

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT**

**DECEMBER 2022**

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## A. Executive summary

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.**

The overall mid-year achievement of municipality is 65% which is a regress from previous financial year 2020/2021 where the achievement was 76% by mid-year. The reason for the regress emanates from slow progress on implementation of capital projects both electrical and roads. By mid-year out all five (05) electrification projects were still at appointment stage and seven (07) roads projects specifically the designs, there were no appointments made. Municipality did not achieve thirty-three (33) targets and as part of the acceleration plan into improving in those targets, Accounting officer will engage with relevant Senior Managers for coaching/ mentoring as part of assistance and the same will apply between senior managers and line managers in their respective departments.

## 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.

Progress on resolving problems/ challenges identified in the 2020/2021 annual report and progress on resolving those challenges

<b>Challenge identified</b>	<b>Progress on resolving the challenge</b>
Indicators not well defined	The challenge will be addressed during the revision of the 2022/2023 SDBIP

## Conclusion

The Accounting Officer recommends that an adjustment budget is necessary.

### 2022/2023 mid-year performance

Key Performance Area Number	Key Performance Area	Total mid-year target	Achieved KPIs	Key activities	Mid-year completion %
1	Spatial Rationale	8	7	1	88%
2	Institutional Development & Transformation	9	7	2	78%
3	Local Economic Development	7	3	4	43%
4	Basic Service Delivery	42	26	16	62%
5	Financial Management & Viability	10	6	4	60%
6	Good Governance & Public Participation	17	11	6	65%
	<b>Total</b>	<b>93</b>	<b>60</b>	<b>33</b>	<b>65%</b>

### 2021/2022 Mid-year performance

Key Performance Area Number	Key Performance Area	Total mid-year target	Achieved KPIs	Key activities	Mid-year completion %
1	Spatial Rationale	4	4	0	100%
2	Institutional Development & Transformation	8	7	1	88%
3	Local Economic Development	3	2	1	67%
4	Basic Service Delivery	30	15	10	60%
5	Financial Management & Viability	8	6	2	75%
6	Good Governance & Public Participation	18	16	2	89%
	<b>Total</b>	<b>71</b>	<b>50</b>	<b>16</b>	<b>76%</b>

## 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.

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Groblersdal Land Use Audits Conducted	12 Land Use Audits Conducted by 30 June 2023	3 Land Use Audits Conducted by 30 September 2022	6 Land Use Audits Conducted by 31 December 2022	3 Land Use Audits Conducted by 31 December 2022	Lack of capacity	To capacitation with relevant skills to execute the duties at hand	Not achieved
Subdivision of Residential stands: Hlogotlou Unit B	Approved rezoning and subdivision application	Advertisement of service provider	Appointment of service provider and Project Execution Plan	Appointment of service provider and Project Execution Plan	None.	None.	Achieved
Demarcation of Ga Matlala Lehwelere	Approved site demarcation application	Advertisement of service provider	Appointment of service provider and Project Execution Plan	Appointment of service provider project Execution Plan	None.	None.	Achieved
Demarcation of Bakgaga ba Kopa	Approved site	Advertisement of service provider	Appointment of service provider and Project Execution Plan	Appointment of service provider	None.	None.	Achieved

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
	demarcation application			and Project Execution Plan			
% of land use applications received and processed within 90 days	100% of land use applications received and processed within 90 days by 30 June 2023	100% of land use applications received and processed within 90 days by 30 September 2022	100% of land use applications received and processed within 90 days By 31 December 2022	100% of land use applications received and processed within 90 days by 31 December 2022	None.	None.	Achieved
% 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	100% of new building plans of less than 500 square metres	100% of new building plans of less than 500 square metres assessed	100% of new building plans of less than 500 square metres assessed within 10 days of receipt of plans	None.	None.	Achieved

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
	assessed within 10 days of receipt of plans by 30 June 2023	metres assessed within 10 days of receipt of plans by 30 September 2022	within 10 days of receipt of plans by 31 December 2022	by 31 December 2022			
% 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 2023	100% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans by 30 September 2022	100% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans by December 2022	100% of new building plans of more than 500 square metres assessed within 28 days of receipt of plans by 31 December 2022	None.	None.	Achieved

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
% 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 (b) of National Building Regulations and Building Standards Act by 30 June 2023	100% of inspections conducted on building construction with an approved plan to ensure compliance with Sec. 6(c) and 17 (b) of National Building Regulations and Building Standards Act by 30 September 2022	100% of inspections conducted on building construction with an approved plan to ensure compliance with Sec. 6(c) and 17 (b) of National Building Regulations and Building Standards Act by 31 December 2022	100% of inspections conducted on building construction with an approved plan to ensure compliance with Sec.6 (c) and 17 (b) of National Building Regulations and Building Standards Act by 31 December 2022	None.	None.	Achieved



**MPA22 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

<b>Key Performance Indicator (KPI)</b>	<b>Annual Target</b>	<b>Q1 Target</b>	<b>Mid-Year Target</b>	<b>Progress</b>	<b>Reason for variance</b>	<b>Remedial Actions</b>	<b>Comments</b>
Number of employees approved for municipal training	8 employees approved for municipal training by 30 June 2023	2 employees approved for municipal training by 30 September 2022	4 employees approved for municipal training by 31 December 2022	4 employees approved for municipal training by 30 December 2022	None	None	Achieved
Number of LLF meetings held	12 LLF meetings held by 30 June 2023	2 LLF meetings held by 30 September 2022	3 LLF meetings held by 31 December 2022	3 LLF meetings held by 31 December 2022	None	None	Achieved
Turnaround time in placing documents and information on the municipal website	placement of documents & information on the municipal website 5 (five) working days from the date submitted to ICT by 30 June 2023	placement of documents & information on the municipal website 5 (five) working days from the date submitted to ICT by 30 September 2022	placement of documents & information on the municipal website 5 (five) working days from the date submitted to ICT by 31 December 2022	placement of documents & information on the municipal website 5 (five) working days from the date submitted to ICT by 31 December 2022	None	None	Achieved
% of reported ICT incidents resolved	90%-100% of reported ICT incidents resolved by 30 June 2023	90%-100% of reported ICT incidents resolved	90%-100% of reported ICT incidents resolved by 31 December 2022	90%-100% of reported ICT	None	None	Achieved

KPA2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Number of ICT Service Providers Performance Monitoring and Evaluation meetings held	4 ICT service provider performance monitoring and evaluation meetings held by 30 June 2023	1 ICT service provider performance monitoring and evaluation meetings held by 30 September 2022	2 ICT service provider performance monitoring and evaluation meetings held by 31 December 2022	2 ICT service provider performance monitoring and evaluation meetings held by 31 December 2022	incidents resolved by 31 December 2023	None	Achieved
Occupational Health & Safety Trainings conducted	3 Training conducted by 30 June 2023 (basic fighting)	n/a	01 Training conducted by 31 December 2022 (Hazard Identification, Risk Assessment & Control)	0 Training conducted by 31 December 2022 (Hazard Identification, Risk Assessment & Control)	The ICT systems were attacked by ransomware and the procurement process was delayed.	The systems was restored in December 2022 and the training is planned for 25-27 January 2023.	Not achieved
% of KPIs and projects attaining organisational targets (total organisation)	100% of KPIs and projects attaining organisational targets (total organisation)	25% of KPIs and projects attaining organisational targets (total organisation)	50% of KPIs and projects attaining organisational targets (total organisation)	66% of KPIs and projects attaining organisational targets (total organisation)	None	None	achieved

**KPA2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

<b>Key Performance Indicator (KPI)</b>	<b>Annual Target</b>	<b>Q1 Target</b>	<b>Mid-Year Target</b>	<b>Progress</b>	<b>Reason for variance</b>	<b>Remedial Actions</b>	<b>Comments</b>
number of MIG reports submitted to CoGHSTA	12 number of MIG reports submitted to CoGHSTA by 30 June 2023	3 number of MIG reports submitted to CoGHSTA by 30 September 2022	6 number of MIG reports submitted to CoGHSTA by 31 December 2022	6 number of MIG reports submitted to CoGHSTA by 31 December 2022	None	None	Achieved
number of INEP reports submitted to department of energy	12 INEP reports submitted to department of energy by 30 June 2023	3 MIG reports submitted to CoGHSTA by 30 September 2022	6 INEP reports submitted to department of energy by 31 December 2022	6 MIG reports submitted to CoGHSTA by 31 December 2022	Proof of submission for the month of October/November is missing during the restoration of system which detected virus on the beginning of December. All sent emails were deleted	requested officials from DOE to send us an email confirming submission of reports	Not achieved

KPA3 LOCAL ECONOMIC DEVELOPMENT							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
Number of job opportunities created through public employment programme (EPWP,CWP) (GKPI)	222 jobs opportunities provided through EPWP grant by 30 June 2023	n/a	222 jobs opportunities provided through EPWP grant by 31 December 2022 (GKPI)	178 job opportunities created through EPWP grant by 31 December 2022.	Participants were appointed mid December	Participants will resume duty in January 2023	not achieved
Average time taken to finalise business licences application	10 days Average time taken to finalise business license application by 30 June 2023	10 days Average time taken to finalise business licenses application by 30 September 2022	10 days Average time taken to finalise business licenses application by 31 December 2022	10 days Average time taken to finalise business licenses application by 31 December 2022	None	None	Achieved
Average time taken to finalise informal trading permits	10 days taken to finalise informal trading permit by 30 June 2023	10 days taken to finalise informal trading permit by 30	10 days taken to finalise informal trading permit by 31 December 2022	0 days taken to finalise informal trading permit by 31 December 2022	informal traders are not always available to sign the permits within the timeframe	We send messages to inform them to come sign for their permit as	Not achieved

CAP 2 LOCAL ECONOMIC DEVELOPMENT

Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
		September 2022				they are not found in their stalls	
Number of business Formal Trading Licenses Issued	100 Formal Trading Licenses Issued by 30 June 2023	20 Formal Trading Licenses Issued by 30 September 2022	40 Formal Trading Licenses Issued by 31 December 2022	51 formal trading licenses issued by 31 December 2022.	None	None	Achieved
Number of Informal Business Trading Licenses Issued (Groblersdal)	100 Informal Business Trading Licenses Issued by 30 June 2023	20 Informal Business Trading Licenses Issued by 30 September 2022	40 Informal Business Trading Licenses Issued by 31 December 2022	12 Informal Business Licenses Issued by 31 December 2022.	informal traders are not always available at their stalls upon delivery	we keep on checking on them for signing	not achieved
number of SMME's and Co-operatives capacity building workshops/	14 SMME's and Co-operatives capacity building workshops/ Training held by	3 SMME's and Co-operatives capacity building workshops/	6 SMME's and Co-operatives capacity building workshops/ Training held by 31	7 SMME's & Cooperatives capacity Building workshops/Trainings held by 31	None	None	Achieved

**KPA 3- LOCAL ECONOMIC DEVELOPMENT**

<b>Key Performance Indicator (KPI)</b>	<b>Annual Target</b>	<b>Q1 Target</b>	<b>Mid-year Target</b>	<b>Progress</b>	<b>Reason for variance</b>	<b>Remedial Actions</b>	<b>Comments</b>
training held (LED training)	30 June 2023 [LED Training]	Training held by 30 September 2022 [LED Training]	December 2022[LED Training]	December 2022 (LED Training)			
Number of job opportunities created through infrastructure projects (GKPI)	295 job opportunities created through infrastructure projects by 30 June 2023(GKPI)	90 job opportunities created through Infrastructure Projects by 30 September 2022	160 job opportunities created through infrastructure projects by 31 December 2022 (GKPI)	139 job opportunities created through Infrastructure Projects by 31 December 2022	Delays on the implementation of the new projects	More workers to be hired as soon as new projects resume	Not achieved

KPA 4 BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
waste removal in Groblersdal Hlogotlou Roosenekaal Motetema			waste removal in Groblersdal Hlogotlou Roosenekaal Motetema by 30 June 2023	waste removal in Groblersdal Hlogotlou Roosenekaal Motetema by 30 September 2022	Waste removal in Groblersdal Hlogotlou Roosenekaal Motetema by 31 December 2022	waste removal in Groblersdal Hlogotlou Roosenekaal Motetema by 31 December 2022	None	None	Achieved
number of waste received (tons) at landfill site			2100 tons of waste received at landfill site by 30 June 2023	100 tons of waste received at landfill site by 30 September 2022	200 tons of waste received at landfill site by 31 December 2022	13525 tons of waste received at landfill site by 31 December 2022	None	None	Achieved
Number of initiatives held to promote library facilities			4 initiatives held to promote library facilities by 30 June 2023	1 initiatives held to promote library facilities by 30 September 2022	2 initiatives held to promote library facilities by 31 December 2022	2 initiatives held to promote library facilities by 31 December 2022	None	None	Achieved

KPA 4 BASIC SERVICE DELIVERY										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments	
% of disaster relief provided			100% of disaster cases reported and attended to within 48 hours by 30 June 2023	100% of disaster cases reported and attended to within 48 hours by 30 September 2022	100% of disaster cases reported and attended to within 48 hours by 31 December 2022	100% of disaster cases reported and attended to within 48 hours by 31 December 2022	None	None	Achieved	
% of disaster cases reported and attended to within 48 hours			100% of disaster cases reported and attended to within 48 hours by 30 June 2023	100% of disaster cases reported and attended to within 48 hours by 30 September 2022	100% of disaster cases reported and attended to within 48 hours by 31 December 2022	100% of disaster cases reported and attended to within 48 hours by 31 December 2022	None	None	Achieved	



**KPA BASIC SERVICE DELIVERY**

Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
number of community safety forum meetings held			4 community safety forum meetings held by 30 June 2023	1 community safety forum meetings held by 30 September 2022	2 community safety meetings held by 31 December 2022	2 community safety forum meetings held by 31 December 2022	None	None	Achieved
Kilometres of planned Roads and storm water maintenance performed			15Km of planned Roads and storm water maintenance performed by 30 June 2023	5Km of planned Roads and storm water maintenance performed by 30 September 2022	10Km of planned Roads and storm water maintenance performed by 31 December 2022	83Km of planned Roads and storm water maintenance performed by 31 December 2022	None	None	Achieved
Kilometres of municipal road graded			155km of municipal roads / streets re-	20km of gravel municipal roads / roads	60km of gravel municipal roads / roads re-	99km of gravel municipal roads / roads streets re-	none	none	Achieved

KPA 4: BASIC SERVICE DELIVERY										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments	
			graveled by 30 June 2023	streets re-graveled by 30 September 2022	graveled by 31 December 2022	graveled by 31 December 2022				
% of registered indigents who receives free basic electricity by 30 June 2023 (GKPI)			20% of registered indigents who receives free basic electricity by 30 June 2023 (GKPI)	20% of registered indigents who receives free basic electricity by 30 September 2022 (GKPI)	20% of registered indigents who receives free basic electricity by 31 December 2022 (GKPI)	5% of registered indigents who receives free basic electricity by 31 December 2022 (GKPI)	Slow progress on the side of Eskom in terms of configuration	Engage Eskom to expedite the process of configuring the newly registered indigents	not achieved	
% of all qualifying households in the municipal area are classified as indigent			10% of all qualifying households in the municipal area	10% of all qualifying household in the municipal area are classified as	10% of all qualifying household in the municipal area classified as indigent by	4% of all qualifying households in the municipal area classified as indigent by 31 December 2022	Door to door has been concluded and we have reached ceiling in	Consider adjusting the target in light of the available data for total population and	not achieved	

KPA - BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
			classified as indigent by 30 June 2023	indigent by 30 September 2022	31 December 2022		terms of identification of indigent households	identified indigents	
% expenditure on computer equipment (servers Laptops Desktops Switches Printers)	700 000 Revenue	238 800	90% minimum expenditure on computer equipment (servers Laptops Desktops Switches Printers)	10% minimum expenditure on computer equipment (servers Laptops Desktops Switches Printers) by 30 September 2022	25% minimum expenditure on computer equipment (servers Laptops Desktops Switches Printers) by 31 December 2022	89% 550.00/700,000,00 minimum expenditures on computer equipment (Servers Laptops Desktops Switches)	none	none	achieved

KPA 4. BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Fencing of Game Farm	1100 000 Revenue	1100 000	Fencing of Game Farm by 30 June 2023	Development of specification by 30 September 2022	Placing of advertisement of service provider by 31 December 2022	Fencing of 2.2 KM stretch of Game Farm Completed.	Vandalism of the newly installed fence.	Installation of CCTV & Assigning Security Personnel.	Achieved
% Processing of procurement request submitted	200 000 Revenue	96 501.10	100% Processing of procurement request submitted by 30 June 2023	100% Processing of procurement request submitted by September 2022	100% Processing of procurement request submitted by 31 December 2022	100% Processing of procurement request submitted by 31 December 2022	None	None	Achieved
Fencing of Groblersdal sub-station	400 000 Revenue	0.00	Fencing of Groblersdal substation by 30 June 2023	Advertising and appointment of contractor by 30 September 2022	Fencing of Groblersdal sub-station by 31 December 2022	None	funds were relocated to machinery and equipment project	to discontinue with the project	Not achieved

**KPIs BASIC SERVICE DELIVERY**

Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Upgrading of Groblersdal landfill site	4 000 000 MIG	2 406 218.91	Upgrading of Groblersdal landfill site by 30 June 2023	Advertisement of service provider by 30 September 2022	appointment of service providers, site hand over and site establishment by 31 December 2022	Evaluation stage in progress	The initial contractor withdrew from the project.	advertised for panel of consultants who will implement the project	not achieved
Procurement of blue light sirens and insignia	440 000 Revenue	231 040,75	Procurement of blue light sirens and insignia by 30 June 2023	Development of specification by 30 September 2022	Advertisement of service provider by 31 December 2022	Advertisement of service provider by 31 December 2022	none	none	Achieved
Number of parks to be developed and upgraded	1 300 000 Revenue	0	02 parks upgraded by 30 June 2023	Development of specification by 30 September 2022	Advertisement of service provider by 31 December 2022	advertisement of service provider by 31 December 2022	none	none	Achieved

KPA 4- BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Procurement of Professional lawn mowers and industrial brush cutters	380 000 Revenue	196 004, 85	Procurement of professional lawn mowers and industrial brush cutters by 30 June 2023	Development of specification by 30 September 2022	Advertisement of Tender by 31 December 2022	Advertisement of Tender by 31 December 2022	none	none	Achieved
Fencing of Ntwane cemetery	1 000 000 Revenue	R0	Fencing of Ntwane cemetery by 30 June 2023	Development of specification by 30 September 2022	Advertisement of Tender by 31 December 2022	Advertisement of Tender by 31 December 2022	None	None	Achieved
Procurement of no illegal dumping boards	100 000 Revenue	R28 500,00	Procurement of no illegal dumping boards by 31 March 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider by 31 December 2022	Appointment of service provider by 31 December 2022	None	None	Achieved

KPA4 BASIC SERVICE DELIVERY										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments	
Procurement of skip bins	300 000 Revenue	0	Procurement of skip bins by 31 March 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider by 31 December 2022	Appointment of service provider by 31 December 2022	None	None	Achieved	
Procurement of Trailer Disaster	80 000 Revenue	0	Procurement of Trailer Disaster by 31 March 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider by 31 December 2022	Appointment of service provider by 31 December 2022	none	none	achieved	
Procurement of trailer equipment public safety	300 000 Revenue	0	Procurement of trailer equipment public safety by 31 March 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider by 31 December 2022	Appointment of service provider by 31 December 2022	none	none	Achieved	
Construction of Disaster management centre and	435 000 Revenue	0	Construction of Disaster management centre and	Appointment of service provider by 30	Construction of Disaster management centre and emergency	Construction of Disaster management centre and emergency relief	None	None	achieved	

KPA 4 BASIC SERVICE DELIVERY										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments	
emergency relief store room			emergency relief store room by 30 June 2023	September 2022	relief store room by 31 December 2022	store room by 31 December 2022				
Procurement of street litter bins	850 000 Revenue	0	Procurement of street litter bins by 31 March 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider by 31 December 2022	Appointment of service provider by 31 December 2022	None	None	Achieved	
Number of stands reticulated with electrical infrastructure at Phomola	2 000 000 INEP	176 410.00	100 stands reticulated with electrical infrastructure by 30 June 2023	Appointment of the contractor, site handover establishment by 30 September 2022	Construction of MV and LV by 31 December 2022	Site handover completed, busy with site establishment	Late appointment of the contractor	contractor appointed in December 2022	not achieved	
Number of stands reticulated with electrical infrastructure	3 960 000 INEP	0.00	215 stands reticulated with electrical infrastructure	Appointment of the contractor, site handover and site	construction of MV and LV by 31 December 2022	Site handover completed, busy with site establishment	Late appointment of the contractor	contractor appointed in December 2022	not achieved	



**KPAZI BASIC SERVICE DELIVERY**

Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
infrastructure at Masakaneng			by 30 <sup>th</sup> June 2023	establishment by 30 September 2022					
Number of stands to be reticulated with electrical infrastructure at Makaepea	3 240 000 INEP	332 900.00	162 stands reticulated with electrical infrastructure by 30 June 2023	Appointment of the contractor, site handover and site establishment by 30 September 2022	Construction of MV and LV by 31 December 2022	Site handover completed, busy with site establishment	Late appointment of the contractor due to delays on the designs by Eskom	contractor appointed in December 2022	not achieved
Number of stands reticulated with electrical infrastructure at Phooko	4 000 000 INEP	0.00	200 stands reticulated with electrical infrastructure by 30 <sup>th</sup> June 2023	Appointment of the contractor, site handover and site establishment by 30 September 2022	Construction of MV and LV by 30 December 2022	no progress. Funds for the project will be relocated to Masakaneng	funds were relocated after Eskom announced no capacity to implement the project	Project to be implemented once power supply is available	not achieved

KPA 1 BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Number of stands reticulated with electrical infrastructure at Nyakelang Extension	3 800 000 INEP	250 580.53	190 stands reticulated with electrical infrastructure by 30 <sup>th</sup> June 2023	Appointment of the contractor, site establishment by September 2022	Construction of MV and LV by 31 December 2022	Site handover completed, busy with establishment	Late appointment of the contractor due to delays on the designs by Eskom	service provider appointed end of November	not achieved
Designs of upgrading of Mokumong access road to Marateng taxi rank	700 000 Internal	0.00	Designs for Upgrading of Mokumong access road to Marateng taxi rank by 30 June 2023	Advertising and appointment of the consultant by 30 September 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays in the appointment of the service provider	Municipality to fast track the appointment of panel of consultants to enable implementation of the project	not achieved
Upgrading of Tafelkop stadium access road	27 001 116 MIG	20 592 712.68	Upgrading of 5.4km Tafelkop stadium access road by 30 June 2023	Construction of layer works (sub base & base) by 30 September 2022	Construction of layer works (sub base & base) by 31 December 2022	Construction of layer works (Sub base) by 31 December 2022	None	None	Achieved

KPI - BASIC SERVICE DELIVER

Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Upgrading of Bloempoot to Uitspanning Access Road	27 000 000 MIG	18 105 224.63	Upgrading of 6km Bloempoot to Uitspanning access road by 30 June 2023	Construction of layer works (sub base & base) by 30 September 2022	Construction of layer works (sub base & base) by 31 December 2022	Construction of layer works (Sub & base) by 31 December 2022	None	None	Achieved
Designs for Upgrading of Malaeneng A Ntwane Access road	900 000 MIG	0.00	Designs for upgrading of Malaeneng A Ntwane by 30 <sup>th</sup> June 2023	Advertisement and appointment of the consultant by 30 September 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays in the appointment of service provider	Municipality to fast track the appointment of panel of consultants to enable implementation of the project	not achieved
Designs for upgrading of Maraganeng internal Access Road	900 000 MIG	0.00	Designs for upgrading of Maraganeng internal access road by 30 <sup>th</sup> June 2023	Advertising and appointment of the consultant by 30 September 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays in the appointment of service provider	Municipality to fast track the appointment of panel of consultants to enable implementation of the project	not achieved

KPA 4 BASIC SERVICE DELIVERY										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments	
Designs for upgrading of Kgobokwane-Kgaphamadi Road	800 000 Internal	0.00	Designs for upgrading of Kgobokwane-Kgaphamadi Road by 30 June 2023	Advertising and appointment of the consultant by 30 September 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays in the appointment of service provider	Municipality to fast track the appointment of panel of consultants to enable implementation of the project	not achieved	
Upgrading of Nyakuroane internal access road (INT)	4 604 884 MIG	4 022 971.43	Construction of layers-(road & selected layers) by 30 June 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider & site handover by 31 December 2022	Appointment of service provider & site hand over by 31 December 2022	None	None	achieved	
Upgrading of Motetema streets	3 500 000 Revenue	0.00	Upgrading of Motetema internal streets by 30 June 2023	Advertisement of service provider by 30 September 2022	Appointment of service provider & site handover by 31 December 2022	Appointment of service provider & site hand over by 31 December 2022	None	None	Achieved	
Design for Upgrading of Stompo Bus Road	800 000 Revenue	0.00	Designs for Upgrading of Stompo Bus road by 30 <sup>th</sup> June 2023	Advertising and appointment of the consultant by 30 September 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays in the appointment of the	Municipality to fast track the appointment of panel of consultants to	not achieved	

KPA 4 BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
Designs for Upgrading of Hlogotlou-Bopanang Road	800 000 Revenue and MIG	0.00	Designs for Upgrading of Hlogotlou-Bopanang Road by 30 June 2023	Advertising and appointment of the consultant by 30 September 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays on the appointment of the service provider	Municipality to fast track the appointment of panel of consultants to enable implementation of the project	not achieved
Designs for Upgrading of Masoing Bus route	850 000 Revenue	0.00	Designs for Upgrading of Masoing Bus route by 30 June 2023	Advertising and appointment of the consultant by 30 June 2022	Inception report and preliminary design report by 31 December 2022	Evaluation stage in progress	Delays on the appointment of the service provider	Municipality to fast track the appointment of panel of consultants to enable implementation of the project	not achieved

KPA 4: BASIC SERVICE DELIVERY									
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	Q1 Target	Mid-Year Target	Progress	Reason for variance	Remedial Actions	Comments
% expenditure on machinery and equipment			100% expenditure on machinery and equipment (by 30 June 2023)	25% expenditure on machinery and equipment by 30 September 2022	50% expenditure on machinery and equipment by 31 December 2022	58% (291 697/500 000 x100) expenditure on machinery and equipment by 31 December 2022	None	None	Achieved

KPA 5: FINANCIAL MANAGEMENT AND VIABILITY							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
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 30 June 2023	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 30 September 2022	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 31 December 2022	0 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 31 December 2022	None	None	Achieved
% of billed revenue collected	80% of billed revenue collected by 30 June 2023	80% of billed revenue collected by 30 September 2022	80% of billed revenue collected by 31 December 2022	82% of billed revenue collected by 31 December 2022	None	None	Achieved
% of budgeted rates revenue collected	75% of budgeted rates revenue collected by 30 June 2023	75% of budgeted rates revenue collected by 30 September 2022	75% of budgeted rates revenue collected by 31 December 2022	82% of budgeted rates revenue collected by 31 December 2022	None	None	Achieved

<b>KPA 5: FINANCIAL MANAGEMENT AND VIABILITY</b>							
<b>Key Performance Indicator (KPI)</b>	<b>Annual Target</b>	<b>Q1 Target</b>	<b>Mid-year Target</b>	<b>Progress</b>	<b>Reason for variance</b>	<b>Remedial Actions</b>	<b>Comments</b>
Average number of days from the point of advertising to the letter of award per 80/20 procurement process	90 days from the point of advertising to the letter of award per 80/20 procurement process by 30 June 2023	90 days from the point of advertising to the letter of award per 80/20 procurement process by 30 September 2022	90 days from the point of advertising to the letter of award per 80/20 procurement process by 31 December 2022	45 days from the point of advertising to the letter of award per 80/20 procurement process by 31 December 2022	None	None	Achieved
% of municipal payments made to service providers who submitted complete forms within 30 days of invoice submission	100% Payment of creditors within 30 days by 30 June 2023	100% Payment of creditors within 30 days by 30 September 2022	100% Payment of creditors within 30 days by 31 December 2022	100% Payment of creditors within 30 days by 31 December 2022	None	None	Achieved
% of the municipality's operating budget spent on indigent relief for free basic services	100% of the municipality's operating budget spent on indigent relief for free basic services by 30 June 2023	25% of the municipality's operating budget spent on indigent relief for free basic services by 30 September 2022	50% of municipality's operating budget spent on indigent relief for free basic services by 31 December 2022	20% of municipality's operating budget spent on indigent relief for free basic services by 31 December 2022	Slow configuration of newly registered indigents by Eskom	The process is beyond the municipality's control, however meeting will be arranged with Eskom to discuss the	Not achieved



KPA 5: FINANCIAL MANAGEMENT AND VIABILITY							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
% spend of the total operational budget excluding non-cash items	95% spend of the total operation budget excluding non-cash items by 30 June 2023	25% spend of the total operation budget excluding non-cash items by 30 September 2022	55% spend of the total operation budget excluding non-cash items by 31 December 2022	40% spend of the total operation budget excluding non-cash items by 31 December 2022	There was an oversight on processing invoices for the month of December	urgency of the matter  To ensure that all invoices are captured on the core financial system before closure of the system by reviewing general ledger.	Not achieved
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 per	25% to 40% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per	25% to 40% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per	42% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per	The core financial system is not integrated with third party system for computation of depreciation. There was an oversight on processing invoices for the	To compute depreciation manually and process the journal on the core financial system on monthly basis.	Not achieved

KPA 5: FINANCIAL MANAGEMENT AND VIABILITY							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
% spending on MIG funding	quarter by 30 June 2023 100% spending on MIG funding by the 30 June 2023	quarter by 30 September 2022 10% spending on MIG funding by the 30 September 2022	quarter by 31 December 2022 50% spending on MIG funding by 31 December 2022	quarter by 31 December 2022 72% spending on MIG funding by the 31 December 2022	month of December None	None	Achieved
% spending on INEP funding	100% spending on INEP funding by 30 June 2023	25% spending on INEP funding by the 30 September 2022	30% spending on INEP funding by 31 December 2022	8% spending on INEP funding by the 31 December 2022	late appointment of service providers	service providers appointed during December month	Not achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
Obtain an Unqualified Auditor General opinion for the 2020/2021 financial year	Obtain an Unqualified Auditor General opinion for the 2020/2021 financial year by 31 December 2022	n/a	Obtain an Unqualified Auditor General opinion for the 2020/2021 financial year by 31 December 2022	Obtain an Unqualified Auditor General opinion for the 2020/2021 financial year by 31 December 2022	none	None	Achieved
% 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 2023	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation) by 30 September 2022	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation) by 31 December 2022	43% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation) by 31 December 2022	Non-cooperation from departments. Lack of budget.	Management not submitting information requested	Not achieved
Number of security risk assessment conducted	4 Security risk assessment conducted by 30 June 2023	1 Security risk assessment conducted by 30 September 2022	2 Security risk assessment conducted by 31 December 2022	2 security risk assessment conducted by 31 December 2022	None	None	Achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
Number of project risk assessments conducted	4 project risk assessments conducted by 30 June 2023	1 project risk assessments conducted by 30 September 2022	2 project risk assessments conducted by 31 December 2022	2 project risk assessments conducted by 31 December 2022	None	None	Achieved
Number of risk management training conducted	2 risk management training conducted by 30 June 2023	n/a	1 risk management training conducted by 31 December 2022	1 risk management training conducted by 31 December 2022	None	None	Achieved
% of councillors who have declared their financial interest	100% of councillors who have declared their financial interest by 30 June 2023	50% of councillors who have declared their financial interest by 30 September 2022	100% of councillors who have declared their financial interest by 31 December 2022	43% of councillors who have declared their financial interest by 31 December 2022	Lack of follow ups of the forms by Speaker's office	Request of the office of the speaker as well as Ethics committee for assistance.	Not achieved

<b>KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>							
<b>Key Performance Indicator (KPI)</b>	<b>Annual Target</b>	<b>Q1 Target</b>	<b>Mid-year Target</b>	<b>Progress</b>	<b>Reason for variance</b>	<b>Remedial Actions</b>	<b>Comments</b>
Number of administrative staff who have declared their financial interest	100 Administrative staff declared their financial interest by 30 June 2023	50 Administrative staff declared their financial interest by 30 September 2022	100 Administrative staff declared their financial interest by 31 December 2022	35 Administrative staff declared their financial interest by 31 December 2022	Forms are not being returned. Lack of enforcement	Departmental visit to collect forms	Not achieved
Number of Risk Management reports submitted to the Risk Management Committee per quarter	2 Risk Management reports submitted to the Risk Management Committee per quarter by 30 June 2023	1 Risk Management reports submitted to the Risk Management Committee per quarter by 30 September 2022	2 Risk Management reports submitted to the Risk Management Committee per quarter by 31 December 2022	2 Risk Management reports submitted to the Risk Management Committee per quarter by 31 December 2022	none	none	Achieved
% execution of identified risk mitigation plans within prescribed timeframes per quarter (Total organisation)	100% execution of identified risk mitigation plan within prescribed timeframes per quarter (total)	25% execution of identified risk mitigation plan within prescribed timeframes per quarter (total)	50% execution of identified risk mitigation plan within prescribed timeframes per quarter (total organisation) by 31 December 2022	53% execution of identified risk mitigation plan within prescribed timeframes per quarter (total)	none	none	Achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
	organisation) by 30 June 2023	organisation) by 30 September 2022		organisation) by 31 December 2022			
Number of MPAC quarterly reports submitted to council	4 MPAC quarterly reports submitted to council by 30 June 2023	1 MPAC quarterly reports submitted to council by 30 September 2022	2 MPAC quarterly reports submitted to council by 31 December 2022	1 MPAC quarterly reports submitted to council by 31 December 2022	Council took place early October	report will be submitted in the next council	not achieved
Number of MPAC meetings held	4 MPAC meetings held by 30 June 2023	1 MPAC meetings held by 30 September 2022	2 MPAC meetings held by 31 December 2022	2 MPAC meetings held by 31 December 2022	none	none	Achieved
number of Speakers outreach projects initiated	2 Speakers outreach programmes initiated by 30 June 2023	1 Speakers outreach programmes initiated by 30 September 2022	n/a	1 Speakers outreach programmes initiated by 31 December 2022	none	none	Achieved
number of ward committee reports submitted to council	4 ward committee reports submitted to council quarterly by 30 June 2023	1 ward committee reports submitted to council quarterly by 30 September 2022	2 ward committee reports submitted to council quarterly by 31 December 2022	1 ward committee reports submitted to council quarterly by 31 December 2022	Council took place early October	report will be submitted in the next council	Not achieved

**KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

<b>Key Performance Indicator (KPI)</b>	<b>Annual Target</b>	<b>Q1 Target</b>	<b>Mid-year Target</b>	<b>Progress</b>	<b>Reason for variance</b>	<b>Remedial Actions</b>	<b>Comments</b>
% of wards that have held at least one councillor convened community meeting	100% of wards that have held at least one councillor convened community meeting by 30 June 2023	100% of wards that have held at least one councillor convened community meeting by 30 September 2022	100% of wards that have held at least one councillor convened community meeting by 31 December 2022	100% of wards that have held at least one councillor convened community meeting by 31 December 2022	none	None	Achieved
Reviewal of communication strategy	Reviewal of communication strategy by 31 December 2022	n/a	Reviewal of communication strategy by 31 December 2022	Reviewal of communication strategy by 31 December 2022	Council took place early October	Communication strategy will be submitted in the next council	Not achieved
% of official complaints responded to through the municipal complaint management system	100% of official complaints responded to through the municipal complaint management system by 30 June 2023	100% of official complaints responded to through the municipal complaint management system by 30 September 2022	100% of official complaints responded to through the municipal complaint management system by 31 December 2022	100% of official complaints responded to through the municipal complaint management system by 31 December 2022	none	none	Achieved
Number of Council portfolio committee's meetings held	72 Council portfolio committees meetings by 30 June 2023	18 Council portfolio committees meetings	36 Council portfolio committees meetings by 31 December 2022	36 Council portfolio committees meetings	none	none	Achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Key Performance Indicator (KPI)	Annual Target	Q1 Target	Mid-year Target	Progress	Reason for variance	Remedial Actions	Comments
		by 30 September 2022		by 31 December 2022			



## 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 25<sup>th</sup> 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 2021/22 and the mid-year performance/progress reports of 2022/23 SDBIPs referred to as part b and c above are respectively submitted under a separate report.*

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.

**SUMMARY**

DESCRIPTION	2022/23			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENTAGE
OPERATING REVENUE	601 350 985	-	334 512 867	56%
OPERATING EXPENDITURE	597 283 011	-	239 916 437	40%
TRANSFER - CAPITAL	79 606 004	-	44 960 279	56%
SURPLUS/(DEFICIT)	83 673 978	-	140 898 630	168%
CAPITAL EXPENDITURE	98 041 001	-	49 780 917	51%

CHAPTER 2: FINANCIAL HEALTH ASSESSMENT AND MID-YEAR BUDGET STATEMENT: 31 DECEMBER 2022

**Table C1 – Budget Statement Summary**

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	39 913	44 645	-	4 852	29 361	22 322	7 038	32%	44 645
Service charges	107 763	117 968	-	7 402	52 666	59 386	(6 719)	-11%	117 968
Investment revenue	1 780	3 652	-	248	897	1 480	(583)	-39%	3 652
Transfers and subsidies	307 637	338 906	-	105 214	238 030	254 918	(16 888)	-7%	338 906
Other own revenue	30 560	96 180	-	2 028	13 559	51 150	(37 591)	-73%	96 180
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>561 959</b>	<b>601 351</b>	<b>-</b>	<b>119 743</b>	<b>334 513</b>	<b>389 256</b>	<b>(54 743)</b>	<b>-14%</b>	<b>601 351</b>
Employee costs	160 187	185 316	-	21 430	87 806	92 667	(4 861)	-5%	185 316
Remuneration of Councilors	25 567	25 580	-	2 141	12 841	12 790	51	0%	25 580
Depreciation & asset impairment	57 070	59 780	-	-	-	29 890	(29 890)	-100%	59 780
Finance charges	526	2 185	-	-	137	1 345	(1 208)	-90%	2 185
Materials and bulk purchases	135 835	148 283	-	13 356	71 558	72 693	(1 135)	-2%	148 283
Transfers and subsidies	2 591	3 292	-	430	552	1 767	(1 214)	-69%	3 292
Other expenditure	128 543	172 846	-	13 140	67 021	100 956	(33 936)	-34%	172 846
<b>Total Expenditure</b>	<b>523 668</b>	<b>597 283</b>	<b>-</b>	<b>50 197</b>	<b>239 916</b>	<b>312 109</b>	<b>(72 192)</b>	<b>-23%</b>	<b>597 283</b>
<b>Surplus/(Deficit)</b>	<b>(22 676)</b>	<b>4 068</b>	<b>-</b>	<b>69 546</b>	<b>94 596</b>	<b>77 147</b>	<b>17 449</b>	<b>23%</b>	<b>4 068</b>
Transfers and subsidies - capital (monetary allocations)	74 316	79 606	-	7 908	46 302	59 977	(13 675)	-23%	79 606
Surplus/(Deficit) after capital transfers & contributions	51 640	83 674	-	77 454	140 899	137 124	3 774	3%	83 674
<b>Share of surplus/ (deficit) of associate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus/ (Deficit) for the year</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>	<b>3 774</b>	<b>3%</b>	<b>83 674</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	88 355	98 041	-	9 925	49 781	60 797	(11 016)	-18%	98 041
Capital transfers recognised	74 316	79 606	-	8 070	44 960	49 744	(4 784)	-10%	79 606
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	14 040	18 435	-	1 856	4 821	11 053	(6 233)	-56%	18 435
<b>Total sources of capital funds</b>	<b>88 355</b>	<b>98 041</b>	<b>-</b>	<b>9 925</b>	<b>49 781</b>	<b>60 797</b>	<b>(11 016)</b>	<b>-18%</b>	<b>98 041</b>
<b>Financial position</b>									
Total current assets	152 406	159 966	-	-	274 817	-	-	-	158 966
Total non current assets	1 201 016	1 325 025	-	-	1 236 618	-	-	-	1 325 025
Total current liabilities	118 941	120 343	-	-	176 259	-	-	-	120 343
Total non current liabilities	98 658	113 710	-	-	99 335	-	-	-	113 710
Community wealth/Equity	1 135 823	1 249 938	-	-	1 235 841	-	-	-	1 249 938
<b>Cash flows</b>									
Net cash from (used) operating	88 300	94 811	-	55 495	93 430	84 414	(9 016)	-11%	94 811
Net cash from (used) investing	(75 949)	(78 022)	-	(9 925)	(49 781)	(52 811)	(3 030)	6%	(78 022)
Net cash from (used) financing	(4 457)	(6 971)	-	-	(542)	(510)	32	-6%	(6 971)
<b>Cash/cash equivalents at the month/year end</b>	<b>14 710</b>	<b>24 063</b>	<b>-</b>	<b>-</b>	<b>49 704</b>	<b>45 338</b>	<b>(4 366)</b>	<b>-10%</b>	<b>16 415</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	15 977	5 244	4 584	4 170	3 086	3 780	18 354	121 072	176 278
Debtors 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 R334, 513 million and the year to date budget of R389, 256 million and this reflects a negative variance of R54, 743 million which is mostly attributable to the following:

- Traffic fines, the actual year to date revenue realised are actual payments as opposed to traffic fines issued. The integration between traffic fine system and our core financial management system was conclude in the second week of January 2023.
- Equitable shares, the payment schedule reflects second tranche amount of R110 305 to be received by the municipality however only R105 214 was actually received. The difference relates to disapproved roll over relating to MIG and INEP set off against equitable shares
- Service charge electricity, the negative variance is as a result of electricity load shedding as electricity is not being utilised as anticipated.

- Interest on outstanding debtors, negative variance is as a result of reduction in interest rate from 15% to prime+1% due to review of credit control policy.

The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 39% unfavourable variance,
- Interest earned – outstanding debtors: 32% unfavourable variance,
- Rental on Facilities and Equipment: 17% unfavourable variance,
- Fines, penalties and forfeits: 97% unfavourable variance
- Services Charges – electricity revenue: 12% unfavourable variance
- Services Charges – refuse revenue: 8% unfavourable variance
- Licenses and permits: 17% favourable variance
- Property rates: 32% favourable variance
- Other revenue: 196% favourable
- Transfer and subsidies: 7% unfavourable

### **Operating expenditure**

The year to date operational expenditure as at end of December amounts to R239, 916 million and the year to date budget is R312, 109 million. This reflects underspending variance of R72, 192 million that translates to 23% variance. The variance is attributed to the following:

- Depreciation, the municipality is still facing a challenge regarding the computation of monthly movement.
- Asset impairment and debt impairment, the municipality is still facing a challenge regarding the computation of monthly movement.
- Finance charges and other expenditure, there were payments (i.e finance lease obligation) that were omitted from being captured on the system.
- Transfer and subsidies, relates to actuarial amount on employee benefit obligation on medical aid computed at year end.
- Bulk purchases; the negative variance is as a result of electricity load shedding as electricity is not being utilised by customers as anticipated.

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:

- Debt impairment: 100% unfavourable variance
- Depreciation and asset impairment: 100% unfavourable variance
- Finance charges: 90% unfavourable variance
- Bulk purchase: 14% unfavourable variance
- Transfer and subsidies: 69% unfavourable variance
- Other expenditure: 34% unfavourable variance

### **Capital expenditure**

The year to date actual capital expenditure as at end of December 2022 amounts to R49, 781 million and the year to date budget amounts to R60,797 million and this gives rise to R11,016 million under performance emanating mainly from electrification projects due to late appointment of consultants.

### **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of December is R77, 454 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 R176,278 million and this shows an increase of R17,940 million as compared to R158,338 million as at end of 2021/22 financial year.

Consumer debtors is made up of service charges and property rates that amount to R110,004 million and other debtors amounting to R66, 274 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	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	256 207	281 883	-	76 633	189 984	199 169	(9 185)	-5%	281 883
Executive and council	55 019	53 728	-	14 728	28 653	38 653	(10 000)	-26%	53 728
Finance and administration	190 004	214 701	-	57 660	150 876	150 061	815	1%	214 701
Internal audit	11 184	13 455	-	4 246	10 455	10 455	0	0%	13 455
<b>Community and public safety</b>	24 366	96 507	-	11 517	21 605	57 830	(36 225)	-63%	96 507
Community and social services	10 535	10 998	-	5 206	9 901	9 935	(33)	0%	10 998
Sport and recreation	11 586	17 075	-	5 992	10 733	10 753	(19)	0%	17 075
Public safety	2 244	68 435	-	319	970	37 142	(36 172)	-97%	68 435
<b>Economic and environmental services</b>	128 540	124 248	-	18 387	82 308	86 708	(4 400)	-5%	124 248
Planning and development	24 294	20 920	-	6 391	17 759	17 095	664	4%	20 920
Road transport	101 348	102 518	-	11 696	63 738	68 802	(5 065)	-7%	102 518
Environmental protection	2 898	811	-	300	811	811	(0)	0%	811
<b>Trading services</b>	152 846	178 318	-	21 113	86 918	105 526	(18 608)	-18%	178 318
Energy sources	123 719	145 384	-	12 478	63 040	80 575	(17 535)	-22%	145 384
Waste management	29 126	32 935	-	8 635	23 879	24 951	(1 072)	-4%	32 935
<b>Total Revenue - Functional</b>	<b>561 939</b>	<b>680 957</b>	<b>-</b>	<b>127 651</b>	<b>380 815</b>	<b>449 233</b>	<b>(68 418)</b>	<b>-15%</b>	<b>680 957</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	208 324	220 755	-	20 692	108 375	114 152	(5 778)	-5%	220 755
Executive and council	41 975	47 573	-	2 907	19 475	22 247	(2 772)	-12%	47 573
Finance and administration	155 900	163 419	-	15 887	83 011	86 369	(3 358)	-4%	163 419
Internal audit	10 449	9 764	-	1 899	5 888	5 536	352	6%	9 764
<b>Community and public safety</b>	40 240	89 593	-	5 037	19 368	55 904	(36 536)	-65%	89 593
Community and social services	11 679	8 174	-	898	3 265	4 144	(879)	-21%	8 174
Sport and recreation	10 059	16 175	-	1 061	4 379	8 369	(3 991)	-48%	16 175
Public safety	18 502	65 243	-	3 078	11 724	43 391	(31 667)	-73%	65 243
<b>Economic and environmental services</b>	91 149	120 750	-	11 013	42 849	62 723	(19 873)	-32%	120 750
Planning and development	16 794	20 798	-	2 550	9 656	11 055	(1 399)	-13%	20 798
Road transport	74 157	99 257	-	8 463	33 193	51 320	(18 127)	-35%	99 257
Environmental protection	197	696	-	-	-	348	(348)	-100%	696
<b>Trading services</b>	170 605	166 185	-	13 455	69 325	79 330	(10 005)	-13%	166 185
Energy sources	125 582	134 925	-	9 537	52 144	63 829	(11 686)	-18%	134 925
Waste management	45 024	31 260	-	3 918	17 181	15 500	1 680	11%	31 260
<b>Total Expenditure - Functional</b>	<b>510 319</b>	<b>597 283</b>	<b>-</b>	<b>50 197</b>	<b>239 916</b>	<b>312 109</b>	<b>(72 192)</b>	<b>-23%</b>	<b>597 283</b>
<b>Surplus/ (Deficit) for the year</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>	<b>3 774</b>	<b>3%</b>	<b>83 674</b>

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

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	49 272	47 271	-	12 613	23 196	33 196	(10 000)	-30%	47 271
Vote 2 - Municipal Manager	37 701	46 531	-	17 235	37 531	37 531	0	0%	46 531
Vote 3 - Budget & Treasury	83 055	103 972	-	16 894	62 670	58 845	3 825	7%	103 972
Vote 4 - Corporate Services	46 074	50 627	-	19 216	44 164	45 174	(1 010)	-2%	50 627
Vote 5 - Community Services	64 581	138 801	-	21 834	51 579	88 460	(36 881)	-42%	138 801
Vote 6 - Technical Services	239 933	265 908	-	31 346	137 987	163 003	(25 016)	-15%	265 908
Vote 7 - Developmental Planning	16 808	12 923	-	3 315	11 763	11 099	664	6%	12 923
Vote 8 - Executive Support	24 534	14 925	-	5 198	11 925	11 925	0	0%	14 925
<b>Total Revenue by Vote</b>	<b>561 959</b>	<b>680 957</b>	<b>-</b>	<b>127 651</b>	<b>380 815</b>	<b>449 233</b>	<b>(68 418)</b>	<b>-15%</b>	<b>680 957</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	35 993	35 371	-	2 219	16 668	18 488	(1 820)	-10%	35 371
Vote 2 - Municipal Manager	45 860	41 983	-	6 740	24 650	21 699	2 952	14%	41 983
Vote 3 - Budget & Treasury	53 340	66 301	-	4 743	33 276	34 551	(1 275)	-4%	66 301
Vote 4 - Corporate Services	28 369	36 714	-	3 338	14 066	18 242	(4 176)	-23%	36 714
Vote 5 - Community Services	93 637	130 751	-	10 048	41 181	76 364	(35 183)	-46%	130 751
Vote 6 - Technical Services	218 275	248 110	-	18 351	90 968	122 964	(31 996)	-26%	248 110
Vote 7 - Developmental Planning	12 208	15 057	-	1 917	6 774	8 129	(1 355)	-17%	15 057
Vote 8 - Executive Support	22 638	22 996	-	2 841	12 333	11 672	661	6%	22 996
<b>Total Expenditure by Vote</b>	<b>510 319</b>	<b>597 283</b>	<b>-</b>	<b>50 197</b>	<b>239 916</b>	<b>312 109</b>	<b>(72 192)</b>	<b>-23%</b>	<b>597 283</b>
<b>Surplus/ (Deficit) for the year</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>	<b>3 774</b>	<b>3%</b>	<b>83 674</b>

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	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	39 913	44 645	-	4 852	29 361	22 322	7 038	32%	44 645
Service charges - electricity revenue	98 371	108 186	-	6 591	48 045	54 374	(6 329)	-12%	108 186
Service charges - refuse revenue	9 383	9 781	-	811	4 621	5 011	(391)	-8%	9 781
Rental of facilities and equipment	1 019	1 004	-	65	415	499	(84)	-17%	1 004
Interest earned - external investments	1 780	3 652	-	248	897	1 480	(583)	-39%	3 652
Interest earned - outstanding debtors	19 283	18 817	-	1 203	6 869	10 060	(3 191)	-32%	18 817
Fines, penalties and forfeits	2 236	68 520	-	319	958	37 185	(36 227)	-97%	68 520
Licences and permits	5 966	6 315	-	381	3 127	2 667	460	17%	6 315
Transfers and subsidies	307 637	338 906	-	105 214	238 030	254 918	(16 888)	-7%	338 906
Other revenue	2 055	1 524	-	60	2 189	739	1 451	198%	1 524
Gains	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>487 643</b>	<b>601 351</b>	<b>-</b>	<b>119 743</b>	<b>334 513</b>	<b>389 256</b>	<b>(54 743)</b>	<b>-14%</b>	<b>601 351</b>
<b>Expenditure By Type</b>									
Employee related costs	160 187	185 316	-	21 430	87 806	92 667	(4 861)	-5%	185 316
Remuneration of councillors	25 567	25 580	-	2 141	12 841	12 790	51	0%	25 580
Debt impairment	19 690	61 181	-	-	-	41 090	(41 090)	-100%	61 181
Depreciation & asset impairment	57 070	59 780	-	-	-	29 890	(29 890)	-100%	59 780
Finance charges	526	2 185	-	-	137	1 345	(1 208)	-90%	2 185
Bulk purchases	97 949	109 638	-	7 402	44 790	52 241	(7 451)	-14%	109 638
Other materials	37 886	38 645	-	5 954	26 768	20 452	6 316	31%	38 645
Contracted services	77 966	67 165	-	9 339	38 705	31 347	7 358	23%	67 165
Transfers and subsidies	2 591	3 292	-	130	552	1 767	(1 214)	-69%	3 292
Other expenditure	44 245	44 500	-	3 801	28 316	28 519	(203)	-1%	44 500
Losses	(13 349)	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>510 319</b>	<b>697 283</b>	<b>-</b>	<b>50 197</b>	<b>239 916</b>	<b>312 109</b>	<b>(72 192)</b>	<b>-23%</b>	<b>697 283</b>
<b>Surplus/(Deficit)</b>	<b>(22 676)</b>	<b>4 068</b>	<b>-</b>	<b>69 546</b>	<b>94 596</b>	<b>77 147</b>	<b>17 449</b>	<b>23%</b>	<b>4 068</b>
Transfers and subsidies - capital (monetary allocations)	74 316	79 606	-	7 908	46 302	59 977	(13 675)	-23%	79 606
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>			<b>83 674</b>
Taxation									
<b>Surplus/(Deficit) after taxation</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>			<b>83 674</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>			<b>83 674</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>51 640</b>	<b>83 674</b>	<b>-</b>	<b>77 454</b>	<b>140 899</b>	<b>137 124</b>			<b>83 674</b>

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.

In the case of expenditure, the following line items reflect material variance; Bulk purchases, debt impairment, depreciation and asset impairment, finance charges 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 more.



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

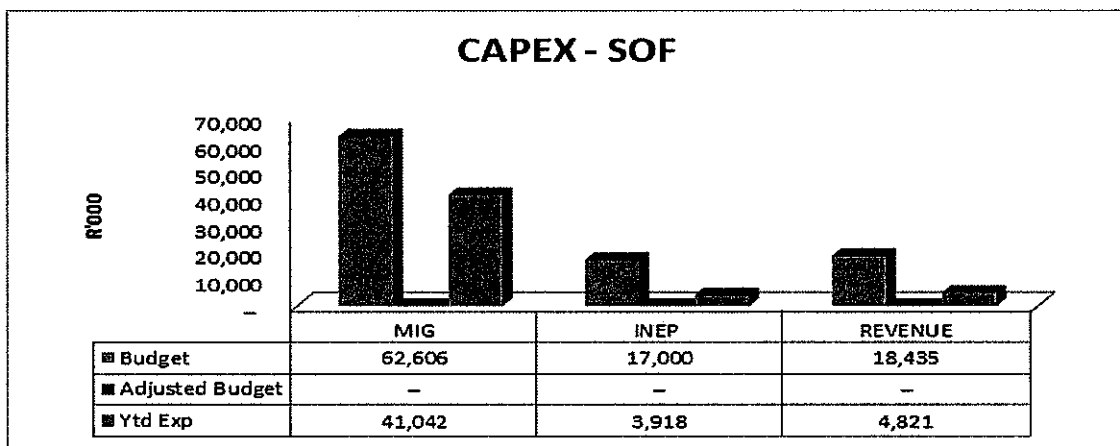
Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	1 903	1 500	-	579	991	943	48	5%	1 500
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	1 903	1 500	-	579	991	943	48	5%	1 500
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	498	3 935	-	1 277	1 961	2 080	(119)	-6%	3 935
Community and social services	498	1 538	-	799	1 253	540	714	132%	1 515
Sport and recreation	-	1 680	-	478	507	1 000	(493)	-49%	1 680
Public safety	-	718	-	-	201	540	(339)	-63%	740
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	57 924	74 106	-	8 070	42 496	45 535	(3 039)	-7%	73 756
Planning and development	-	1 100	-	-	1 075	526	549	104%	1 100
Road transport	57 924	73 006	-	8 070	41 421	45 009	(3 588)	-8%	72 656
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	28 030	18 500	-	-	4 333	12 239	(7 906)	-65%	18 850
Energy sources	28 030	17 260	-	-	4 014	11 339	(7 325)	-65%	17 600
Waste management	-	1 250	-	-	319	900	(581)	-65%	1 250
Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>88 355</b>	<b>98 041</b>	<b>-</b>	<b>9 925</b>	<b>49 781</b>	<b>60 797</b>	<b>(11 016)</b>	<b>-18%</b>	<b>98 041</b>
<b>Funded by:</b>									
National Government	74 316	79 606	-	8 070	44 960	49 744	(4 784)	-10%	79 606
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>74 316</b>	<b>79 606</b>	<b>-</b>	<b>8 070</b>	<b>44 960</b>	<b>49 744</b>	<b>(4 784)</b>	<b>-10%</b>	<b>79 606</b>
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	14 040	18 435	-	1 856	4 821	11 053	(6 233)	-56%	18 435
<b>Total Capital Funding</b>	<b>88 355</b>	<b>98 041</b>	<b>-</b>	<b>9 925</b>	<b>49 781</b>	<b>60 797</b>	<b>(11 016)</b>	<b>-18%</b>	<b>98 041</b>

**Table C5C: Monthly Capital Expenditure by Vote**

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	824	1 500	-	579	991	943	48	5%	1 500
Vote 5 - Community Services	-	4 368	-	1 277	1 760	2 340	(580)	-25%	4 345
Vote 6 - Technical Services	46 398	25 334	-	3 353	12 172	14 910	(2 738)	-18%	22 815
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>47 222</b>	<b>31 202</b>	<b>-</b>	<b>5 209</b>	<b>14 923</b>	<b>18 193</b>	<b>(3 270)</b>	<b>-18%</b>	<b>28 660</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	498	818	-	-	520	640	(120)	-19%	840
Vote 6 - Technical Services	40 635	64 922	-	4 717	33 263	41 438	(8 175)	-20%	67 441
Vote 7 - Developmental Planning	-	1 100	-	-	1 075	526	549	104%	1 100
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>41 133</b>	<b>66 839</b>	<b>-</b>	<b>4 717</b>	<b>34 858</b>	<b>42 605</b>	<b>(7 746)</b>	<b>-18%</b>	<b>69 381</b>
<b>Total Capital Expenditure</b>	<b>88 355</b>	<b>98 041</b>	<b>-</b>	<b>9 925</b>	<b>49 781</b>	<b>60 797</b>	<b>(11 016)</b>	<b>-18%</b>	<b>98 041</b>

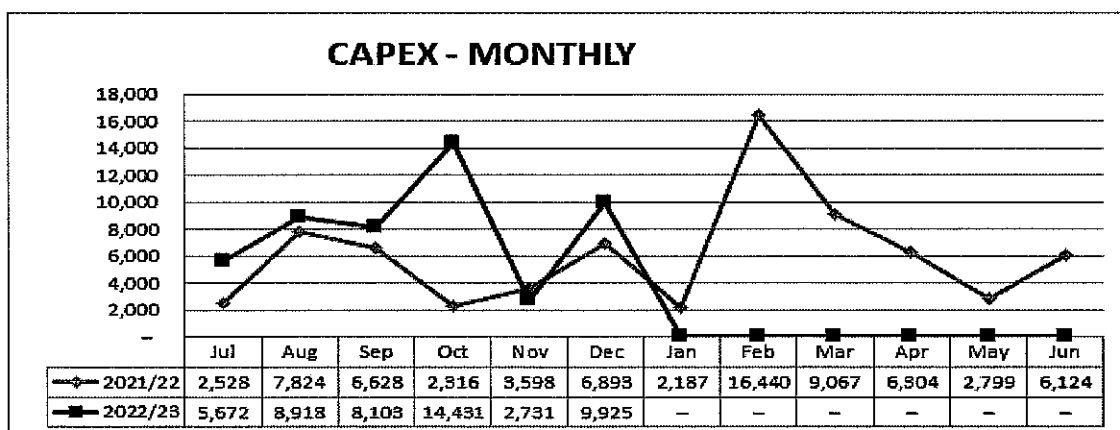
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of December 2022, R9, 925 million spending is incurred and the year to date expenditure amounts to R49 781 million whilst the year to date budget is R60 797 million and this gave rise to under spending variance of R11, 016 million that translates to 18%.

**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 R98, 041 million, R62, 606 million is funded from Municipal Infrastructure grant, R17, 000 million from Integrated National Electrification Programme and R18, 435 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 2021/22 and 2022/23 monthly capital expenditure performance.

**Table C6: Monthly Budget Statement Financial Position**

Description	2021/22	Budget Year 2022/23			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	14 710	24 162		4 457	24 162
Call investment deposits	-	-		45 248	-
Consumer debtors	96 531	61 834		116 594	61 834
Other debtors	20 810	62 845		84 851	62 845
Current portion of long-term receivables	-	119			119
Inventory	20 355	10 005		23 668	10 005
<b>Total current assets</b>	<b>133 384</b>	<b>158 966</b>	<b>-</b>	<b>274 817</b>	<b>158 966</b>
<b>Non current assets</b>					
Long-term receivables	-	-		-	-
Investments	-	17 278		-	17 278
Investment property	96 399	48 547		96 399	48 547
Investments in Associate	-				
Property, plant and equipment	1 088 067	1 258 405		1 138 277	1 258 405
Biological	-	-		-	-
Intangible	14	331		14	331
Other non-current assets	16 536	463		1 928	463
<b>Total non current assets</b>	<b>1 201 016</b>	<b>1 325 025</b>	<b>-</b>	<b>1 236 618</b>	<b>1 325 025</b>
<b>TOTAL ASSETS</b>	<b>1 353 422</b>	<b>1 483 992</b>	<b>-</b>	<b>1 511 435</b>	<b>1 483 992</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	-	-		-	-
Borrowing	6 638	7 459		4 224	7 459
Consumer deposits	5 621	5 700		5 242	5 700
Trade and other payables	104 167	101 172		165 651	101 172
Provisions	2 515	6 012		1 142	6 012
<b>Total current liabilities</b>	<b>118 941</b>	<b>120 343</b>	<b>-</b>	<b>176 259</b>	<b>120 343</b>
<b>Non current liabilities</b>					
Borrowing	12 702	17 458		14 616	17 458
Provisions	85 956	96 252		84 720	96 252
<b>Total non current liabilities</b>	<b>98 658</b>	<b>113 710</b>	<b>-</b>	<b>99 335</b>	<b>113 710</b>
<b>TOTAL LIABILITIES</b>	<b>217 599</b>	<b>234 053</b>	<b>-</b>	<b>275 594</b>	<b>234 053</b>
<b>NET ASSETS</b>	<b>1 135 823</b>	<b>1 249 938</b>	<b>-</b>	<b>1 235 841</b>	<b>1 249 938</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1 135 823	1 230 938		1 235 841	1 230 938
Reserves	-	19 000		-	19 000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1 135 823</b>	<b>1 249 938</b>	<b>-</b>	<b>1 235 841</b>	<b>1 249 938</b>

The above table shows that community wealth amounts to R1, 235 billion, total liabilities R275, million and the total assets R1, 511 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 1.6:1 that is not within the acceptable norm of 2:1. 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	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	28 584	40 092		2 289	17 839	17 968	(130)	-1%	40 092
Service charges	70 796	122 434		8 190	46 338	48 655	(2 317)	-5%	122 434
Other revenue	44 971	17 752		2 052	35 635	15 345	20 290	132%	17 752
Transfers and Subsidies - Operational	307 767	338 906		104 805	239 274	245 396	(6 122)	-2%	338 906
Transfers and Subsidies - Capital	79 469	79 606		16 750	63 020	63 762	(742)	-1%	79 606
Interest	1 780	3 652		313	2 204	2 102	102	5%	3 652
<b>Payments</b>									
Suppliers and employees	(442 993)	(508 739)		(78 774)	(310 190)	(308 125)	2 065	-1%	(508 739)
Finance charges	(526)	(2 185)		-	(137)	(142)	(4)	3%	(2 185)
Transfers and Grants	(1 547)	3 292		(130)	(552)	(548)	4	-1%	3 292
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>88 300</b>	<b>94 811</b>	<b>-</b>	<b>55 495</b>	<b>93 430</b>	<b>84 414</b>	<b>(9 016)</b>	<b>-11%</b>	<b>94 811</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	1 011	5 544				421	(421)	-100%	5 544
Decrease (increase) in non-current receivables	-	-					-		-
Decrease (increase) in non-current investments	-	(1 776)				(1 780)	1 780	-100%	(1 776)
<b>Payments</b>									
Capital assets	(76 960)	(81 790)		(9 925)	(49 781)	(51 452)	(1 671)	3%	(81 790)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(75 949)</b>	<b>(78 022)</b>	<b>-</b>	<b>(9 925)</b>	<b>(49 781)</b>	<b>(52 811)</b>	<b>(3 030)</b>	<b>6%</b>	<b>(78 022)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-	488				42	(42)	-100%	488
Increase (decrease) in consumer deposits	-	-					-		-
<b>Payments</b>									
Repayment of borrowing	(4 457)	(7 459)		-	(542)	(552)	(10)	2%	(7 459)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(4 457)</b>	<b>(6 971)</b>	<b>-</b>	<b>-</b>	<b>(542)</b>	<b>(510)</b>	<b>32</b>	<b>-6%</b>	<b>(6 971)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>7 894</b>	<b>9 818</b>	<b>-</b>	<b>45 570</b>	<b>43 107</b>	<b>31 093</b>			<b>9 818</b>
Cash/cash equivalents at beginning:	6 816	14 245			6 597	14 245			6 597
Cash/cash equivalents at month/year end:	14 710	24 063			49 704	45 338			16 415

Table C7 presents details pertaining to cash flow performance. As at end of December 2022, the net cash inflow from operating activities is R93,430 million whilst net cash outflow from investing activities is R49,781 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R542 thousands. The cash and cash equivalent held at end of December 2022 amounted to R49, 704 million and the net effect of the above cash flows is cash inflow movement of R43, 107 million. The cash and cash equivalent at end of the reporting period of R49, 704 million, is mainly made up of cash in the primary bank account amounting to R4, 457 with a short term investment amounting to R45, 248 million at the end of December 2022.

## SUPPORTING TABLES

### Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2022/23								Total over 90 days	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			
<b>Debtors Age Analysis By Income Source</b>											
Trade and Other Receivables from Exchange Transactions - Electricity	7,985	1,141	457	344	139	131	603	2,553	13,352	3,789	-
Receivables from Non-exchange Transactions - Property Rates	4,911	2,626	2,389	2,257	2,207	2,175	6,164	49,089	71,816	61,891	-
Receivables from Exchange Transactions - Waste Management	811	509	438	406	401	400	2,318	17,957	23,245	21,492	-
Receivables from Exchange Transactions - Property Rental Debtors	65	29	24	24	19	22	135	1,272	1,691	1,472	-
Interest on Arrear Debtor Accounts	1,206	1,172	1,140	1,112	1,083	1,054	9,426	46,344	62,536	60,016	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-
Other	1,000	(228)	145	27	(763)	(1)	(281)	3,848	3,739	2,820	-
<b>Total By Income Source</b>	<b>15,977</b>	<b>5,244</b>	<b>4,594</b>	<b>4,170</b>	<b>3,086</b>	<b>3,780</b>	<b>18,354</b>	<b>121,072</b>	<b>176,278</b>	<b>150,463</b>	<b>-</b>
<b>2019/20 - total only</b>	<b>13,747</b>	<b>5,951</b>	<b>3,560</b>	<b>3,407</b>	<b>3,479</b>	<b>3,298</b>	<b>18,231</b>	<b>106,666</b>	<b>158,338</b>	<b>135,081</b>	<b>-</b>
<b>Debtors Age Analysis By Customer Group</b>											
Organs of State	2,466	1,548	1,776	1,609	561	1,340	5,884	39,483	55,066	49,276	-
Commercial	8,267	1,176	714	580	204	499	933	8,133	20,507	10,350	-
Households	5,053	2,585	2,051	1,953	1,909	1,907	10,989	70,594	97,050	87,352	-
Other	192	(88)	43	28	13	34	549	2,862	3,655	3,466	-
<b>Total By Customer Group</b>	<b>15,977</b>	<b>5,244</b>	<b>4,594</b>	<b>4,170</b>	<b>3,086</b>	<b>3,780</b>	<b>18,354</b>	<b>121,072</b>	<b>176,278</b>	<b>150,463</b>	<b>-</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of December amount to R176, 278 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**

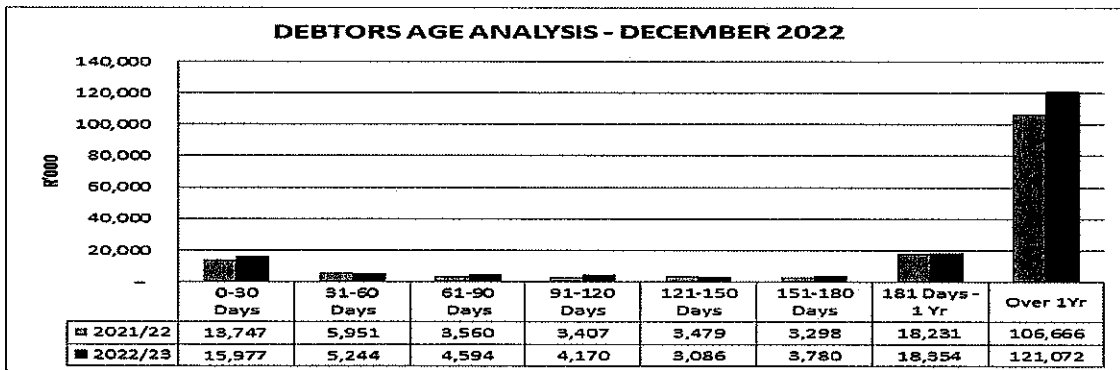
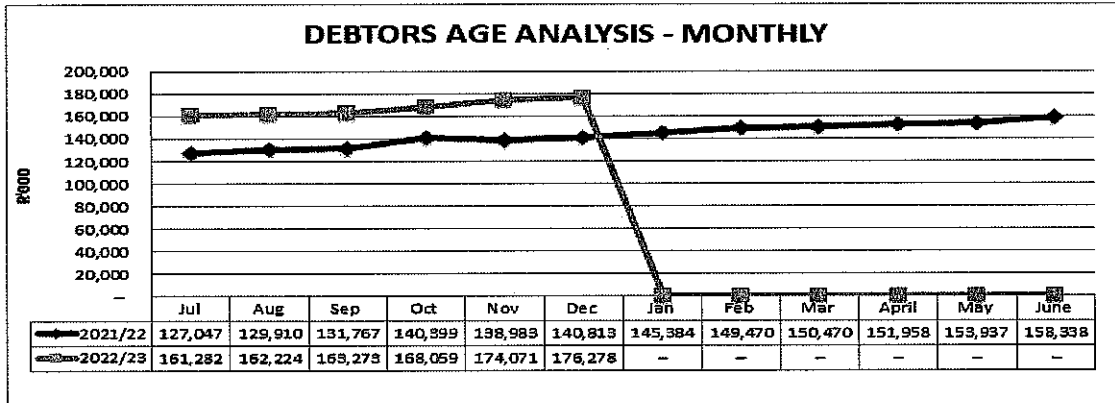


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2021/22 financial year and 2022/23 (as at end of December 2022) whilst the latter shows monthly movement of debtors for both the current financial years. The debtors book is materially less than the 2022/23 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	1,581,530
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	1,417,315
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OCCUPIER	1,140,933
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	OCCUPIER	725,948
9000808	NATIONAL GOVERNMENT OF THE REP	ACTIVE	OWNER	640,021
9000819	SUID-AFRIKAANSE ONTWIKKELINGST	ACTIVE	OWNER	597,105
800000478	DAYBREAK PROP 3 PTY LTD	ACTIVE	OWNER	533,342
1501364	JAN JOUBERT TRUST (JO JO TANKS)	ACTIVE	OCCUPIER	470,105
1200062	GREAT NORTH TRANSPORT	ACTIVE	OCCUPIER	454,548
2200702	NAMIB FAMILY TRUST	ACTIVE	OWNER	446,873
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	441,724
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OCCUPIER	438,005
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	432,620
9000240	NATIONAL GOVERNMENT OF THE REP	ACTIVE	OWNER	418,599
9002503	GOUWS BOERDERY TRUST 1999/022459/07	ACTIVE	OWNER	379,250
9019006	TIGER STRIPES INVESTMENTS (PTY	ACTIVE	OWNER	365,765
9002541	NELSPRUIT DEVELOPMENT TRUST	ACTIVE	OWNER	354,144
9001053	NDEBELE STAM	ACTIVE	OWNER	353,132
5000305	NKANGALA DISTRICT MUNICIPALITY	ACTIVE	OWNER	334,246
2200691	EHLERS JA	ACTIVE	OWNER	332,020
<b>TOTAL</b>				<b>11,857,227</b>

**Supporting Table: SC 4 - Creditors Age Analysis**

Description	Budget Year 2022/23									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	
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity									-	
Bulk Water									-	
PAYE deductions									-	
VAT (output less input)									-	
Pensions / Retirement deductions									-	
Loan repayments									-	
Trade Creditors									-	
Auditor General									-	
Other									-	
<b>Total By Customer Type</b>	-	-	-	-	-	-	-	-	-	-

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.
- Proposal was made that the municipality need to maintain the invoice register that should be used for manually updating the creditor's age analysis and the Budget and Treasury department is in a process of implementing the proposed register.

## TOP CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
81054	KGWADI YA MADIBA GENERAL	3,392,500
81264	ROOIBERG ASPHALT (PTY)LTD	3,368,500
80984	GUBIS 85 SOLUTION	2,594,022
37581	PHELADI NOKO B1 FUNERAL	1,007,245
37808	UMJANTSHI - ESPORWENI TRADING	918,850
81223	STEAGLE JV LM GEOMATICS	707,500
81200	VAPOPAX	667,920
80900	MARKET DEMAND TRADING 773	651,596
41110	KOBOTSE (PTY) LTD	451,819
80668	MAMPHELA MAMPHELA HOLDING	335,800
81025	STOP AND GO PROPERTIES	276,909
80944	INAMI PROJECTS	212,596
70086	PFUKANI-KUSILE CONSULTING	165,313
81225	LOSKOP ALARMS	134,287
81155	AMBITION PARTNERS CHARTERED	99,996
479	HUTJO TRADING ENTERPRISE	95,000
81042	MATUPUNUKA ICT	78,865
1	ESKOM	57,083
41095	REAKGONA TRAVEL SERVICES	33,048
81149	MATUNA TECH AND CONSTRUCTION	29,850
<b>TOTAL</b>		<b>15,278,698</b>

The above table presents the top creditors paid during the month of December 2022 and an amount of R15, 279 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 015 (038823527016)	1 Month	Current Investment	8.0%	-	21-Feb-23	-	109,247	-	20,000,000	20,109,247
STANDARD BANK 015 (038823527017)	3 Month	Current Investment	8.1%	-	3-Mar-23	-	138,271	-	25,000,000	25,138,271
<b>TOTAL INVESTMENTS AND INTEREST</b>						-	<b>247,517</b>	-	<b>45,000,000</b>	<b>45,247,517</b>

Supporting Table SC5 displays the council's investment portfolio. The Municipality's current investment portfolio during the month of December had an opening balance of nil, investment top up amounted R45, 000 million in different portfolio investments, earned an interest of R247, 517 thousand, and closed off with R45, 247 million.



### Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
National Government:	307 637	338 906	-	104 805	239 274	168 745	70 529	42%	338 906
Local Government Equitable Share	302 788	334 260		104 805	235 166	164 638	70 528	43%	334 260
Finance Management	2 650	2 850		-	2 850	2 850	-		2 850
EPWP Incentive	2 199	1 796		-	1 258	1 257	1	0%	1 796
Other grant providers:	130	-	-	-	-	-	-		-
LGSETA Learnership and Development	130								
<b>Total Operating Transfers and Grants</b>	<b>307 768</b>	<b>338 906</b>	<b>-</b>	<b>104 805</b>	<b>239 274</b>	<b>168 745</b>	<b>70 529</b>	<b>42%</b>	<b>338 906</b>
<b>Capital Transfers and Grants</b>									
National Government:	79 332	79 606	-	16 750	63 020	59 977	3 043	5%	79 606
Municipal Infrastructure Grant (MIG)	57 984	62 606		16 750	54 020	45 989	8 031	17%	62 606
Integrated National Electrification Grant	21 348	17 000		-	9 000	13 988	(4 988)	-36%	17 000
Provincial Government:	-	-	-	-	-	-	-		-
Coghsia - Development									
District Municipality:									
N/A									
Other grant providers:	-	-	-	-	-	-	-		-
N/A									
<b>Total Capital Transfers and Grants</b>	<b>79 332</b>	<b>79 606</b>	<b>-</b>	<b>16 750</b>	<b>63 020</b>	<b>59 977</b>	<b>3 043</b>	<b>5%</b>	<b>79 606</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>387 100</b>	<b>418 512</b>	<b>-</b>	<b>121 555</b>	<b>302 294</b>	<b>228 722</b>	<b>73 572</b>	<b>32%</b>	<b>418 512</b>

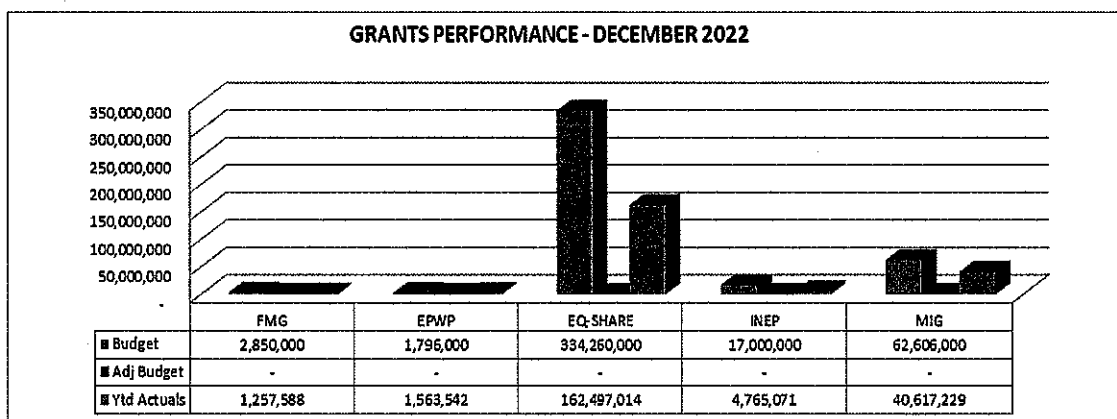
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R302 294 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R235, 166 million; Financial Management Grant amounting to R2,850 million; Municipal Infrastructure Grant amounting to R54, 020 million; Integrated National Energy Grant R9, 000 million and Expanded Public Works Programme R1, 258 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 except disapproved roll over relating to Municipal Infrastructure Grant and Integrated National Energy Grant which was set off against equitable shares.

### Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:	307 637	338 906	-	36 538	165 318	168 745	(3 426)	-2%	338 906
Local Government Equitable Share	302 788	334 260		36 172	162 497	164 638	(2 141)	-1%	334 260
Finance Management	2 650	2 850		64	1 258	2 850	(1 592)	-56%	2 850
EPWP Incentive	2 199	1 796		301	1 654	1 257	307	24%	1 796
Other grant providers:	-	-	-	-	-	-	-		-
LGSETA Learnership and Development									
<b>Total operating expenditure of Transfers and Grants:</b>	<b>307 637</b>	<b>338 906</b>	<b>-</b>	<b>36 538</b>	<b>165 318</b>	<b>168 745</b>	<b>(3 426)</b>	<b>-2%</b>	<b>338 906</b>
<b>Capital expenditure of Transfers and Grants</b>									
National Government:	74 316	79 606	-	7 908	45 382	59 977	(14 595)	-24%	79 606
Municipal Infrastructure Grant (MIG)	57 924	62 606		7 908	40 617	45 989	(5 372)	-12%	62 606
Integrated National Electrification Grant	16 392	17 000		-	4 765	13 988	(9 223)	-66%	17 000
Provincial Government:									
Coghsia - Development									
District Municipality:									
N/A									
Other grant providers:	-	-	-	-	-	-	-		-
N/A							0		
<b>Total capital expenditure of Transfers and Grants</b>	<b>74 316</b>	<b>79 606</b>	<b>-</b>	<b>7 908</b>	<b>45 382</b>	<b>59 977</b>	<b>(14 595)</b>	<b>-24%</b>	<b>79 606</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>381 953</b>	<b>418 512</b>	<b>-</b>	<b>44 446</b>	<b>210 700</b>	<b>228 722</b>	<b>(18 021)</b>	<b>-8%</b>	<b>418 512</b>

An amount of R44, 446 million has been spent on grants during the month of December 2022 and the year to date actuals is R210, 700 million whilst the year to date budget amounts to R228, 722 million and this results in an under spending variance of R18 021 million that translates to 8%. Of the total spending amounting to R44, 446 million, R36, 538 million is spent on operational grants whilst capital grants spent R7, 908 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 2022. The grants expenditure are shown below in percentages:

- Financial Management Grant 44.13%
- Expanded Public Work Programme 87.06%
- Equitable Share 48.61%
- Integrated National Electrification Grant 28.03%
- Municipal Infrastructure Grant 64.88%

## Supporting Table: SC8 - Councillor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	15 253	14 476		1 286	7 728	7 238	490	7%	14 476
Pension and UIF Contributions	1 863	2 504		172	1 025	1 252	(227)	-18%	2 504
Medical Aid Contributions	194	89		7	44	44	-		89
Motor Vehicle Allowance	5 281	5 536		450	2 830	2 768	62	2%	5 536
Cellphone Allowance	2 738	2 753		207	1 081	1 376	(295)	-21%	2 753
Other benefits and allowances	238	223		19	132	112	21	18%	223
<b>Sub Total - Councillors</b>	<b>25 567</b>	<b>25 580</b>	<b>-</b>	<b>2 141</b>	<b>12 841</b>	<b>12 790</b>	<b>51</b>	<b>0%</b>	<b>25 580</b>
<b>% increase</b>		<b>3%</b>							<b>3%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	3 197	4 315		118	1 059	2 157	(1 099)	-51%	4 315
Pension and UIF Contributions	88	338		9	49	169	(120)	-71%	338
Medical Aid Contributions	80	1 464		10	49	732	(683)	-93%	1 464
Motor Vehicle Allowance	186	519		17	93	259	(166)	-64%	519
Cellphone Allowance	85	166		5	34	83	(49)	-59%	166
Other benefits and allowances	211	312		40	92	156	(64)	-41%	312
Payments in lieu of leave							-		
<b>Sub Total - Senior Managers of Municipality</b>	<b>3 847</b>	<b>7 112</b>	<b>-</b>	<b>199</b>	<b>1 374</b>	<b>3 556</b>	<b>(2 182)</b>	<b>-61%</b>	<b>7 112</b>
<b>% increase</b>		<b>88%</b>							<b>88%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	102 769	115 473		9 087	54 143	57 736	(3 594)	-6%	115 473
Pension and UIF Contributions	19 579	26 387		1 713	10 338	13 193	(2 855)	-22%	26 387
Medical Aid Contributions	5 442	5 593		474	2 847	2 796	51	2%	5 593
Overtime	1 055	1 163		17	209	581	(373)	-64%	1 163
Motor Vehicle Allowance	13 018	15 702		1 164	7 042	7 851	(809)	-10%	15 702
Cellphone Allowance	1 917	1 426		159	963	713	250	35%	1 426
Housing Allowances	220	230		21	125	115	10	9%	230
Other benefits and allowances	10 429	11 279		8 479	9 348	5 649	3 699	65%	11 279
Payments in lieu of leave	624	442		116	867	221	646	293%	442
Long service awards	1 288	510		-	550	255	295	115%	510
Post-retirement benefit obligations	-	-		-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>	<b>156 340</b>	<b>178 204</b>	<b>-</b>	<b>21 231</b>	<b>86 432</b>	<b>89 111</b>	<b>(2 679)</b>	<b>-3%</b>	<b>178 204</b>
<b>% increase</b>		<b>16%</b>							<b>16%</b>
<b>Total Parent Municipality</b>	<b>185 754</b>	<b>210 897</b>	<b>-</b>	<b>23 572</b>	<b>100 648</b>	<b>105 458</b>	<b>(4 810)</b>	<b>-5%</b>	<b>210 897</b>
<b>% increase</b>		<b>16%</b>							<b>16%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>185 754</b>	<b>210 897</b>	<b>-</b>	<b>23 572</b>	<b>100 648</b>	<b>105 458</b>	<b>(4 810)</b>	<b>-5%</b>	<b>210 897</b>
<b>% increase</b>		<b>16%</b>							<b>16%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>160 187</b>	<b>185 316</b>	<b>-</b>	<b>21 430</b>	<b>87 806</b>	<b>92 667</b>	<b>(4 861)</b>	<b>-5%</b>	<b>185 316</b>

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid as at end of December 2022 amounts to 100,648 million and the year to date budget is R105,458 million and the expenditure for remuneration of councillors amounts to R12,841 million while the year to date budget is R12,790 million. The year to date actual expenditure for senior managers is R1,374 million and the year to date budget thereof is R3,556 million. There are four senior managerial vacant positions (Budget and Treasury, Corporate services, Infrastructure and Planning) and this is causing underspending variance on budget performance for senior management. The year to date actuals for other municipal staff is R86,432 million and the year to date budget is R89,111 million. The remuneration of councillors and other municipal staff category has under spending variance, and there are four vacant positions in the senior management level and the positions should be filled in the new financial year 2022/23.

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

Description	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget				
<b>Cash Receipts By Source</b>																
Property rates	2,878	4,492	2,679	2,585	2,916	2,289	3,341	3,341	3,341	3,341	3,341	5,549	40,092	41,856	43,740	
Service charges - electricity revenue	8,018	7,087	7,464	6,536	6,815	7,783	9,569	9,569	9,569	9,569	9,569	23,179	114,826	119,873	125,264	
Service charges - refuse	509	354	478	389	387	407	642	642	642	642	642	1,961	7,708	8,047	8,499	
Rental of facilities and equipment	46	29	40	31	34	28	193	193	193	193	193	1,140	2,312			
Interest earned - external investments	71	167	324	127	27	248	21	32	32	32	32	(716)	389	3,669	3,675	
Interest earned - outstanding debtors	213	537	128	159	148	66	654	686	689	754	422	2,057	5,512	7,551	8,541	
Fines, penalties and forfeits	21	35	48	160	376	319	363	353	353	353	353	1,511	4,232	9,300	9,718	
Licences and permits	500	612	576	578	481	526	526	526	526	526	526	557	6,315	6,593	6,890	
Transfers and Subsidies - Operational	130,361	3,295	-	-	809	104,805	538	83,594				5,500	338,906	359,874	384,977	
Other revenue	1,699	2,742	1,624	1,246	22,806	1,324	1,877	1,877	1,877	1,877	1,877	(18,200)	22,528	2,640	2,758	
<b>Other Receipts by Source</b>	<b>144,217</b>	<b>19,354</b>	<b>13,350</b>	<b>11,911</b>	<b>34,799</b>	<b>117,643</b>	<b>17,177</b>	<b>17,767</b>	<b>110,817</b>	<b>17,288</b>	<b>16,956</b>	<b>22,538</b>	<b>543,823</b>	<b>559,405</b>	<b>593,974</b>	
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations)	19,000	-	23,270	-	4,000	16,750	-	3,000	12,566	-	-	-	-	79,606	76,364	79,794
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	488	468	237	505	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>163,217</b>	<b>19,354</b>	<b>36,630</b>	<b>11,911</b>	<b>38,799</b>	<b>134,399</b>	<b>17,177</b>	<b>21,767</b>	<b>123,403</b>	<b>17,288</b>	<b>16,956</b>	<b>23,026</b>	<b>623,917</b>	<b>636,006</b>	<b>674,273</b>	
<b>Cash Payments by Type</b>																
Employee related costs	12,738	13,454	13,127	13,783	13,274	21,430	16,824	16,824	16,824	16,824	16,824	29,592	201,889	210,668	219,614	
Remuneration of councillors	2,069	2,293	2,060	2,079	2,079	2,141	2,069	2,069	2,069	2,069	2,069	3,214	25,401	30,493	34,153	
Interest paid	-	137	-	-	-	-	329	339	346	351	321	1,395	3,221	2,326	2,472	
Bulk purchases - Electricity	83	10,506	11,366	8,400	7,014	7,402	9,137	9,137	9,137	9,137	9,137	19,165	109,638	114,462	119,613	
Other materials	5,315	8,109	4,668	2,557	2,155	5,554	3,320	3,320	3,320	3,320	3,320	(3,526)	39,844	35,165	36,667	
Contracted services	3,535	6,857	9,209	6,185	3,571	9,339	5,805	5,805	5,805	5,805	5,805	1,932	69,664	63,305	66,069	
Grants and subsidies paid - other	136	61	75	57	93	130	274	274	274	274	274	1,358	3,292	3,436	3,568	
General expenses	10,729	2,350	2,353	4,338	4,725	3,801	3,212	3,851	3,452	2,897	2,880	4,339	48,846	61,842	64,478	
<b>Cash Payments by Type</b>	<b>34,604</b>	<b>41,887</b>	<b>42,908</b>	<b>37,399</b>	<b>32,920</b>	<b>50,197</b>	<b>40,370</b>	<b>41,620</b>	<b>41,228</b>	<b>40,681</b>	<b>40,631</b>	<b>57,851</b>	<b>502,897</b>	<b>521,699</b>	<b>534,655</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	5,672	8,918	8,103	14,431	2,731	9,925	6,667	6,667	6,667	6,667	6,667	(3,111)	80,005	81,383	90,922	
Repayment of borrowing	-	542	-	-	-	-	1,996	2,140	2,425	2,642	2,861	12,320	24,917	25,723	26,588	
Other Cash Flows/Payments	23,600	2,886	11,659	4,103	-	28,707	3,542	-	2,854	-	3,456	(40,750)	38,856	31,800	45,634	
<b>Total Cash Payments by Type</b>	<b>63,775</b>	<b>54,333</b>	<b>52,673</b>	<b>65,934</b>	<b>65,662</b>	<b>88,823</b>	<b>81,165</b>	<b>80,427</b>	<b>82,915</b>	<b>49,990</b>	<b>53,615</b>	<b>26,299</b>	<b>647,674</b>	<b>660,505</b>	<b>698,859</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>99,441</b>	<b>(34,979)</b>	<b>(16,043)</b>	<b>(44,022)</b>	<b>3,147</b>	<b>45,870</b>	<b>(35,989)</b>	<b>(28,670)</b>	<b>70,428</b>	<b>(32,702)</b>	<b>(36,659)</b>	<b>(3,273)</b>	<b>(23,757)</b>	<b>(24,599)</b>	<b>(24,586)</b>	
Cash/cash equivalents at the month/year beginning	6,597	106,038	71,859	45,010	987	4,134	46,704	13,716	(14,854)	55,474	22,772	(13,887)	6,597	(17,160)	(41,759)	(41,759)
Cash/cash equivalents at the month/year end	106,038	71,059	45,010	987	4,134	49,704	13,716	(14,854)	65,474	22,772	(13,887)	(17,160)	(17,160)	(41,759)	(66,345)	(66,345)

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 R38, 799 million and the total cash payment for the month were R35, 652 million and this resulted in net increase in cash held amounting to R3, 147 million. With cash and cash equivalent of R987 thousand at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R4, 134 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	Budget Year 2022/23								
	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
July	2 528	11 281		5 672	5 672	11 281	5 608	50%	6%
August	10 352	13 110		8 918	14 590	24 391	9 800	40%	15%
September	16 980	8 644		8 103	22 693	33 034	10 341	31%	23%
October	19 296	8 526		14 431	37 124	41 561	4 436	11%	38%
November	22 893	7 411		2 731	39 856	48 972	9 116	19%	41%
December	29 786	11 299		9 925	49 781	60 271	10 490	17%	51%
January	31 973	3 718				63 989	-		
February	48 413	10 392				74 381	-		
March	57 479	7 436				81 817	-		
April	63 783	8 496				90 314	-		
May	66 582	2 619				92 932	-		
June	88 355	5 109				98 041	-		
<b>Total Capital expenditure</b>	<b>88 355</b>	<b>98 041</b>	<b>-</b>	<b>49 781</b>					

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 R9, 925 million. The year to date actual expenditure incurred is R49, 781 million whilst the year to date budget is R60, 271 million that gives rise to under spending variance of R10, 490 million that translate to 17%.

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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class</b>									
<b>Infrastructure</b>	22 332	18 500	--	--	4 333	11 984	7 651	64%	18 500
<b>Roads Infrastructure</b>	--	--	--	--	--	--	--	--	--
Roads									
Road Structures									
Road Furniture									
Attenuation									
<b>Electrical Infrastructure</b>	22 332	17 250	--	--	4 014	11 084	7 070	64%	17 250
MV Substations		50				45	45	100%	50
MV Networks	22 332	17 000			3 918	10 839	6 921	64%	17 000
LV Networks	--	--			--	--	--	--	--
Capital Spares		200			97	200	103	52%	200
<b>Solid Waste Infrastructure</b>	--	1 250	--	--	319	900	581	65%	1 250
Landfill Sites									
Waste Transfer Stations									
Capital Spares		1 250	--	--	319	900	581	65%	1 250
<b>Community Assets</b>	--	418	--	--	201	300	99	33%	418
<b>Community Facilities</b>	--	418	--	--	201	300	99	33%	418
Libraries									
Cemeteries/Crematoria									
Capital Spares		418	--	--	201	300	99	33%	418
<b>Other assets</b>	--	458	--	--	454	145	(309)	-213%	458
Municipal Offices									
Stores		458			454	145	(309)	-213%	458
<b>Intangible Assets</b>	--	300	--	--	--	200	200	100%	300
Servitudes									
Licences and Rights		300	--	--	--	200	200	100%	300
Unspecified		300				200	200	100%	300
<b>Computer Equipment</b>	824	700	--	292	555	561	6	1%	700
Computer Equipment	824	700		292	555	561	6	1%	700
<b>Furniture and Office Equipment</b>	--	500	--	287	436	423	(13)	-3%	500
Furniture and Office Equipment		500		287	436	423	(13)	-3%	500
<b>Machinery and Equipment</b>	214	1 610	--	--	379	1 030	651	63%	1 610
Machinery and Equipment	214	1 610			379	1 030	651	63%	1 610
<b>Transport Assets</b>	1 079	--	--	--	--	--	--	--	--
Transport Assets	1 079								
<b>Total Capital Expenditure on new assets</b>	<b>24 449</b>	<b>22 485</b>	<b>--</b>	<b>579</b>	<b>6 358</b>	<b>14 643</b>	<b>8 285</b>	<b>57%</b>	<b>22 485</b>

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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
<b>Infrastructure</b>	44 874	32 631	-	4 505	18 845	19 859	1 015	5%	32 631
Roads Infrastructure	39 750	28 631	-	4 505	14 869	15 859	990	6%	28 631
Roads	39 750	28 331	-	4 505	14 869	15 659	790	5%	28 331
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	300	-	-	-	200	200	100%	300
Attenuation	-	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	5 124	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
MV Networks	5 124	-	-	-	-	-	-	-	-
<b>Solid Waste Infrastructure</b>	-	4 000	-	-	3 975	4 000	25	1%	4 000
Landfill Sites	-	4 000	-	-	3 975	4 000	25	1%	4 000
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	1 000	-	799	799	801	2	0%	1 000
Cemeteries/Crematoria	-	1 000	-	799	799	801	2	0%	1 000
Police	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>44 874</b>	<b>33 631</b>	<b>-</b>	<b>5 304</b>	<b>19 644</b>	<b>20 660</b>	<b>1 017</b>	<b>4,9%</b>	<b>33 631</b>

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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
Infrastructure	30 270	24 286	-	3 971	18 437	18 565	129	1%	24 753
<b>Roads Infrastructure</b>	<b>13 895</b>	<b>14 300</b>	<b>-</b>	<b>2 988</b>	<b>13 811</b>	<b>14 512</b>	<b>701</b>	<b>5%</b>	<b>14 217</b>
Roads	13 895	14 300	-	2 988	13 811	14 512	701	5%	14 217
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	<b>12 201</b>	<b>8 263</b>	<b>-</b>	<b>742</b>	<b>3 422</b>	<b>3 073</b>	<b>(349)</b>	<b>-11%</b>	<b>9 536</b>
HV Substations	-	-	-	-	-	-	-	-	-
MV Networks	12 201	8 263	-	742	3 422	3 073	(349)	-11%	9 536
LV Networks	-	-	-	-	-	-	-	-	-
<b>Solid Waste Infrastructure</b>	<b>4 175</b>	<b>1 722</b>	<b>-</b>	<b>241</b>	<b>1 204</b>	<b>980</b>	<b>(224)</b>	<b>-23%</b>	<b>1 000</b>
Landfill Sites	4 175	1 722	-	241	1 204	980	(224)	-23%	1 000
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	<b>166</b>	<b>594</b>	<b>-</b>	<b>19</b>	<b>388</b>	<b>389</b>	<b>1</b>	<b>0%</b>	<b>594</b>
Community Facilities	166	594	-	19	388	389	1	0%	594
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Parks	166	594	-	19	388	389	1	0%	594
<b>Sport and Recreation Facilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	<b>575</b>	<b>1 013</b>	<b>-</b>	<b>31</b>	<b>1 004</b>	<b>1 546</b>	<b>542</b>	<b>35%</b>	<b>2 645</b>
Municipal Offices	541	1 013	-	31	1 004	1 546	542	35%	2 645
Stores	34	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	<b>38</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>99</b>	<b>100%</b>	<b>200</b>
Servitudes	-	-	-	-	-	-	-	-	-
Computer Software and Applications	38	200	-	-	-	99	99	100%	200
<b>Computer Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	<b>3 214</b>	<b>7 806</b>	<b>-</b>	<b>1 552</b>	<b>4 825</b>	<b>3 646</b>	<b>(1 179)</b>	<b>-32%</b>	<b>6 445</b>
Machinery and Equipment	3 214	7 806	-	1 552	4 825	3 646	(1 179)	-32%	6 445
<b>Transport Assets</b>	<b>4 117</b>	<b>3 794</b>	<b>-</b>	<b>580</b>	<b>2 999</b>	<b>2 342</b>	<b>(656)</b>	<b>-28%</b>	<b>3 904</b>
Transport Assets	4 117	3 794	-	580	2 999	2 342	(656)	-28%	3 904
<b>Total Repairs and Maintenance Expenditure</b>	<b>38 380</b>	<b>37 692</b>	<b>-</b>	<b>6 153</b>	<b>27 652</b>	<b>26 588</b>	<b>(1 064)</b>	<b>-4,0%</b>	<b>38 542</b>



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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	41 746	44 007	-	-	-	11 002	11 002	100%	44 007
<b>Roads Infrastructure</b>	36 879	39 127	-	-	-	9 782	9 782	100%	39 127
Roads	36 879	39 127				9 782	9 782	100%	39 127
Road Structures									
Storm water Infrastructure	399	418	-	-	-	104	104	100%	418
Drainage Collection	-	418				104	104	100%	418
Storm water Conveyance	399								
<b>Electrical Infrastructure</b>	3 754	3 724	-	-	-	931	931	100%	3 724
HV Switching Station									
HV Transmission Conductors		3 724				931	931	100%	3 724
MV Networks	3 754								
LV Networks									
<b>Solid Waste Infrastructure</b>	714	738	-	-	-	184	184	100%	738
Landfill Sites	714	738				184	184	100%	738
Waste Transfer Stations									
<b>Community Assets</b>	1 231	1 266	-	-	-	316	316	100%	1 266
Parks	1 231								
Public Open Space		1 266				316	316	0	1 266
<b>Heritage assets</b>	5	6	-	-	-	1	1	100%	6
Other Heritage	5	6				1	1	0	6
<b>Other assets</b>	4 140	4 229	-	-	-	1 057	1 057	0	4 229
Municipal Offices	4 140	4 229				1 057	1 057	100%	4 229
Workshops									
<b>Intangible Assets</b>	51	53	-	-	-	13	13	100%	-
Servitudes									
Computer Software and Applications	51	53				13	13	100%	
<b>Computer Equipment</b>	692	725	-	-	-	181	181	100%	725
Computer Equipment	692	725				181	181	100%	725
<b>Furniture and Office Equipment</b>	590	618	-	-	-	154	154	100%	618
Furniture and Office Equipment	590	618				154	154	100%	618
<b>Machinery and Equipment</b>	2 864	2 961	-	-	-	740	740	100%	707
Machinery and Equipment	2 864	2 961				740	740	100%	707
<b>Transport Assets</b>	5 751	5 915	-	-	-	1 479	1 479	100%	5 915
Transport Assets	5 751	5 915				1 479	1 479	100%	5 915
<b>Total Depreciation</b>	<b>57 070</b>	<b>59 780</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 945</b>	<b>14 945</b>	<b>100%</b>	<b>57 472</b>

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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on upgrading of existing assets by Asset Class</b>									
<b>Infrastructure</b>	18 534	39 525	-	3 565	22 198	23 776	1 579	7%	39 525
<b>Roads Infrastructure</b>	18 534	39 525	-	3 565	22 198	23 776	1 579	7%	39 525
Roads	18 534	39 525	-	3 565	22 198	23 776	1 579	7%	39 525
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	498	1 300	-	478	507	509	3	1%	1 300
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	498	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	1 300	-	478	507	509	3	1%	1 300
Other assets	-	1 100	-	-	1 075	1 208	133	0	1 100
Municipal Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	1 100	-	-	1 075	1 208	133	11%	1 100
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>19 032</b>	<b>41 925</b>	<b>-</b>	<b>4 043</b>	<b>23 779</b>	<b>25 494</b>	<b>1 714</b>	<b>7%</b>	<b>41 925</b>

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 R6, 358 and the year to date budget is R14, 643 million that reflects over spending variance of R8, 285 million that translates to 57% variance.

The year to date actuals on renewal of existing assets amounts R19, 644 million and with the year to date budget of R20, 660 million and this reflects over spending variance of R1, 017 million that translates to 4.9% variance.

The year to date actual expenditure on repairs and maintenance is R27, 652 million, and the year to date budget is R26, 588 million, reflecting under spending variance of R1, 064 million that translates to 4%.

The year to date actual expenditure on upgrading of existing assets is R23, 779 million and the year to date budget is R25, 494 million, reflecting over spending variance of R1, 714 million that translates to 7%.

The year to date actual expenditure on depreciation and asset impairment is R0 and the year to date budget is R14, 945 million, reflecting spending variance of R14, 945 million that translates to 100% which means the integration between asset management system and core financial system is done annually and this is not 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	2022/23 Medium Term Revenue and Expenditure Framework			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Community Services	No Illegal Dumping Boards	Single	Solid Waste Infrastructure	Capital Spares	109 000	-	28 500	29%
	Street litter Bins	Multi	Solid Waste Infrastructure	Capital Spares	850 000	-	-	0%
	Fencing of Elandsdoorn/Niwane Cemetery	Multi	Community Assets	Cemeteries/Crematoria	1 000 000	-	799 000	80%
	Upgrading and Development of Parks	Multi	Community Assets	Parks	1 300 000	-	506 614	39%
	6.4 Disaster Management Centre & Emergency Relief Store room	Multi	Operational Buildings	Stores	457 800	-	454 230	99%
	500 Twenty skip bins 500	Single	Solid Waste Infrastructure	Capital Spares	300 000	-	290 500	97%
	Machinery and Equipment	Multi	Machinery and Equipment	Machinery and Equipment	380 000	-	-	0%
	Trailer	Multi	Machinery and Equipment	Machinery and Equipment	380 000	-	-	0%
	Vehicles	Single	Community Assets	Capital Spares	417 600	-	200 905	48%
	Computer Equipment	Multi	Computer Equipment	Computer Equipment	700 000	-	654 550	79%
Corporate Services	Software	Single	Computer Equipment	Computer Equipment	-	950 000	-	#DIV/0!
	Furniture and Office Equipment	Multi	Furniture and Office Equipment	Furniture and Office Equipment	500 000	-	436 290	87%
	Record Management System	Multi	Intangible Assets	Unspecified	300 000	-	-	0%
	Razor Fencing of Porton 39 of Farm Kipbank 26 JS (Game Farm)	Single	Other assets	Yards	1 100 000	-	1 075 000	98%
Economic Development Planning Technical Services	Culverts and Road signs 600	Multi	Roads Infrastructure	Road Furniture	300 000	-	-	0%
	Molema Streets Upgrade	Multi	Roads Infrastructure	Roads	3 500 000	-	-	0%
	Upgrading of Bloemfontein and Uitspanning Access Road	Single	Roads Infrastructure	Roads	24 830 820	-	14 869 181	60%
	Groblersdal Landfill site 6.5	Multi	Solid Waste Infrastructure	Landfill Sites	4 000 000	-	3 975 492	99%
	Upgrading of Stormpo Bus Road	Multi	Roads Infrastructure	Roads	800 000	-	-	0%
	Upgrading Maraganeng Access Road 600	Multi	Roads Infrastructure	Roads	900 000	-	-	0%
	Upgrading of Hlogotlou-Bopanang Road	Multi	Roads Infrastructure	Roads	800 000	-	-	0%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	800 000	-	-	0%
	Upgrading of Malaeneng A Niwane Access Road	Multi	Roads Infrastructure	Roads	900 000	-	-	0%
	Upgrading of Masoing Bus route	Multi	Roads Infrastructure	Roads	850 000	-	-	0%
	Upgrading of Mokomong access road to Maraleng taxi rank (MG)	Multi	Roads Infrastructure	Roads	700 000	-	-	0%
	Upgrading of Dipakapakeng	Multi	Roads Infrastructure	Roads	2 169 180	-	1 111 481	51%
	Upgrading of Nyakosane Internal Access Road	Multi	Roads Infrastructure	Roads	4 604 885	-	3 362 895	73%
	Upgrading of Tselekop stadium Access Road	Single	Roads Infrastructure	Roads	27 001 116	-	17 733 412	66%
	Electrification of Masekapea	Single	Electrical Infrastructure	MV Networks	3 240 000	-	289 557	9%
	Electrification of Masakaneng	Multi	Electrical Infrastructure	MV Networks	3 960 000	-	3 256 966	82%
	Electrification of Nyakelang Extension	Single	Electrical Infrastructure	MV Networks	3 800 000	-	217 896	6%
	Electrification of Phomola	Single	Electrical Infrastructure	MV Networks	2 000 000	-	163 400	8%
	Electrification of Phooko	Single	Electrical Infrastructure	MV Networks	4 000 000	-	-	0%
	Main substation	Single	Electrical Infrastructure	MV Substations	50 000	-	-	0%
	Aircons	Multi	Electrical Infrastructure	Capital Spares	200 000	-	96 501	48%
	Machinery and Equipment	Multi	Machinery and Equipment	Machinery and Equipment	850 000	-	378 647	45%

The municipal budget will be adjusted based on performance by 28 February 2023

## Adjusted budget on revenue and expenditure

Description	2021/22	Budget Year 2022/23		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
<b>Revenue By Source</b>				
Property rates	39 913	44 645	46 832	24 509
Service charges - electricity revenue	98 860	108 186	98 186	41 454
Service charges - refuse revenue	9 383	9 781	9 281	3 810
Rental of facilities and equipment	998	1 004	852	350
Interest earned - external investments	1 780	3 652	1 177	650
Interest earned - outstanding debtors	19 283	18 817	11 333	5 666
Fines, penalties and forfeits	2 236	68 520	60 412	639
Licences and permits	5 966	6 315	6 315	2 746
Transfers and subsidies	297 765	338 906	338 906	132 816
Other revenue	1 624	1 524	4 170	2 130
Gains				
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>477 810</b>	<b>601 351</b>	<b>577 464</b>	<b>214 770</b>

### Property rates and other revenue

Adjusted upwards due to performance

### Service charge electricity

Downward adjustment is as a result of load shedding as the community is not consuming electricity as anticipated.

### Service charge refuse

The slight adjustment is due to performance for the first half of the financial year

### Interest on external investments

As the municipality is faced with financial difficulties, investments with financial institutions were not as anticipated hence downward adjustment.

### Interest on outstanding debtors

There is downward adjustment due to reduction in interest rate from 15% to prime+1% as a result of review of municipal credit control policy.

### Traffic fines

The actual year to date revenue realised are actual payments as opposed to traffic fines issued. The integration between traffic fine system and our core financial management system was conclude in the second week of January 2023. Based on traffic fines issued, the municipality is performing well compared to prior year and the downward adjustment is based on traffic fines issued report as opposed to actual year to date.

### Licences and permits

Based on the performance no adjustment is required

Transfer and subsidies

The municipality haven't received any reduction nor additional funding from National Treasury hence no adjustment.

Description	2021/22	Budget Year 2022/23		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
<b>Expenditure By Type</b>				
Employee related costs	157 625	185 316	175 111	66 376
Remuneration of councillors	24 783	25 580	25 580	10 700
Debt impairment	17 950	61 181	20 811	–
Depreciation & asset impairment	–	59 780	59 780	–
Finance charges	1 121	2 185	2 185	137
Bulk purchases	97 917	109 638	100 569	37 388
Other materials	38 760	38 645	40 256	20 814
Contracted services	82 960	67 165	63 549	29 366
Transfers and subsidies	1 547	3 292	3 292	423
Other expenditure	43 053	44 500	46 029	24 514
Losses	–	–	–	–
<b>Total Expenditure</b>	<b>465 716</b>	<b>597 283</b>	<b>537 163</b>	<b>189 719</b>

Employee related cost

Downward adjustment is based on actual performance. Only critical posts will be filled therefore non-critical posts will be frozen until end of 2022-23 financial year hence downward adjustment.

Remuneration of councillors

No adjustment is necessary based on performance

Debt impairment

Downward adjustment is based on audited results for 2021-22 financial year.

Depreciation and asset impairment

The municipality is still facing a challenge regarding the computation of monthly movement, therefore no adjustment as the actual year to date is unknown.

Finance charges

There was an oversight in the month of December 2022 where invoices were not captured on the core financial system, therefore based on what has been incurred no adjustment is necessary.

Bulk purchases

Downward adjustment is as a result of load shedding as the community is not consuming electricity as anticipated.

Other material

Upward adjustment is based on actual performance.

Contracted services and other expenditure

Downward adjustment is based on performance

Transfer and subsidies

No adjustment is necessary as included in the budgeted amount are actuarial amounts computed at year end.

**Quality certificate**

I, Meshaek Kgware, 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 2022 to December 2022 has been prepared in accordance with section 72 of Municipal Finance Management Act and the regulations made under the Act.

Print name Meshaek Kgware

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature 

Date 27/01/2023

**Elias Motsoaledi Local  
Municipality**

**27 JAN 2023**

**Municipal Manager**

