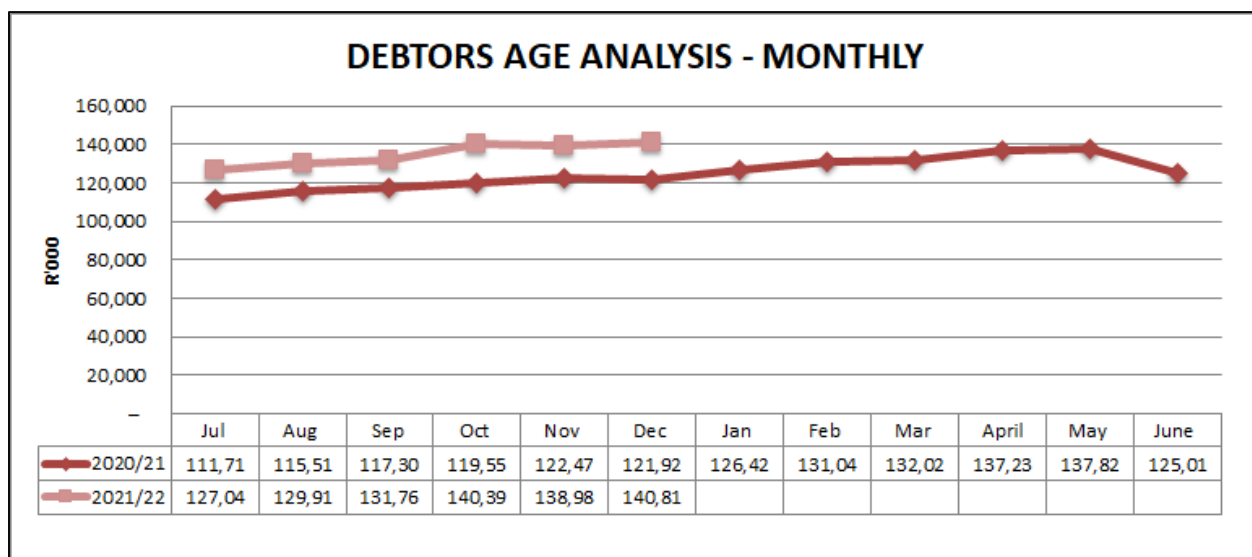


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2020/21 financial year and 2021/22 (as at end of December 2021) whilst the latter shows monthly movement of debtors for both the current financial year and

the 2020/21 financial year. The debtors book is materially less than the 2021/22 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

Below is list of top twenty debtors that contribute significantly to the ever-growing debt book.

TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	ACCOUNT STATUS	OCC/OWN	OUTSTANDING BALANCE
9005301	TWIN CITY TRADING PTY LTD 0000 PLUS 1 OTHER	ACTIVE	OWNER	1,723,443
9000276	DEPARTMENT OF PUBLIC WORKS-PROVINCIAL	ACTIVE	OWNER	1,220,736
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	634,691
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OWNER	720,875
80000478	DAYBREAK PROP 3 PTY LTD	ACTIVE	OWNER	572,783
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	OCCUPIER	460,266
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	178,441
2200702	NAMB FAMILY TRUST	ACTIVE	OWNER	181,567
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OWNER	258,171
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	179,573
4300009	BONUREX (PTY) LTD (CHICKEN LICKEN)	ACTIVE	OCCUPIER	282,549
1200062	GREAT NORTH TRANSPORT	ACTIVE	OCCUPIER	345,603
20494	BREAKAWAY TRUST	ACTIVE	OWNER	267,375
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	OWNER	134,590
9002503	GOUWS BOERDERY TRUST 1999/022459/07	ACTIVE	OWNER	165,837
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	301,487
9019006	TIGER STRIPES INVESTMENTS (PTY)	ACTIVE	OWNER	162,001
9000177	DEPARTMENT OF PUBLIC WORKS (NATIONAL) (SAPS G/DAL)	ACTIVE	OWNER	215,884
5000305	NKANGALA DISTRICT MUNICIPALITY	ACTIVE	OWNER	194,624
9001712	20	ACTIVE	OWNER	184,686
TOTAL				8,385,183

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2021/22									Prior year totals
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity										-
Bulk Water										-
PAYE deductions										-
VAT (output less input)										-
Pensions / Retirement deductions										-
Loan repayments										-
Trade Creditors										-
Auditor General										-
Other										-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. The municipality is having challenges relating to extraction of creditors age analysis and below are the contributing factors:

- Goods received vouchers (GRV) are only processed on the system as and when we are about to pay and this approach distorts the entire picture of ageing our creditors since the system will count the number of days taken to process an invoice from the date the GRV is processed.

- The contracted services are to be paid through order system payments and that should feed the age analysis module.

TOP CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
1	ESKOM	7,799,569
81035	SPECTRUM UTILITY MANAGEMENT	2,915,739
81180	MWELASE THOBS & NTSHIANA J.V	2,824,395
80984	GUBIS 85 SOLUTION	2,236,187
37581	PHELADI NOKO B1 FUNERAL	885,500
81207	AFRIKAINVEST	743,550
81001	JUST-BREEZE JV TLOU YA HLAKA	625,000
41027	KDM TRAVEL EXPRESS	582,687
80900	MARKET DEMAND TRADING 773	522,594
32409	MAKGONATSOHLE TRADING ENTERPRI	468,412
7989	MUNSOFT (PTY) LTD	451,906
81137	MPOYANA LEDWABA INC	356,069
81178	MAXIMUM PROFIT RECOVERY	327,091
81200	VAPOPAX	205,850
80668	MAMPHELA MAMPHELA HOLDING	198,228
81198	TOWNCON DEVELOPMENT CONSULTANT	190,000
81141	SPATIAL INSTITUTE (PTY) LTD	188,509
81188	VISION PRINT	182,132
81155	AMBITION PARTNERS CHARTERED	167,088
81168	LKCENTRIX SOLUTIONS	60,850
TOTAL		21,931,356

The above table presents the top creditors paid during the month of December 2021 and an amount of R21, 931 million were paid to these creditors within 30 days.

Supporting Table: SC 5 - Investment Portfolio

Name of institution	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry date	Opening balance	Interest realised	Withdrawal	Investment Top Up	Closing Balance
Standard Bank 038823527009	1 Month	Current Investment	4.5%		13-Jan-22	-	42,151	-	20,000,000	20,042,151
Standard Bank 0388235270010	1 Month	Current Investment	4.6%		14-Feb-22	-	53,271	-	25,000,000	25,053,271
Standard Bank 0388235270011	1 Month	Current Investment	4.7%		14-Mar-22	-	64,973	-	30,000,000	30,064,973
TOTAL INVESTMENTS AND INTEREST						-		-	75,000,000	75,160,394

Supporting Table SC5 displays the council's investment portfolio and indicates that R75, 000 million was invested.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	351,806	307,637	-	100,929	231,281	210,751	20,529	10%	307,637
Local Government Equitable Share	347,525	302,788		100,929	227,092	206,903	20,189	10%	302,788
Finance Management	2,600	2,650		-	2,650	2,650	-		2,650
EPWP Incentive	1,681	2,199		-	1,539	1,198	341	28%	2,199
Disaster Relief Grant COVID-19 (Corona virus)							-		-
Other grant providers:	102	130	-	-	130	130	-		130
LGSETA Learnership and Development	102	130		-	130	130	-		130
Total Operating Transfers and Grants	351,908	307,767	-	100,929	231,411	210,881	20,529	10%	307,767
Capital Transfers and Grants									
National Government:	68,891	79,332	-	6,594	63,942	47,079	7,589	16%	79,332
Municipal Infrastructure Grant (MIG)	53,891	57,984		6,594	42,594	35,005	7,589	22%	57,984
Integrated National Electrification Grant	15,000	21,348		-	21,348	12,075			21,348
Provincial Government:	-	-	-	-	-	-	-		-
Coghsta - Development		-					-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total Capital Transfers and Grants	68,891	79,332	-	6,594	63,942	47,079	7,589	16%	79,332
TOTAL RECEIPTS OF TRANSFERS & GRANTS	420,799	387,099	-	107,523	295,353	257,961	28,119	11%	387,099

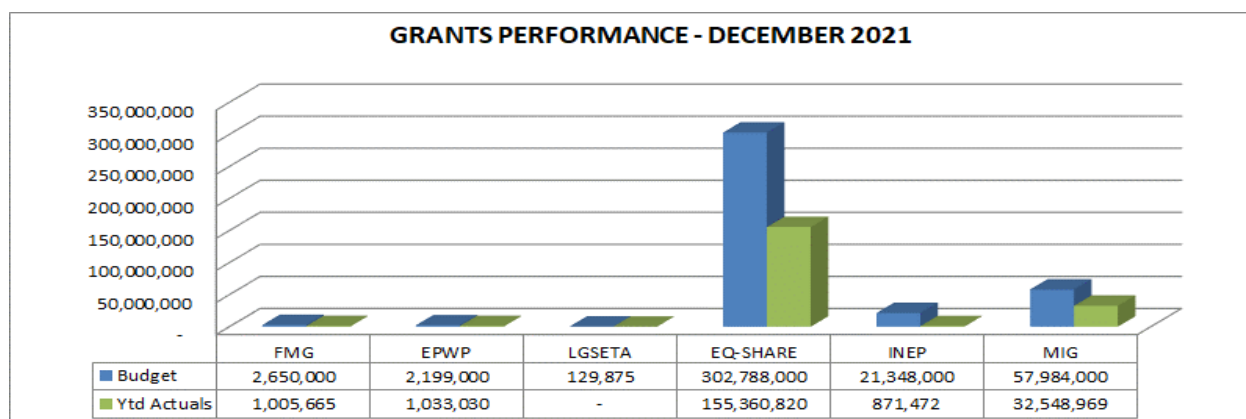
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R295, 353 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R227, 092 million; Municipal Infrastructure Grant amounting to R42, 594 million; Integrated National Energy Grant R21, 348 million, Financial Management Grant R2, 650 million and Expanded Public Works Programme R1,198 million were received. Most of the first trench of the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.

Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	351,806	307,637	–	28,931	174,129	210,751	(36,623)	-17%	307,637
Local Government Equitable Share	347,525	302,788		28,682	172,090	206,903	(34,813)	-17%	302,788
Finance Management	2,600	2,650		68	1,006	2,650	(1,644)	-62%	2,650
EPWP Incentive	1,681	2,199		182	1,033	1,198	(165)	-14%	2,199
Disaster Relief Grant COVID-19 (Corona virus)							–		–
Provincial Government:	–	–	–	–	–	–	–		–
N/A									
District Municipality:	–	–	–	–	–	–	–		–
N/A									
Other grant providers:	102	130	–	–	–	130	(130)	-100%	130
LGSETA Learnership and Development	102	130		–	–	130	(130)	-100%	130
Total operating expenditure of Transfers and Grants:	351,908	307,767	–	28,931	174,129	210,881	(36,753)	-17%	307,767
Capital expenditure of Transfers and Grants									
National Government:	68,891	79,332	–	6,396	33,420	47,079	(13,659)	-29%	79,332
Municipal Infrastructure Grant (MIG)	53,891	57,984		6,396	32,549	35,005	(2,456)	-7%	57,984
Intergrated National Electrification Grant	15,000	21,348		–	871	12,075	(11,203)	-93%	21,348
Provincial Government:	–	–	–	–	–	–	–		–
Coghsta - Development							–		
District Municipality:	–	–	–	–	–	–	–		–
N/A							–		
Other grant providers:	–	–	–	–	–	–	–		–
N/A							0		
Total capital expenditure of Transfers and Grants	68,891	79,332	–	6,396	33,420	47,079	(13,659)	-29%	79,332
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	420,799	387,099	–	35,327	207,549	257,961	(50,411)	-20%	387,099

An amount of R35, 327 million has been spent on grants during the month of December 2021 and the year to date actuals is R207, 549 million whilst the year to date budget amounts to R257, 961 million and this results in underspending variance of R50, 411 million that translates to negative 20%. Of the total spending amounting to R207, 549 million, R174, 129 million is spent on operational grants whilst capital grants amounts to R33, 420 million.

Figure 5: Grants performance



The above graph depicts the gazetted and budgeted amounts for all the grants and the expenditure thereof as at end of December 2021. The grants expenditures are shown below in percentages:

- Financial Management Grant 37.95%
- Expanded Public Work Programme 46.98%
- LGSETA 0%
- Equitable Share 51.31%
- Integrated National Electrification Grant 4.08%
- Municipal Infrastructure Grant 56.13%

Supporting Table: SC8 - Councillor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14,184	16,008		1,394	7,231	8,004	(773)	-10%	16,008
Pension and UIF Contributions	1,600	1,847		196	860	923	(63)	-7%	1,847
Medical Aid Contributions	396	399		7	150	199	(50)	-25%	399
Motor Vehicle Allowance	5,167	5,847		525	2,621	2,923	(302)	-10%	5,847
Cellphone Allowance	2,708	2,992		229	1,362	1,496	(134)	-9%	2,992
Other benefits and allowances	223	243		52	126	121	5	4%	243
Sub Total - Councillors	24,279	27,334	-	2,403	12,350	13,667	(1,317)	-10%	27,334
% increase		13%							13%
Senior Managers of the Municipality									
Basic Salaries and Wages	3,947	6,226		264	1,582	3,113	(1,532)	-49%	6,226
Pension and UIF Contributions	141	299		7	45	150	(105)	-70%	299
Medical Aid Contributions	81	92		4	26	46	(20)	-45%	92
Motor Vehicle Allowance	420	912		16	93	456	(363)	-80%	912
Cellphone Allowance	114	151		7	43	75	(33)	-43%	151
Other benefits and allowances	1,846	491		171	172	245	(74)	-30%	491
Payments in lieu of leave							-		
Sub Total - Senior Managers of Municipality	6,549	8,171	-	469	1,959	4,085	(2,127)	-52%	8,171
% increase		25%							25%
Other Municipal Staff									
Basic Salaries and Wages	93,585	99,214		8,197	48,783	49,607	(824)	-2%	99,214
Pension and UIF Contributions	18,983	27,125		1,647	9,657	13,562	(3,905)	-29%	27,125
Medical Aid Contributions	5,228	4,550		441	2,632	2,266	367	16%	4,550
Overtime	1,353	1,005		124	622	486	135	28%	1,005
Motor Vehicle Allowance	12,066	12,315		1,099	6,373	6,158	215	3%	12,315
Cellphone Allowance	1,901	1,284		160	957	634	323	51%	1,284
Housing Allowances	206	202		18	107	96	11	11%	202
Other benefits and allowances	2,655	8,457		7,760	8,595	4,175	4,420	106%	8,457
Payments in lieu of leave	6,688	173		200	408	-	408	#DIV/0!	173
Long service awards	1,405	714		65	498	368	130	35%	714
Post-retirement benefit obligations							-		
Sub Total - Other Municipal Staff	144,070	155,041	-	19,711	78,632	77,351	1,281	2%	155,041
% increase		8%							8%
Total Parent Municipality	174,898	190,546	-	22,582	92,941	95,104	(2,163)	-2%	190,546
% increase		9%							9%
TOTAL SALARY, ALLOWANCES & BENEFITS	174,898	190,546	-	22,582	92,941	95,104	(2,163)	-2%	190,546
% increase		9%							9%
TOTAL MANAGERS AND STAFF	150,619	163,212	-	20,179	80,591	81,437	(846)	-1%	163,212

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid as at end of December 2021 amounts to R92, 941 million and the year to date budget is R95, 104 million and the expenditure for remuneration of councillors amounts to R12, 350 million while the year to date budget is R13, 667 million. The year to date actual expenditure for senior managers is R1, 959 million and the year to date budget thereof is R4, 085 million. There are two vacant position for senior managers (Budget and Treasury and Infrastructure) and this is causing underspending variance on budget performance for senior management. The year to date actuals for other municipal staff is R78, 632 million and the year to date budget is R77, 351 million. The remuneration of councillors has under spending variance, and there is only two vacant position in the senior management level and the position in the new financial year 2021/22.

Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Budget Year 2020/21												2020/21 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Year	Year +1	Year +2	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budgeted	Budgeted	Budgeted	Budgeted	Budgeted	Budgeted	2020/21	2021/22	2022/23	
Cash Receipts By Source																
Property rates	2,693	2,286	2,287	2,035	2,302	2,599	2,488	2,480	2,473	2,474	2,480	3,400	29,997	30,907	31,931	
Service charges - electricity revenue	8,269	7,581	8,119	7,580	6,434	7,702	7,501	7,674	7,571	7,776	8,569	15,223	99,998	101,965	102,930	
Service charges - refuse	461	393	411	383	399	405	617	679	607	529	512	2,026	7,421	8,755	9,978	
Rental of facilities and equipment	54	69	19	48	51	80	20	97	60	60	60	279	898	936	977	
Interest earned - external investments	200	98	59	-	-	160	-	-	245	-	451	687	1,900	1,980	2,067	
Interest earned - outstanding debtors	111	162	64	67	109	410	62	100	69	50	176	(262)	1,118	796	641	
Fines, penalties and forfeits	43	21	6	15	14	13	1,167	1,160	1,172	1,049	1,091	8,369	14,120	15,331	16,006	
Licences and permits	415	534	674	551	479	486	268	360	71	65	938	399	5,240	5,460	5,701	
Transfers and Subsidies - Operational	126,712	2,780	-	-	989	100,929	-	528	80,737	-	-	(5,038)	307,637	322,626	316,577	
Other revenue	821	1,230	5,065	1,355	6,061	1,409	-	-	-	-	-	(15,278)	664	692	722	
Cash Receipts by Source	139,778	15,154	16,704	12,033	16,837	114,194	12,124	13,078	93,005	12,003	14,277	9,806	468,994	489,449	487,530	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations)	31,000	-	15,000	-	11,348	6,594	-	2,128	13,418	-	-	6,438	79,332	72,606	76,364	
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits	-	(10)	(26)		(32)	25		(1,000)				1,369	325	(3,247)	(3,247)	
Decrease (increase) in non-current receivables																
Decrease (increase) in non-current investments																
Total Cash Receipts by Source	170,778	15,144	31,677	12,033	28,153	120,813	12,124	14,206	106,423	12,003	14,277	17,613	548,651	558,808	560,648	
Cash Payments by Type																
Employee related costs	11,813	11,829	11,656	12,948	12,165	20,179	12,591	11,774	12,700	12,700	12,700	20,155	163,212	170,102	177,553	
Remuneration of councillors	2,020	2,020	2,020	2,020	1,866	2,403	2,082	2,082	2,250	2,250	2,250	4,072	27,334	28,428	29,565	
Interest paid	20	12	4	4	2	-	781	217	87	-	-	2,601	3,729	2,653	1,880	
Bulk purchases - Electricity	11,178	10,612	11,630	8,572	6,954	7,681	7,259	8,492	8,840	9,249	10,296	9,272	110,035	114,656	119,701	
Other materials	13,325	2,022	7,355	4,096	1,265	1,601	227	1,127	1,019	1,650	1,106	(2,106)	32,689	28,778	30,507	
Contracted services	12,814	8,210	6,502	9,462	6,734	12,786	7,314	6,758	3,217	3,775	4,068	(17,538)	64,102	51,538	45,479	
Grants and subsidies paid - other	235	365	164	259	223	166	275	-	270	270	270	1,287	3,784	3,943	4,116	
General expenses	11,709	6,905	1,744	3,421	2,161	12,877	3,263	1,033	3,384	2,356	2,347	(12,743)	31,864	33,203	34,663	
Cash Payments by Type	63,114	41,976	41,076	40,783	31,371	57,693	33,791	31,484	31,766	32,250	33,038	5,001	436,748	433,300	443,465	
Other Cash Flows/Payments by Type																
Capital assets	2,528	7,824	6,628	2,316	3,598	6,893	2,658	12,632	7,029	6,041	7,048	15,798	80,993	85,145	78,358	
Repayment of borrowing	965	973	258	245	-	-	959	1,212	1,512	1,612	1,712	2,821	12,271	11,347	8,120	
Other Cash Flows/Payments																
Total Cash Payments by Type	66,607	50,773	47,962	43,344	34,968	64,586	37,409	45,328	40,308	39,903	41,798	37,894	544,286	549,373	559,648	
NET INCREASE/(DECREASE) IN CASH HELD	104,172	(35,630)	(16,285)	(31,311)	(6,815)	56,226	(25,285)	(31,122)	66,116	(27,900)	(27,521)	(20,280)	4,364	9,435	1,000	
Cash/cash equivalents at the month/year beginning:	6,415	110,587	74,957	58,673	27,362	20,546	76,773	51,488	20,366	86,481	58,581	31,060	6,415	10,780	20,214	
Cash/cash equivalents at the month/year end:	110,587	74,957	58,673	27,362	20,546	76,773	51,488	20,366	86,481	58,581	31,060	10,780	10,780	20,214	21,214	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R120, 813 million and the total cash payment for the month were R64, 586 million and this resulted in net increase in cash held amounting to R56, 226 million. With cash and cash equivalent of R20, 546 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R76, 773 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	of Original Budget
Monthly expenditure performance trend									
July	1,043	12,915		2,528	2,528	12,915	10,388	80%	3%
August	6,449	13,723		7,824	10,352	26,638	16,286	61%	12%
September	10,619	12,118		6,628	16,980	38,757	21,777	56%	19%
October	4,827	12,156		2,316	19,296	50,912	31,616	62%	22%
November	4,391	6,553		3,598	22,893	57,465	34,571	60%	26%
December	10,490	8,285		6,893	29,786	65,749	35,963	55%	34%
January	3,012	5,367				71,117	-		
February	14,315	3,856				74,973	-		
March	6,114	3,118				78,090	-		
April	5,599	3,357				81,447	-		
May	2,901	3,686				85,133	-		
June	15,342	2,899				88,032	-		
Total Capital expenditure	85,102	88,032	-	29,786					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of December amounts to R6, 893 million. The year to date actual expenditure incurred is R29, 786 million whilst the year to date budget is R65, 749 million that gives rise to under spending variance of R35, 963 million that translate to 55%.

Supporting Table: SC 13(a) Capital Expenditure on New Assets.

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class									
Infrastructure	10,855	22,048	-	-	758	11,143	10,385	93%	22,048
Roads Infrastructure	-	500	-	-	-	460	460	100%	500
Roads		500		-	-	460	460	100%	500
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Storm water Conveyance							-		
Attenuation							-		
Electrical Infrastructure	10,855	21,348	-	-	758	10,483	9,726	93%	21,348
HV Substations							-		
HV Switching Station							-		
MV Networks	10,855	21,348		-	758	10,483	9,726	93%	21,348
LV Networks							-		
Solid Waste Infrastructure	-	200	-	-	-	200	200	100%	200
Landfill Sites							-		
Waste Transfer Stations							-		
Capital Spares		200		-	-	200	200	100%	200
Community Assets	-	100	-	-	-	-	-		100
Community Facilities	-	100	-	-	-	-	-		100
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
Other assets	727	-	-	-	-	-	-		-
Municipal Offices	727						-		
Workshops	-						-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	769	460	-	-	459	253	(206)	-81%	460
Computer Equipment	769	460		-	459	253	(206)	-81%	460
Furniture and Office Equipment	1,607	-	-	-	-	-	-		-
Furniture and Office Equipment	1,607						-		
Machinery and Equipment	1,760	400	-	-	-	400	400	100%	400
Machinery and Equipment	1,760	400		-	-	400	400	100%	400
Transport Assets	-	800	-	-	-	590	590	100%	800
Transport Assets		800		-	-	590	590	100%	800
Land	-	1,100	-	-	-	-	-		1,100
Land		1,100		-	-	-	-		1,100
Total Capital Expenditure on new assets	15,718	24,908	-	-	1,217	12,386	11,169	90%	24,908

Supporting Table: SC 13(b) Capital Expenditure on Renewal of Existing Assets

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	52,855	39,750	-	2,729	16,128	32,257	16,129	50%	39,750
Roads Infrastructure	50,943	39,750	-	2,729	16,128	32,257	16,129	50%	39,750
Roads	50,943	39,750	-	2,729	16,128	32,257	16,129	50%	39,750
Road Furniture							-		
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	1,912	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
LV Networks	1,912	-	-	-	-	-	-		-
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Community Assets	687	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria	687						-		
Police							-		
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	53,543	39,750	-	2,729	16,128	32,257	16,129	50.0%	39,750

Supporting Table: SC 13(c) Repairs and Maintenance Expenditure

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class									
Infrastructure	13,320	12,276	-	603	11,586	2,757	(8,829)	-320%	8,660
Roads Infrastructure	8,367	7,802	-	208	7,428	1,061	(6,367)	-600%	5,092
Roads	8,367	7,802		208	7,428	1,061	(6,367)	-600%	5,092
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	2,195	2,033	-	12	1,862	1,057	(805)	-76%	2,033
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	2,195	2,033		12	1,862	1,057	(805)	-76%	2,033
Solid Waste Infrastructure	2,757	2,441	-	383	2,296	640	(1,656)	-259%	1,536
Landfill Sites	2,757	2,441		383	2,296	640	(1,656)	-259%	1,536
Waste Transfer Stations							-		
Community Assets	164	385	-	1	155	154	(1)	0%	703
Community Facilities	164	385	-	1	155	154	(1)	0%	703
Police							-		
Parks	164	385		1	155	154	(1)	0%	703
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	1,991	1,756	-	181	513	795	281	35%	1,756
Operational Buildings	1,991	1,756	-	181	513	795	281	35%	1,756
Stores		1,229		4	19	431	412	96%	1,229
Intangible Assets	-	187	-	-	22	66	44	67%	187
Servitudes							-		
Computer Software and Applications		187		-	22	66	44	67%	187
Computer Equipment	5	-	-	-	-	-	-		-
Computer Equipment	5						-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	1,561	2,083	-	465	1,977	972	(1,005)	-103%	1,905
Machinery and Equipment	1,561	2,083		465	1,977	972	(1,005)	-103%	1,905
Transport Assets	3,099	1,313	-	91	1,327	1,076	(251)	-23%	1,513
Transport Assets	3,099	1,313		91	1,327	1,076	(251)	-23%	1,513
Total Repairs and Maintenance Expenditure	20,140	17,999	-	1,341	15,580	5,820	(9,760)	-167.7%	14,724

Supporting Table: SC 13(d) Depreciation and asset impairment

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	45,372	43,068	-	-	-	3,589	3,589	100%	43,068
Roads Infrastructure	40,540	38,002	-	-	-	3,167	3,167	100%	38,002
Roads	40,540	38,002				3,167	3,167	100%	38,002
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	399	-	-	-	33	33	100%	399
Attenuation							-		
Electrical Infrastructure	4,281	3,954	-	-	-	330	330	100%	3,954
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors	4,281	3,954				330	330	100%	3,954
LV Networks							-		
Solid Waste Infrastructure	551	714	-	-	-	59	59	100%	714
Landfill Sites	551	714				59	59	100%	714
Waste Transfer Stations							-		
Community Assets	1,153	1,231	-	-	-	103	103	100%	1,231
Cemeteries/Crematoria							-		
Public Open Space	1,153	1,231				103	103	0	1,231
Heritage assets	-	5	-	-	-	0	0	100%	5
Other Heritage	-	5				0	0	0	5
Other assets	3,935	4,140	-	-	-	345	345	0	4,140
Operational Buildings	3,935	4,140	-	-	-	345	345	100%	4,140
Workshops							-		
Intangible Assets	8	51	-	-	-	4	4	100%	51
Licences and Rights	8	51	-	-	-	4	4	100%	51
Computer Software and Applications	8	51				4	4	100%	51
Computer Equipment	-	692	-	-	-	58	58	100%	692
Computer Equipment	-	692				58	58	100%	692
Furniture and Office Equipment	623	590	-	-	-	49	49	100%	590
Furniture and Office Equipment	623	590				49	49	100%	590
Machinery and Equipment	2,684	2,864	-	-	-	239	239	100%	2,864
Machinery and Equipment	2,684	2,864				239	239	100%	2,864
Transport Assets	4,399	5,751	-	-	-	479	479	100%	5,751
Transport Assets	4,399	5,751				479	479	100%	5,751
Total Depreciation	58,174	58,392	-	-	-	4,866	4,866	100%	58,392

Supporting Table: SC 13(e) Capital Expenditure on upgrading of Existing Assets

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	15,239	22,674	-	4,164	11,943	19,312	7,369	38%	22,674
Roads Infrastructure	15,239	13,184	-	4,164	11,943	11,159	(784)	-7%	13,184
Roads	15,239	13,184		4,164	11,943	11,159	(784)	-7%	13,184
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Attenuation							-		
Electrical Infrastructure	-	340	-	-	-	340	340	100%	340
HV Substations							-		
HV Switching Station							-		
LV Networks							-		
Capital Spares		340		-	-	340	340	100%	340
Solid Waste Infrastructure	-	9,150	-	-	-	7,813	7,813	100%	9,150
Landfill Sites		9,150		-	-	7,813	7,813	100%	9,150
Community Assets	602	700	-	-	498	700	202	29%	700
Community Facilities	602	700	-	-	498	700	202	29%	700
Libraries							-		
Cemeteries/Crematoria		500		-	498	500	2	0%	500
Police							-		
Parks	602	200		-	-	200	200	0	200
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Workshops							-		-
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		-
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		-
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		-
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		-
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		-
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		-
Total Capital Expenditure on upgrading of existing assets	15,841	23,374	-	4,164	12,441	20,012	7,571	38%	23,374

Supporting table SC13a, SC13b and SC13e provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R1, 217 million and the year to date budget is R12, 386 million that reflects under spending variance of R11, 169 million that translates to 90% variance.

The year to date actuals on renewal of existing assets amounts R16, 128 million and with the year to date budget of R32, 257 million and this reflects under spending variance of R16, 129 million that translates to 50% variance.

The year to date actual expenditure on repairs and maintenance is R15, 580 million, and the year to date budget is R5, 820 million, reflecting over spending variance of R9, 760 million that translates to 167%.

The year to date actual expenditure on upgrading of existing assets is R12, 441 million, and the year to date budget is R20, 012 million, reflecting under spending variance of R7, 571 million that translates to 38%.

The year to date actual expenditure on depreciation and asset impairment is R0 and the year to date budget is R4, 866 million, reflecting spending variance of R4, 866 million that translates to 100% which means the integration between asset management system and core financial system is done bi-annually and this is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is partially complying with some of mSCOA requirements.

List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework			
					Budget Year 2021/22			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Parent municipality:								
Technical Services	Groblersdal Traffic Lights	Upgrading	Electrical Infrastructure	Capital Spares	340,000	-	-	0%
Technical Services	Aircons	New	Equipment	Transport Assets	300,000	-	-	0%
Technical Services	Electrification of Ga Posa	New	Electrical Infrastructure	MV Networks	2,088,000	-	251,882	12%
Technical Services	Electrification of Maleoskop	New	Electrical Infrastructure	MV Networks	3,348,000	-	-	0%
Technical Services	Electrification of Masakaneng	New	Electrical Infrastructure	MV Networks	5,508,000	-	-	0%
Technical Services	Electrification of Matlala Lehwelere	New	Electrical Infrastructure	MV Networks	3,438,000	-	311,885	9%
Technical Services	Electrification of Rondebosch	New	Electrical Infrastructure	MV Networks	1,206,000	-	90,834	8%
Technical Services	Electrification of Vlaktefontein	New	Electrical Infrastructure	MV Networks	5,760,000	-	103,201	2%
Technical Services	Groblersdal Landfillsite	Upgrading	Solid Waste Infrastructure	Landfill Sites	9,050,000	-	-	0%
Technical Services	Culverts and Road signs	New	Roads Infrastructure	Roads	500,000	-	-	0%
Technical Services	kgapamadi Bus Road	Renewal	Roads Infrastructure	Roads	1,000,000	-	-	0%
Technical Services	Motetema Streets Upgrade	New	Roads Infrastructure	Roads	1,500,000	-	-	0%
Technical Services	Rehabilitaion of roads/streets in various wards	Renewal	Roads Infrastructure	Roads	2,500,000	-	-	0%
Technical Services	Dipakapakeng Access Road	Upgrading	Roads Infrastructure	Roads	21,750,000	-	4,801,311	22%
Technical Services	Bloompoort Road	Renewal	Roads Infrastructure	Roads	13,000,000	-	11,326,980	87%
Technical Services	Tafelkop stadium	Upgrading	Roads Infrastructure	Roads	13,184,000	-	11,942,822	91%
Information Technology	Computer Equipment	New	Computer Equipment	Computer Equipment	460,000	-	459,400	100%
Fleet Management	Vehicles	New	Transport Assets	Transport Assets	800,000	-	-	0%
Finance	Forklift	New	Equipment	Machinery and Equipment	100,000	-	-	0%
Community Services	Fencing of Elandsdoorn Cemeteries	Renewal	Community Facilities	Cemeteries/Crematoria	500,000	-	498,001	100%
Community Services	Development of Parks	Upgrading	Community Facilities	Parks	200,000	-	-	0%
Community Services	Disaster Management Centre & Emergency Relief Store room	New	Community Facilities	Centres	100,000	-	-	0%
Community Services	No Illegal Dumping	New	Solid Waste Infrastructure	Capital Spares	200,000	-	-	0%
Economic Development Planning	Fencing of Game Farm	New	Land Infrastructure	Land	1,100,000	-	-	0%
Community Services	Rosennekal Concrete Palisade	Upgrading	Solid Waste Infrastructure	Landfill Sites	100,000	-	-	0%

Table: C4: Proposed Adjustment Budget

Description	2020/21	Budget Year 2021/22								
	Audited Outcome	Original Budget	Proposed Adjustment	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source			-	-						
Property rates	39,442	38,865	1,090	39,955	3,327	19,978	19,723	255	1%	38,865
Service charges - electricity revenue	88,812	104,214	(3,431)	100,782	7,823	48,891	50,243	(1,352)	-3%	104,214
Service charges - refuse revenue	8,926	9,276	414	9,691	803	4,805	4,535	270	6%	9,276
Rental of facilities and equipment	956	898	-	898	58	372	449	(77)	-17%	898
Interest earned - external investments	585	1,900	(180)	1,720	160	860	1,380	(521)	-38%	1,900
Interest earned - outstanding debtors	17,041	12,860	-	12,860	1,552	8,812	8,615	198	2%	12,860
Fines, penalties and forfeits	2,861	65,071	(50,071)	15,000	13	82	33,931	(33,849)	-100%	65,071
Licences and permits	4,635	5,240	450	5,690	486	3,139	2,667	473	18%	5,240
Transfers and subsidies	351,908	307,637	-	307,637	101,179	229,131	210,751	18,379	9%	307,637
Other revenue	1,819	664	15,576	16,240	20	424	332	93	28%	664
Gains	-	-	-	-				-		
Total Revenue (excluding capital transfers and contributions)	516,985	546,626	(36,152)	510,474	115,421	316,494	332,627	(16,132)	-5%	546,626
Expenditure By Type										
Employee related costs	150,619	163,212	(3,200)	160,012	20,179	80,591	81,437	(846)	-1%	163,212
Remuneration of councillors	24,279	27,334	71	27,405	2,403	12,350	13,667	(1,317)	-10%	27,334
Debt impairment	61,327	48,632	(20,000)	28,632	-	-	24,316	(24,316)	-100%	48,632
Depreciation & asset impairment	58,788	58,392	-	58,392	-	-	29,196	(29,196)	-100%	58,392
Finance charges	3,516	241	-	241	-	39	2,369	(2,330)	-98%	3,729
Bulk purchases	88,182	110,035	(10,000)	100,035	7,681	45,561	52,241	(6,680)	-13%	110,035
Other materials	26,421	22,059	1,950	24,009	1,601	17,308	9,275	8,033	87%	19,551
Contracted services	75,365	58,049	1,361	59,410	12,786	47,616	37,872	9,744	26%	60,088
Transfers and subsidies	1,402	3,384	-	3,384	166	1,412	1,792	(380)	-21%	3,784
Other expenditure	52,620	41,337	1,531	42,868	3,013	23,316	17,826	5,490	31%	37,918
Losses	-	-	-	-	-	-	-	-	0%	-
Total Expenditure	542,520	532,675	(28,287)	504,388	47,829	228,193	269,992	(41,798)	-15%	532,675
Surplus/(Deficit)	(25,535)	13,951	(7,865)	6,086	67,592	88,301	62,635	25,666	41%	13,951
Transfers and subsidies - capital (monetary allocations)	68,450	79,332	-	79,332	6,396	33,420	44,235	(10,814)	-24%	79,332
Transfers and subsidies - capital (monetary allocations)								-		-
Transfers and subsidies - capital (in-kind - all)								-		-
Surplus/(Deficit) after capital transfers & contributions	42,916	93,283	(7,865)	85,418	73,988	121,721	106,870			93,283
Taxation										
Surplus/(Deficit) after taxation	42,916	93,283	(9,865)	85,418	73,988	121,721	106,870			93,283
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	42,916	93,283	(9,865)	85,418	73,988	121,721	106,870			93,283
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year	42,916	93,283	(9,865)	85,418	73,988	121,721	106,870		-	93,283

Table C4 provides proposed adjustment by transaction classification, for revenue by source and expenditure by type. For revenue, the main downward adjustment will be on the traffic fines, which is mainly attributed to speed cameras that the municipality was unable to appoint a contractor in the past six months, the main upward adjustment is other revenue, that is inclusive of vat refund, sale of municipal stands and sale of investment properties as outlined in the approved funding plan.

Adjustments on Expenditure is Debt impairment that was for impairing speed fine debt, and Bulk purchases which is informed by the six months' performance.

Table: C5 CAPEX: Proposed Adjustment Budget

Vote Description	2020/21	Budget Year 2021/22								
	Audited Outcome	Original Budget	Proposed Adjustment	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification										
Governance and administration	1,111	1,360	(100)	1,260	-	459	943	(484)	-51%	1,360
Executive and council								-		
Finance and administration	1,111	1,360	(100)	1,260	-	459	943	(484)	-51%	1,360
Internal audit								-		
Community and public safety	2,063	800	(500)	300	-	498	700	(202)	-29%	800
Community and social services	598	600	(500)	100	-	498	500	(2)	0%	600
Sport and recreation	1,465	200	-	200	-	-	200	(200)	-100%	200
Public safety	-							-		
Housing								-		
Health								-		
Economic and environmental services	62,035	63,584	(6,740)	56,844	6,893	28,071	51,588	(23,517)	-46%	63,584
Planning and development		1,100	(1,100)	-	-	-	-	-		1,100
Road transport	62,035	62,484	(5,640)	56,844	6,893	28,071	51,588	(23,517)	-46%	62,484
Environmental protection								-		
Trading services	19,894	22,288	-	22,288	-	758	11,423	(10,666)	-93%	21,988
Energy sources	19,894	21,988	-	21,988	-	758	11,123	(10,366)	-93%	21,988
Waste management	-	300	-	300	-	-	300	(300)	-100%	-
Other								-		
Total Capital Expenditure - Functional Classification	85,102	88,032	(7,340)	80,692	6,893	29,786	64,655	(34,869)	-54%	87,732
Funded by:										
National Government	79,029	79,332	-	79,332	6,893	28,829	58,768	(29,939)	-51%	79,332
Provincial Government								-		
District Municipality								-		
Transfers and subsidies - capital (monetary allocations)								-		
Transfers recognised - capital	79,029	79,332	-	79,332	6,893	28,829	58,768	(29,939)	-51%	79,332
Borrowing								-		
Internally generated funds	6,073	8,700	(7,340)	1,360	-	957	5,886	(4,929)	-84%	8,700
Total Capital Funding	85,102	88,032	(7,340)	80,692	6,893	29,786	64,655	(34,869)	-54%	88,032

Table C5 Capex provides proposed adjustment by Functional classification, internally funded capex will be adjusted downwards as per approved Budget funding plan.

CONCLUSION

An adjustment budget is therefore proposed to be considered and be performed based on the following reasons:

- Unspent Conditional Grants rolled-over amounting to R 440 thousand that still need to be appropriated into the adjustment budget with its corresponding capital projects.
- Budgeted Projects that were put on hold in the approved Budget Funding Plan.
- To correct 2021/22 MTREF tabled in council.
- Adjustment of operational income and expenditure reports as per the assessment performed in this report based on the first half of the financial year.
- Inputs received from the departments with regard to their day to day operations and changes for special programmes/ reprioritisation to be executed in the remaining six months of the financial year.
- Inputs received from the departments on changes/ reprioritisation on capital projects to be executed during the year based on the SDBIP key performance indicators progress reports.

Quality certificate

I, Kgwale Meshack, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the mid-year budget performance and assessment report and supporting documentation for the period July 2021 to December 2021 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name Kgwale Meshack

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature [Handwritten Signature]

Date 2022/01/25