

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

JULY 2024 TO DECEMBER 2024

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A. Executive summary

Elias Motsoaledi local municipality is hereby reporting on the mid-year institutional performance relating to 2024/2025 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 performance achievement of the municipality is 76% which is only 2% improvement from the 74% performance achieved in the previous financial year 2023/2024. Overall, the municipality achieved 59 out of 78 set targets. The Accounting Officer will engage with relevant Senior Managers for coaching and mentoring. This approach will also be applied between senior managers and line managers in their respective departments.

B. Purpose

The purpose of this report is to reflect our municipality's progress and achievements over the first six months of the 2024/2025 financial year. It further highlights the progress of ongoing projects and initiatives, providing insight into how we are working towards our goals and objectives. The information contained in this report is based on the approved Service Delivery and Budget Implementation Plan (SDBIP) and focuses on both financial and non-financial 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, considering the past year's annual report and progress on resolving problems identified in the annual report. Progress on resolving problems/ challenges identified in the 2023/2024 annual report and progress on resolving those challenges

Challenges identified	Progress on resolving the challenge
Material Misstatement	The finding will be addressed during the revision of the SDBIP.

Conclusion

This report not only highlights our achievements but also underscores the challenges faced and the steps we will take to address them. The progress made so far is a testament to the dedication of the EMLM collective, including municipal staff, councillors, the audit committee, and other external stakeholders. Looking ahead, we remain committed to our goals and will continue to strive for excellence in service delivery and financial management. Based on the progress made by the municipality thus far, the Accounting Officer recommends that an adjustment budget is necessary.

2024/2025 Mid-Year Performance

Key Performance Area Number	Key Performance Area	Total Mid-year target	Achieved KPIs	Not achieved KPIs	Total Percentage achieved %
1	Spatial Rationale	7	3	4	43%
2	Institutional Development & Transformation	8	7	1	88%
3	Local Economic Development	7	7	0	100%
4	Basic Service Delivery	33	25	8	76%
5	Financial Management & Viability	8	7	1	88%
6	Good Governance & Public Participation	15	10	5	67%
	Total	78	59	19	76%

2023/2024 Mid-year performance

Key Performance Area Number	Key Performance Area	Total Mid-year targets	Achieved KPIs	Not achieved KPIs	Total Percentage achieved %
1	Spatial Rationale	5	1	4	20%
2	Institutional Development & Transformation	5	5	0	100%
3	Local Economic Development	5	4	1	80%
4	Basic Service Delivery	21	16	5	76%
5	Financial Management & Viability	7	5	2	71%
6	Good Governance & Public Participation	15	12	3	80%
	Total	58	43	15	74%

1. Performance Service delivery

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

KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE										
Strategic Objective: To promote integrated human settlements										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance/remedial action	Achieved/ Not achieved
Number of stands for tenure upgrading at Phucukani	750 000	R0.00	200 stands for tenure upgrading at Phucukani by 30 June 2025	Advertisement and appointment of Service Provider by 30 September 2024	Draft tenure upgrade application by 31 December 2024	Advertisement and appointment of service provider concluded. Draft tenure upgrade application not in place	Draft tenure upgrade application not in place	still working on Treasury compliant need analysis	Treasury compliant need analysis finalised and submitted to Specification Committee	Not achieved
Number of stands for tenure upgrading at Dennilton Tambo Square	750 000	R0.00	200 stands for tenure upgrading at Dennilton Tambo Square by 30 June 2025	Advertisement and appointment of Service Provider by 30 September 2024	Draft tenure upgrade application by 31 December 2024	Advertisement and appointment of service provider concluded. Draft tenure upgrade application not in place	Draft tenure upgrade application not in place	still working on Treasury compliant need analysis	Treasury compliant need analysis finalised and submitted to Specification Committee	Not achieved

KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE

Strategic Objective: To promote integrated human settlements

Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance/remedial action	Achieved/Not achieved
Number of sites to be Demarcated at Game Farm Extension 45	R750 000	R0.00	300 sites demarcated at Game Farm Extension 45 by 30 June 2025	Advertisement of service provider by 30 September 2024	Appointment of service provider and project execution plan by 31 December 2024	Advertisement closed and service provider appointed	none	n/a	n/a	Achieved
Number of sites boundary identification at Groblersdal HExtension 52 (Industrial)	R500 000		100 sites boundary identification at Groblersdal Extension 52 (Industrial) by 30 June 2025	Advertisement of service provider by 30 September 2024	Appointment of service provider by 31 December 2024	Advertisement closed and service provider appointed	none	n/a	n/a	Achieved
Reviewal of SPLUMA By-law	Opex	0	Approved SPLUMA By-law by 30 June 2025	Council approval of Spluma By-law for public participation by 30 September 2024	Advertisement and road show to Magoshi by 31 December 2024	Council approved the Spluma by-law. Advertisement and road shows not done	Advertisements and road shows not done	technical committee still busy with engagements to enable advertisement and road shows processes to unfold	awaiting finalisation of technical committee engagements to prepare advertisement and proceed with road shows	Not achieved

KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE

Strategic Objective: To promote integrated human settlements

Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance/remedial action	Achieved/Not achieved
Development of Building Regulations By-law	Opex	0	Approved Building Regulation by-law by 30 June 2025	Council approval of Building Regulation By-law for public participation by 30 September 2024	Advertisement of Building Regulations By-law and road show to Magoshi by 31 December 2024	Council approved the building regulations by-law. Advertisement and road shows not done	Advertisements and roadshows not done	technical committee still busy with engagements to enable advertisement and road shows processes to unfold	awaiting finalisation of technical committee engagements to prepare advertisement and proceed with road shows	Not achieved
% of inspections conducted on building construction with an approved plan to ensure compliance with Sec.6 (c) and 17 (b) of National Building Regulations	n/a	n/a	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	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	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 2024	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	n/a	n/a	n/a	Achieved

KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE										
Strategic Objective: To promote integrated human settlements										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance/remedial action	Achieved/Not achieved
and Building Standards Act			Standards Act by 30 June 2025	Standards Act by 30 September 2024						

KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION										
Strategic Objective: To build capable, responsive, accountable, effective and efficient municipal institutions and administration										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
% of KPI and projects attaining organizational targets (total organization)	n/a	n/a	100% of KPIs and projects attaining organizational targets (total organization) by 30 June 2025	50% of KPIs and projects attaining organizational targets (total organization) by 30 September 2024	70% of KPI and projects attaining organizational targets by 31 December 2024	76% of KPI and projects attaining organizational targets	7%	Overachievement in departmental KPI's	None	Achieved
Approval of Final SDBIP by Mayor within 28 days after approval of IDP/Budget	n/a	0	Approved final SDBIP by Mayor within 28 days after approval of IDP/Budget	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Submission of return of earnings (ROE)	n/a	n/a	100% submission of return of earnings by June 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of LLF meetings held	n/a	n/a	8 LLF meetings held by 30 June 2025	2 LLF meetings held by 30 September 2024	4 LLF meetings held by 31 December 2024	4 LLF meetings	None	None	None	Achieved

KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION										
Strategic Objective: To build capable, responsive, accountable, effective and efficient municipal institutions and administration										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Turnaround time in placing documents & information on the municipal website	0	n/a	Maximum of 5 (five) working days from the date submitted to ICT by 30 June 2025	Maximum of 5 (five) working days from the date submitted to ICT by 30 September 2024	Maximum of 5 (five) working days from the date submitted to ICT by 31 December 2024	Maximum of 5 (five) working days from the date submitted to ICT done	None	None	None	Achieved
% of reported ICT incidents resolved	0	n/a	100% of reported ICT incidents resolved by 30 June 2025	100% of reported ICT incidents resolved by 30 September 2024	100% of reported ICT incidents resolved by 31 December 2024	100% of reported ICT incidents resolved	None	None	None	Achieved
% Reviewal of ICT Master Systems Plan	n/a	n/a	100% Reviewal of the Master Systems Plan by 30 September 2024	100% reviewal of the Master Systems Plan by 30 September 2024	n/a	0% reviewal of the Master Systems Plan	100%	the master plan is still under review awaiting a security vulnerability and penetration assessments report from SALGA	awaiting for SALGA report before submission to council	not achieved

KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION										
Strategic Objective: To build capable, responsive, accountable, effective and efficient municipal institutions and administration										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
% of Servers uptime reported	0	n/a	99% - 100% of Servers uptime reported by 30 June 2025	99% - 100% of Servers uptime reported by 30 September 2024	99% - 100% of Servers uptime reported by 31 December 2024	99%-100% of Servers uptime reported	None	None	None	Achieved
Number of MIG reports submitted to COGHSTA	n/a	n/a	12 MIG reports submitted to COGHSTA by 30 June 2025	3 MIG reports submitted to COGHSTA by 30 September 2024	6 MIG reports submitted to COGHSTA by 31 December 2024	6 MIG reports submitted to Coghsta	0	None	None	Achieved
Number of INEP reports submitted to Department of Energy	n/a	n/a	12 INEP reports submitted to department of energy by 30 June 2025	3 INEP reports submitted to department of energy by 30 September 2024	6 INEP reports submitted to department of energy by 31 December 2024	6 INEP reports submitted to department of energy	0	None	None	Achieved

KPA 3: LOCAL ECONOMIC DEVELOPMENT										
Strategic Objective: To promote conducive environment for economic growth and development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of work opportunities created through public works programme (EPWP) (GKPI)	EPWP Grant	n/a	186 Work opportunities created through public works programme (EPWP) by 30 September 2024 (GKPI)	186 Work opportunities created through public works programme (EPWP) by 30 September 2024	n/a	186 work opportunities created through public works programme (EPWP)	none	none	None	achieved
Number of work opportunities created through community work programme (CWP) (GKPI)	CWP grant	n/a	1000 Work opportunities created through community work programme (CWP) by 30 September 2024 (GKPI)	1000 Work opportunities created through community programme (CWP) by 30 September 2024 (GKPI)	n/a	1046 work opportunities created through community works programme (CWP)	46	the department of public works gives us a target of 1000 and a markup of 100	None	achieved

KPA 3: LOCAL ECONOMIC DEVELOPMENT										
Strategic Objective: To promote conducive environment for economic growth and development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of formal Business licence audit conducted in terms of Limpopo registration Act 05 of 2003	n/a	n/a	12 formal Business licence audit conducted in terms of Limpopo registration Act 05 of 2003 by 30 June 2025	3 formal Business licence audit conducted in terms of Limpopo registration Act 05 of 2003 by September 2024	6 Formal Business licence audit conducted in terms of Limpopo registration Act 05 of 2003 by 31 December 2024	6 formal Business licence audit conducted in terms of Limpopo registration Act 05 of 2003	None	None	None	Achieved
Development of Tourism sector plan	n/a	n/a	Approved Tourism Sector Plan by 30 June 2025	Draft Tourism Sector Plan by 30 September 2024	Stakeholder engagements by 31 December 2024	Draft tourism sector plan in place and Stakeholder engagements concluded	None	None	None	Achieved
Development of Agricultural sector plan	n/a	n/a	Approved Agricultural sector plan by 30 June 2025	Draft Agricultural sector plan by 30 September 2024	Stakeholder engagements by 31 December 2024	Draft Agricultural sector plan and Stakeholder engagements concluded	None	None	None	Achieved
Number of SMME's and Co-operatives capacity building workshops/ training held (LED training)	Opex	n/a	12 SMME's and Co-operatives capacity building workshops/	3 SMME's and Co-operatives capacity building workshops/	6 SMME's and Co-operatives capacity building workshops/	6 SMME's and Co-operatives capacity building workshops /	0	None	None	Achieved

KPA 3: LOCAL ECONOMIC DEVELOPMENT										
Strategic Objective: To promote conducive environment for economic growth and development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First quarter target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
			Training held by 30 June 2025 [LED Training]	Training held by 30 September 2024 [LED Training]	Training held by 31 December 2024 [LED Training]	Training held [LED Training]				
Number of job opportunities created through infrastructure projects (GKPI)	MIG INEP EMLM	n/a	295 job opportunities created through infrastructure projects by 30 June 2025(GKPI)	90 job opportunities created through infrastructure projects by 30 September 2024(GKPI)	160 job opportunities created through Infrastructure Projects by 31 December 2024	184 job opportunities created through infrastructure projects (GKPI)	24	2x projects contractual period over-lapped to 2nd quarter	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
% of registered indigents who receives free basic electricity (GKPI)	R7,247 435.78		10% of registered indigents who receives free basic electricity by 30 June 2025 (GKPI)	10% of registered indigents who receives free basic electricity by 30 September 2024 (GKPI)	10% of registered indigents who receives free basic electricity by 31 December 2024 (GKPI)	25% of registered indigents who receives free basic electricity (GKPI)	15%	High configuration rate on the side of Eskom	Set target that realistic relative to comparative actual performance	achieved
waste removal in Groblersdal Hlogotlou Roosenekaal Motetema	R17,331 344.46	n/a	Waste removal in Groblersdal x104 Hlogotlou x103 Roosenekaal x 105 Motetema x 52 by 30 June 2025	Waste removal in Groblersdal x26 Hlogotlou x26 Roosenekaal x 27 Motetema x 13 by 30 September 2024	Waste removal in Groblersdal x27 Hlogotlou x25 Roosenekaal x26 Motetema x14 by 31 December 2024	waste removal in Groblersdal x27 Hlogotlou x25 Roosenekaal x26 Motetema x14	none	none	none	Achieved
Number of initiatives held to promote library facilities	n/a	n/a	4 initiatives held to promote library facilities by 30 June 2025	1 initiatives held to promote library facilities by 30 September 2024	2 initiatives held to promote library facilities by 31 December 2024	2 initiatives held to promote library facilities	none	none	none	Achieved
Number of disaster awareness campaigns conducted	Opex	Opex	4 disaster awareness campaigns conducted by 30 June 2025	1 disaster awareness campaigns conducted by 30 September 2024	2 disaster awareness campaigns conducted by 31 December 2024	2 disaster awareness campaigns conducted	none	none	none	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Turnaround time of attending disaster cases reported	Opex	Opex	48 hours Turnaround time of attending disaster cases reported by 30 June 2025	48 hours Turnaround time of attending disaster cases reported by 30 September 2024	48 hours Turnaround time of attending disaster cases reported by 31 December 2024	48 hours turnaround time of attending disaster cases reported	none	none	none	Achieved
% expenditure on computer equipment (servers Laptops Desktops Switches Printers)	R1,360 404	R838 246.95	100% expenditure on computer equipment (servers Laptops Desktops Switches Printers) by 30 June 2025	50% expenditure on computer equipment (servers Laptops Desktops Switches Printers) by 30 September 2024	60% expenditure on computer equipment (servers Laptops Desktops Switches Printers) by 31 December 2024	62% (838 246.95/1 360 404.00 *100) minimum expenditure on computer equipment (servers Laptops Desktops Switches Printers)	2%	Delay on deliveries in the first quarter impacted the second quarter expenditure	Adhere to procurement plan	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of printers to be procured	R5,509 565	R5,509 565,00	14 printers to be procured by 30 September 2024	14 printers to be procured by 30 September 2024	n/a	16 Printers procured	2	The procurement of 16 printers was accommodated within the budget according to the municipality's needs.	none	Achieved
% expenditure on furniture and office equipment	R300 000	R39 000,00	95% minimum expenditure on furniture and office equipment by 30 September 2024	95% minimum expenditure on furniture and office equipment by 30 September 2024	n/a	13% minimum expenditure on furniture and office equipment	82%	no submission of requisition by departments	departments to adhere to procurement plan	not achieved
Procurement of industrial lawn mowers (heavy duty) and other equipments	R300 000	R130 000.00	3 Industrial lawn mowers (heavy duty) and 2 tractor slashers procured by 31 December 2024	Advertisement and appointment of service provider by 30 September 2024	3 Industrial lawn mowers (heavy duty) and 2 tractor slashers procured by 31 December 2024	3 Industrial lawn mowers (heavy duty) and 2 tractor slashers procured	None	None	none	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Construction of wash bay at Groblersdal landfill site	R250 000		Construction of Wash bay at Groblersdal landfill site completed by 31 March 2025	Development of terms of reference and advert by 30 September 2024	Advertisement of service providers by 31 December 2024	Terms of reference developed. Advertisement of service providers not implemented	Advertisement of service providers not implemented	The funds were re-located to fencing of Elandsdoorn old dumping site to address the audit finding	The budget will be re-allocated during the new financial year	Not applicable
Fencing of Elandsdoorn / Ntwane Cemetery	R800 000	0	Fencing of 400m of Elandsdoorn / Ntwane cemetery with concrete Palisade by 31 March 2025	Development of terms of reference and advertisement by 30 September 2024	Appointment of service provider by 31 December 2024	Terms of reference developed and Service provider appointed	none	none	none	Achieved
Skip Bins	R500 000	0	14 Skip Bins procured by 30 June 2025	Development of terms of reference by 30 September 2024	Advertisement of Service provider by 31 December 2024	Terms of reference developed. Advertisement of service providers not implemented	Advertisement of service providers not implemented	The funds were re-located to fencing of Elandsdoorn old dumping site to address the audit finding	The budget will be re-allocated during the new financial year	Not applicable
% Expenditure on furniture	R300 000	0	90% Minimum expenditure on furniture by 30 June 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Installation of cells at Groblersdal landfill site	R8 000 000	0	Installation of cells at Groblersdal land fill site completed by 30 June 2025	Commencement of cell construction by 30 September 2024	Construction of cells by 31 December 2024	no cells were constructed	no cells were constructed	Reviewed designs will be finalised	Awaiting finalisation of reviewed designs	Not achieved
% Expenditure on Air conditioner	R182 526	0	90% minimum expenditure on Air conditioners by 30 June 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Designs of Electrical infrastructure at Doorom	R200 000	R199 391.66	Designs of Electrical infrastructure at Doorom completed by June 2025	Appointment of Consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Appointment of consultant concluded. Inception report and preliminary design report in place	None	None	none	Achieved
Designs of Electrical	R200 000	0	Designs of Electrical infrastructure at	Appointment of Consultants by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Appointment of consultant concluded. Inception report and preliminary	None	None	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
infrastructure at Lusaka			Lusaka completed by June 2025			design report in place				
Designs of Electrical infrastructure at Ntswelemotse extension	R200 000	0	Designs of Electrical infrastructure at Ntswelemotse Extension completed by June 2025	Appointment of Consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Appointment of consultant concluded. Inception report and preliminary design report in place	None	None	None	Achieved
Designs of Electrical infrastructure at Oorlog	R200 000	0	Designs of Electrical infrastructure at Oorlog completed by June 2025	Appointment of consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Appointment of consultant concluded. Inception report and preliminary design report in place	None	None	None	Achieved
Designs of Electrical infrastructure at Zaaiplaas police station	R200 000	R200 000.00	Designs of Electrical infrastructure at Zaaiplaas Police Station completed by June 2025	Appointment of consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Appointment of consultant concluded. Inception report and preliminary design report in place	None	None	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of stands reticulated with electrical infrastructure at Luckau Maganagobus hwa	R5,277,000	R520 010.85	226 stands reticulated with electrical infrastructure by 30 June 2025	Appointment of service provider, site handover and site establishment by 30 September 2024	Construction of MV and LV by 31 December 2024	Appointment of service provider and Site hand-over concluded. busy with establishment	Still busy with site establishment	Late appointment of service provider (RFQ submitted on 14 Nov. 2024)	Adhere to procurement plan	Not achieved
Number of stands reticulated with electrical infrastructure at Phooko	R 3 000,000	R1 910 660.23	123 stands reticulated with electrical infrastructure by 30 June 2025	Construction of MV and LV by 30 September 2024	Construction of MV and LV by 31 December 2024	MV and LV Constructed	None	None	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of stands reticulated with electrical infrastructure at Mantrombi	R2 000,000	R196 000.00	82 Stands reticulated with electrical infrastructure by 30 June 2025	Appointment of service provider, site handover and site establishment by 30 September 2024	Construction of MV and LV by 31 December 2024	Service provider not appointed. Construction of MV and LV not implemented	Service provider not appointed. Construction of MV and LV not implemented	Delay on appointment of service provider (RFQ submitted on Sept 2025)	Adhere to procurement plan	Not achieved
Number of stands reticulated with electrical infrastructure at Motetema High view	R2 000 000	R1 999 999.99	100 Stands reticulated with electrical infrastructure by 30 June 2025	Appointment of contractor, site handover and site establishment by 30 September 2024	Construction of MV and LV by 31 December 2024	Contractor appointed, site handed over and site establishment concluded. MV and LV Constructed	None	None	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of stands reticulated with electrical infrastructure at Magukubjane	R4 267,000	R4 267 000.00	177 Stands reticulated with electrical infrastructure by 30 June 2025	Appointment of service provider, site handover and site establishment by 30 September 2024	Construction of MV and LV by 31 December 2024	Contractor appointed, site handed over and site establishment concluded. MV and LV Constructed	None	None	None	Achieved
Installation of new energy efficient technology	R4 000,000	R3 373 100	Installation of new energy efficient technology at various wards by 30 June 2024	Drafting of terms of reference by 30 September 2024	Advertisement of service providers by 31 December 2024	Terms of reference drafted and advertisement of service provided was done	None	None	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Installation of traffic lights	R 434 783	0.00	Installation of traffic lights at Corner Van Riebeeck and Noordlaam streets by 30 June 2025	Drafting of terms of reference by 30 September 2024	Advertisement of service provider by 31 December 2024	Terms of reference drafted. Advertisement of service provider not done	Advertisement of service provider not done	Project at Bid Spec Committee and advert delayed	Project to be rolled-out in the 3rd Quarter	Not achieved
Number of km of Subbase and base layer construction At Mokumong access road to Maratheng taxi rank	R10 989,800	R16 989 110.74	3km of Subbase and base layer construction completed by 30 June 2025	Construction of Subbase and base layer by 30 September 2024	Construction of Subbase and base layer by 31 December 2024	Construction of subbase and base layer concluded. Busy with kerbing and bricklaying	Kerbing and bricklaying process	none	none	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of km of road construction at Malaeneng A Ntwane Access Road	R17 750 000	R17 758 726.34	3.5km of road construction completed by 30 June 2025	Construction of Subbase and base layer by 30 September 2024	Laying of 1km of pavement blocks by 31 December 2024	Construction of subbase and base layer concluded. Laying of 1km of pavement blocks concluded	None	none	none	Achieved
Number of km of road Construction at Maraganeng internal Access Road	R16 574,200	R9 729 582.58	3.5km of road construction completed by 30 June 2025	Construction of Subbase and base layer by 30 September 2024	Laying of 1km of pavement blocks by 31 December 2024	Construction of subbase and base layer concluded. Laying of 0,3km of pavement blocks	0,7km	Slow performance of the service provider	Submission of accelerating plan and revised works programme	Not achieved
Number of km of subbase and base layer construction and 2 culvert bridges at Kgobokwane-Kgaphamadi Road	R11 000,000	R20 880 143.14	3.7km of Subbase and base layer construction and 2 culvert bridges completed by 30 June 2025	Construction of 2km of Subbase and base layer by 30 September 2024	Construction of 3.7km of Subbase and base layer by 31 December 2024	Construction of 3.7km of Subbase and base layer target surpassed	None	none	none	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Re-Furnishment of Tafelkop Sports stadium	R10 000,000	R1 036 299.89	Re-furnishment of Tafelkop Sports stadium completed by June 2025	Advertisement and appointment of service provider by 30 September 2024	Site establishment, site clearance, fencing by 31 December 2024	Advertisement and appointment of service provider concluded. Site handed-over and busy with site establishment	Site establishment not concluded	Late appointment of service provider (Bid close on 18 Oct 2025)	Adhere to procurement plan	Not achieved
Designs for Upgrading of Tafelkop Bapeding Bus route	R600 000	R599 843.53	Designs for Upgrading of Tafelkop Bapeding Bus route completed by 30 June 2025	Advertising and appointment of the consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Advertisement and appointment of consultant concluded. Inception report and preliminary design report in place	None	None	None	Achieved
Designs for Upgrading of Talane Bus Route	R600 000	R598 140.89	Designs for Upgrading of Talane Bus Route completed by 30 June 2025	Advertising and appointment of the consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Advertisement and appointment of consultant concluded. Inception report and preliminary design report in place	None	None	None	Achieved
Designs for Upgrading of	R700 000	R691 353.70	Designs for Upgrading of Waalkral Bus	Advertising and appointment of the consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Advertisement and appointment of consultant concluded.	None	None	None	Achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Waalkral Bus Route			route completed by 30 June 2025			Inception report and preliminary design report in place				
Designs for Upgrading of Stompo Bus Road	R300 000	0.00	Designs for Upgrading of Stompo Bus road completed by 30 June 2025	Advertising and appointment of the consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Advertisement and appointment of consultant concluded. Inception report and preliminary design report in place	None	None	None	Achieved
Designs for Upgrading of Groblersdal storm water	R2 173,913	0.00	Designs of 2km of Groblersdal storm water control completed by 30 June 2025	Advertisement and appointment of consultant by 30 September 2024	Inception report and preliminary design report by 31 December 2024	Advertisement and appointment of consultant not implemented. No inception and preliminary designs report in place	Advertisement and appointment of consultant not implemented. No inception and preliminary designs report in place	Budget was relocated to other projects	to request funding during budget adjustment	Not applicable
% expenditure on machinery	R 260,870	R71 695.40	100% expenditure on machinery and	25% expenditure on machinery and	50% expenditure on machinery and	27.5% expenditure on	22.5%	Late submission of departmental needs to	Adhere to procurement plan	Not achieved

KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE										
Strategic Objective: To provide for basic services and sustainable infrastructural development										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
and equipment			equipment by 30 June 2025	equipment by 30 September 2024	equipment by 31 December 2024	machinery and equipment		proceed with procurement		

KPA 5: FINANCIAL MANAGEMENT AND VIABILITY										
Strategic Objective: To improve sound and municipal financial management										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
% Spend of the total operational budget excluding non-cash items	Opex	Opex	95% spend of the total operational budget excluding non-cash items by 30 June 2025	25% spend of the total operational budget excluding non-cash items by 30 September 2024	50% spend of the total operational budget excluding non-cash items by 31 December 2024	53% spend on the total operational budget excluding non-cash items	3%	Overspending on bulk purchases and contracted services especially on illegal dumping and catering	to comply with procurement plan	Not achieved
Remuneration (Employee related costs and councillors remuneration) as % of total operating expenditure per quarter	Opex	Opex	25% to 40% 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 quarter	25% to 40% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per quarter	35% Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per quarter	None	None	None	Achieved

KPA 5: FINANCIAL MANAGEMENT AND VIABILITY										
Strategic Objective: To improve sound and municipal financial management										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of SCM deviation reports submitted to municipal manager (reduction of number deviations)	n/a	n/a	Maximum of 4 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 30 June 2025	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations by 30 September 2024	Maximum of 1 SCM deviation reports submitted to municipal manager (reduction of number of deviations) by 31 December 2024	0 SCM deviation reports submitted to municipal manager (reduction of number of deviations)	1	Adherence to SCM regulations	None	Achieved
% outstanding consumer debtors on billed revenue (GKPI)	n/a	n/a	15% outstanding service debtors to revenue by 30 June 2025	15% outstanding service debtors to revenue by 30 September 2024	15% outstanding service debtors to revenue by 31 December 2024	13% outstanding service debtors to revenue	2%	None	None	Achieved
Number of MTREF Budget submitted to Council 30 days before the start of the new financial year	n/a	n/a	1 MTREF Budget submitted to Council 30 days before the start of		n/a	n/a	n/a	n/a	n/a	n/a

KPA 5: FINANCIAL MANAGEMENT AND VIABILITY										
Strategic Objective: To improve sound and municipal financial management										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
			the new financial year (31 May 2025)	n/a						
Cost coverage ratio (GKPI)	n/a	n/a	1 to 3 months Cost coverage ratio by 30 June 2025	1 to 3 months Cost coverage ratio by 30 September 2024	1 to 3 months Cost coverage ratio by 31 December 2024	1.47 Months Cost coverage ratio	None	None	None	Achieved
Number of Audited Annual Financial Statements (AFS) submitted to council	n/a	n/a	1 Audited Annual Financial Statements (AFS) submitted to council by 25 January 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
% of payment made to service providers	n/a		100% of payment made to service providers within	100% of payment made to service providers within 30	100% of payment made to service providers within	100% of payment made to service	none	none	none	Achieved

KPA 5: FINANCIAL MANAGEMENT AND VIABILITY										
Strategic Objective: To improve sound and municipal financial management										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
within 30 days of receiving invoice			30 days of receiving relevant invoice by 30 June 2025	days of receiving relevant invoice by 30 September 2024	30 days of receiving relevant invoice by 31 December 2024	providers within 30 days of receiving relevant invoice				
Number of assets verifications conducted	n/a	n/a	1 assets verifications conducted by 30 June 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
% spending on MIG funding	MIG	MIG	100% spending on MIG funding by the 30 June 2025	25% spending on MIG funding by the 30 September 2024	50% spending on MIG funding by the 31 December 2024	106% spending on MIG funding	6%	Good performance by service providers	Adhere to procurement plan	Achieved
% spending on INEP funding	INEP	INEP	100% spending on INEP funding by 30 June 2025	25% spending on INEP funding by 30 September 2024	50% spending on INEP funding by 31 December 2024	52.1% spending on INEP funding	2.1%	Outstanding performance by service providers	None	Achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Final audited (2023/2024) consolidated Annual Report submitted to Council	n/a	n/a	Final audited (2023/2024) consolidated Annual Report submitted to Council for approval by 31 January 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Submission of 2023/2024 annual Oversight Report to council	n/a	n/a	2023/2024 annual Oversight Report submitted to council for approval by 31 March 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Obtain an Unqualified Auditor General opinion for the 2023/2024 financial year	n/a	n/a	Obtain an Unqualified Auditor General opinion for the 2023/2024 financial year by 30 November 2024	n/a	Obtain an Unqualified Auditor General opinion for the 2023/2024 financial year by 30 November 2024	Obtained Qualified audit opinion for 2023/24	Qualified audit opinion for 2023/24	Impairment of Assets	Prepare and implement audit action plan	Not achieved
% of Auditor General matters resolved as per the approved audit action plan (Total organization)	n/a	n/a	% of Auditor General matters resolved as per the approved audit action plan by 30 June 2025 (Total organization)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
% of Internal Audit Findings resolved per quarter as per the Audit Plan (Total organisation)	n/a	n/a	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (Total organisation)	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (Total organisation)	100% of Internal Audit Findings resolved per quarter as per the Audit Plan (Total organisation)	60% of Internal Audit Findings resolved per quarter as per the Audit Plan (total organisation)	40%	lack of budget to address findings. Lack of office space	Re request finding during budget adjustment	Not achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
% Reduction of repeat audit findings (Total organization)	n/a	n/a	100% Reduction of repeat audit findings (Total organization) by 31 March 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of security risk assessments conducted	n/a	n/a	4 security risk assessments conducted by 30 June 2025	1 security risk assessment conducted by 30 September 2024	2 security risk assessments conducted by 31 December 2024	2 security risk assessment conducted	none	none	none	Achieved
Number of project risk assessments conducted.	n/a	n/a	4 project risk assessments conducted by 30 June 2025	1 project risk assessments conducted by 30 September 2024	2 project risk assessments conducted by 31 December 2024	2 project risk assessments conducted	none	none	none	Achieved
Number of councillors who have declared their financial interest	n/a	n/a	61 councillors who have declared their financial	61 councillors who have declared their financial	n/a	33 Councillors declared their financial interest	28 Councillors declared their financial interest	councillors not returning the forms	to request speaker's office for intervention	Not achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
			interest by 31 December 2024	interest by 30 September 2024						
Number of administrative staff who have declared their financial interest	n/a	n/a	200 Administrative staff declared their financial interest by 31 December 2024	100 administrative staff declared their financial interest by 30 September 202	200 Administrative staff declared their financial interest by 31 December 2024	136 administrative staff declared their financial interest	64	None submission of the forms by administrative staff	to keep on reminding administrative staff to submit	Achieved
% execution of identified risk mitigation plans within prescribed timeframes (total organisation)	n/a	n/a	100% execution of identified risk mitigation plan within prescribed timeframes per quarter (total organisation)	25% execution of identified risk mitigation plan within prescribed timeframes per quarter (total organisation)	50% execution of identified risk mitigation plan within prescribed timeframes per quarter (total organisation)	66% execution of identified risk mitigation plan within prescribed timeframes per quarter (total organisation)	16%	Mitigation plans are addressed accordingly	None	Achieved
Approval of 2025/2026 IDP process plan	n/a	n/a	2025/2026 IDP process plan approved by	2025/2026 IDP process plan approved by	n/a	2025/2026 IDP process plan approved by council by August 2024	none	none	None	achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
			council by August 2024	council by August 2024						
Approval of 2025/2026 IDP	n/a	n/a	2025/2026 IDP approved by council by 31 May 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of MPAC quarterly reports submitted to council	n/a	n/a	4 MPAC quarterly reports submitted to council by 30 June 2025	1 MPAC quarterly reports submitted to council by 30 September 2024	2 MPAC quarterly reports submitted to council by 31 December 2024	2 MPAC quarterly reports submitted to council	None	None	None	Achieved
Number of Mayoral outreach projects initiated	R1 321 751,90	n/a	3 Mayoral outreach programmes initiated by 30 June 2025	1 Mayoral outreach programmes initiated by 30 September 2024	2 Mayoral outreach programmes initiated by 31 December 2024	2 Mayoral outreach programmes initiated	None	None	None	Achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
number of Speaker's outreach projects initiated	R1 299 891.26		3 Speakers outreach programmes initiated by 30 June 2025	n/a	1 Speakers outreach programmes initiated by 31 December 2024	1 Speakers outreach programmes initiated	None	None	None	Achieved
number of ward committee reports submitted to Council	n/a	n/a	1 ward committee reports submitted to council by 30 June 2025	1 ward committee reports submitted to council by 30 September 2024	2 ward committee reports submitted to council quarterly by 31 December 2024	2 ward committee reports submitted to council	None	None	None	Achieved
% of wards that have held at least one councillor convened community meeting	n/a	n/a	100% of wards that have held at least one councillor convened community meeting by 30 June 2025	100% of wards that have held at least one councillor convened community meeting by 30 September 2024	100% of wards that have held at least one councillor convened community meeting by 31 December 2024	97% of wards that have held at least one councillor convened community meeting	3%	Vacancy of a ward 30 councillor	await filling of the vacancy or ward councillor at ward 30	Not achieved

KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To enhance good governance and public participation										
Key Performance Indicator (KPI)	Budget	Expenditure	Annual Target	First Quarter Target	Mid-Year Target	Actual performance	Variance	Reason for variance	Measures to improve performance / remedial action	Comments
Number of External Mayoral Bursaries Awarded	Opex	New	30 External Mayoral Bursaries Awarded by 30 June 2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
% Reviewal of communication strategy	n/a	n/a	100% Reviewal of communication strategy by 31 December 2024	n/a	100% reviewal of communication strategy by 31 December 2024	100% communication strategy reviewed	None	None	None	Achieved
Number of Council portfolio committees meetings held	n/a	n/a	40 Council portfolio committee meetings (Section 79) held by 30 June 2025	10 Council portfolio committee meetings by 30 September 2024	20 Council portfolio committee meetings by 31 December 2024	28 council portfolio committee meetings held	8	Under targeted	The target to be rectified during SDBIP revision	Achieved

2. Financial Performance Assessment

1. INTRODUCTION

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

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

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

The draft annual report 2023/24 and the mid-year performance/progress reports of 2024/25 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	2024/25			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	752,711,553	-	416,363,562	55%
OPERATING EXPENDITURE	734,364,413	-	325,099,552	44%
		-		
TRANSFER - CAPITAL	95,858,000	-	71,183,429	74%
SURPLUS/(DEFICIT)	114,565,544	-	162,447,439	142%
CAPITAL EXPENDITURE	110,495,280	-	78,088,039	71%

CHAPTER 2: FINANCIAL HEALTH ASSESSMENT AND MID-YEAR BUDGET STATEMENT: 31 DECEMBER 2024

Table C1 – Budget Statement Summary

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	59,487	67,168	–	5,198	28,909	33,584	(4,675)	-14%	67,168
Service charges	113,453	146,003	–	11,632	74,877	73,001	1,876	3%	146,003
Investment revenue	7,316	9,404	–	459	3,234	3,066	168	5%	9,404
Transfers and subsidies	363,048	383,099	–	126,349	286,929	263,389	23,540	9%	383,099
Other own revenue	95,694	147,038	–	3,727	22,415	75,950	(53,535)	-70%	147,038
Total Revenue (excluding capital transfers and contributions)	638,998	752,712	–	147,365	416,364	448,991	(32,627)	-7%	752,712
Employee costs	178,956	213,757	–	24,956	101,146	106,956	(5,809)	-5%	213,757
Remuneration of Councillors	27,289	28,178	–	2,539	13,992	14,089	(97)	-1%	28,178
Depreciation & asset impairment	60,972	58,901	–	5,539	32,515	37,194	(4,679)	-13%	58,901
Finance charges	1,585	406	–	246	396	199	197	99%	406
Materials and bulk purchases	134,588	158,988	–	12,980	94,459	80,992	13,466	17%	158,988
Transfers and subsidies	10,946	9,404	–	963	4,817	5,225	(408)	-8%	9,404
Other expenditure	195,836	264,731	–	12,686	77,775	114,632	(36,857)	-32%	264,731
Total Expenditure	610,171	734,364	–	59,909	325,100	359,287	(34,187)	-10%	734,364
Surplus/(Deficit)	28,827	18,347	–	87,456	91,264	89,704	1,560	2%	18,347
Transfers and subsidies - capital (monetary allocations)	72,266	95,858	–	2,862	71,183	74,498	(3,315)	-4%	95,858
Transfers and subsidies - capital (monetary allocations)	–	360	–	–	–	153	(153)	-100%	360
Surplus/(Deficit) after capital transfers & contributions	101,093	114,566	–	90,318	162,447	164,355	(1,907)	-1%	114,566
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	101,093	114,566	–	90,318	162,447	164,355	(1,907)	-1%	114,566
Capital expenditure & funds sources									
Capital expenditure	90,622	110,495	–	7,392	78,088	42,154	35,934	85%	110,495
Capital transfers recognised	69,153	96,218	–	6,015	74,031	36,619	37,411	102%	96,218
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21,469	14,277	–	1,377	4,057	5,535	(1,477)	-27%	14,277
Total sources of capital funds	90,622	110,495	–	7,392	78,088	42,154	35,934	85%	110,495
Financial position									
Total current assets	213,335	277,229	–		381,236				277,229
Total non current assets	1,251,955	1,474,187	–		1,303,687				1,474,187
Total current liabilities	129,731	124,375	–		167,955				124,375
Total non current liabilities	117,221	117,850	–		124,347				117,850
Community wealth/Equity	1,218,338	1,509,192	–		1,392,622				1,509,192
Cash flows									
Net cash from (used) operating	76,336	175,904	–	93,076	160,186	(34,993)	(195,179)	558%	175,904
Net cash from (used) investing	(64,108)	(97,741)	–	(7,392)	(78,088)	(87,957)	(9,869)	11%	(97,741)
Net cash from (used) financing	(7,122)	–	–	(3,398)	(5,264)	(2,310)	2,954	-128%	–
Cash/cash equivalents at the month/year end	38,198	87,372	–	–	86,042	(116,052)	(202,094)	174%	87,372
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	17,061	9,404	5,596	4,552	3,939	4,224	4,273	186,013	235,063
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

The above C1 Sum table summarizes the following activities: -

Revenue:

The actual year to date operational revenue as at end of December is R416, 364 million against the year to date budget of R448, 991 million and this reflects a negative variance of R32, 627 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 is still a challenge.

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

- Interest earned - external investments: 5% favorable variance,
- Interest earned – outstanding debtors: 29% unfavorable variance,
- Rental of Facilities and Equipment: 62% unfavorable variance,
- Fines, penalties and forfeits: 84% unfavorable variance
- Services Charges – electricity revenue: 2% favorable variance
- Services Charges – refuse revenue: 6% favorable variance
- Licenses and permits: 32% unfavorable variance
- Property rates: 14% unfavorable variance
- Other revenue: 14% unfavorable
- Transfer and subsidies: 9% favorable

Operating expenditure

The year to date operational expenditure as at end of December amounts to R325, 100 million against the year to date budget of R359, 287 million. This reflects underspending variance of R34, 187 million that translates to 10% variance. The variance is attributed overspending variance on depreciation and asset impairment and underspending of debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

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

Debt impairment: 100% under spending
Depreciation: 13% under spending
Finance charges: 99% over spending
Bulk purchase: 17% over spending
Other materials: 16% over spending
Losses: 117% under performing

Capital expenditure

The year-to-date actual capital expenditure as at end of December 2024 amounts to R78, 088 million against the year to date budget amount of R42, 154 million and this gives rise to R35, 934 million over performance. This was as result of expediting MIG spending by December 2024.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month of December is R90, 318 million that is mainly attributed over performance on capital expenditure in the reporting period.

Debtors

Outstanding debtors are comprised of consumer and sundry debtors. The total outstanding debtors at end of December amounts to R234,617 million and this shows an increase of R18,413 million as compared to R216, 650 million as at end of 2023-24 financial year.

Consumer debtors is made up of service charges and property rates that amount to R146,602 million and other debtors amounting to R88, 461 million. Debtors relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, 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	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	305,586	339,405	–	89,358	221,026	216,098	4,927	2%	339,405
Executive and council	42,864	55,444	–	15,084	34,281	41,476	(7,196)	-17%	55,444
Finance and administration	246,163	265,077	–	67,823	172,741	163,625	9,115	6%	265,077
Internal audit	16,559	18,884	–	6,452	14,004	10,997	3,008	27%	18,884
Community and public safety	103,742	147,318	–	12,034	35,740	79,809	(44,069)	-55%	147,318
Community and social services	11,295	11,332	–	3,871	8,851	7,707	1,144	15%	11,332
Sport and recreation	17,578	17,596	–	5,354	14,642	12,610	2,032	16%	17,596
Public safety	74,870	118,389	–	2,809	12,247	59,492	(47,245)	-79%	118,389
Economic and environmental services	122,266	145,708	–	20,528	111,465	110,018	1,447	1%	145,708
Planning and development	23,780	26,909	–	7,965	21,383	17,307	4,076	24%	26,909
Road transport	97,650	117,962	–	12,278	86,544	92,006	(5,461)	-6%	117,962
Environmental protection	836	836	–	286	3,538	705	2,832	401%	836
Trading services	179,670	216,500	–	28,307	119,316	117,716	1,600	1%	216,500
Energy sources	129,271	176,261	–	19,608	94,839	93,608	1,231	1%	176,261
Waste management	50,399	40,239	–	8,699	24,477	24,108	369	2%	40,239
Total Revenue - Functional	711,265	848,930	–	150,227	487,547	523,641	(36,094)	-7%	848,930
Expenditure - Functional									
Governance and administration	233,659	256,051	–	25,092	129,888	136,829	(6,941)	-5%	256,051
Executive and council	46,681	50,467	–	4,169	25,502	25,728	(226)	-1%	50,467
Finance and administration	175,144	193,168	–	18,003	94,907	102,272	(7,364)	-7%	193,168
Internal audit	11,835	12,416	–	2,920	9,479	8,829	649	7%	12,416
Community and public safety	100,864	166,016	–	9,076	31,596	59,830	(28,235)	-47%	166,016
Community and social services	6,912	16,523	–	1,046	4,125	8,294	(4,169)	-50%	16,523
Sport and recreation	11,854	17,967	–	3,992	11,937	10,461	1,476	14%	17,967
Public safety	82,098	131,526	–	4,038	15,534	41,075	(25,541)	-62%	131,526
Economic and environmental services	110,217	121,360	–	10,618	62,399	65,411	(3,012)	-5%	121,360
Planning and development	19,513	29,097	–	2,266	12,081	15,126	(3,045)	-20%	29,097
Road transport	90,704	91,267	–	8,353	50,290	49,918	372	1%	91,267
Environmental protection	–	996	–	–	29	368	(339)	-92%	996
Trading services	165,431	190,937	–	15,123	101,217	97,216	4,000	4%	190,937
Energy sources	114,492	139,573	–	10,692	78,750	69,677	9,073	13%	139,573
Waste management	50,939	51,364	–	4,431	22,467	27,539	(5,072)	-18%	51,364
Total Expenditure - Functional	610,171	734,364	–	59,909	325,100	359,287	(34,187)	-10%	734,364
Surplus/ (Deficit) for the year	101,093	114,566	–	90,318	162,447	164,355	(1,907)	-1%	114,566

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

Vote Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	36,200	48,780	–	13,098	31,974	37,310	(5,336)	-14%	48,780
Vote 2 - Municipal Manager	52,692	53,017	–	18,561	37,504	34,187	3,317	10%	53,017
Vote 3 - Budget & Treasury	127,939	155,069	–	30,488	84,657	82,097	2,561	3%	155,069
Vote 4 - Corporate Services	56,661	46,686	–	13,433	36,116	36,883	(768)	-2%	46,686
Vote 5 - Community Services	163,089	197,934	–	22,226	68,582	111,105	(42,522)	-38%	197,934
Vote 6 - Technical Services	245,385	309,085	–	39,986	197,301	198,854	(1,553)	-1%	309,085
Vote 7 - Developmental Planning	13,529	18,658	–	5,270	15,370	12,635	2,735	22%	18,658
Vote 8 - Executive Support	15,770	19,701	–	7,165	16,043	10,570	5,473	52%	19,701
Total Revenue by Vote	711,265	848,930	–	150,227	487,547	523,641	(36,094)	-7%	848,930
Expenditure by Vote									
Vote 1 - Executive & Council	39,933	42,336	–	3,487	21,957	21,441	517	2%	42,336
Vote 2 - Municipal Manager	45,561	43,952	–	6,242	26,362	24,975	1,387	6%	43,952
Vote 3 - Budget & Treasury	71,103	84,203	–	6,333	44,174	45,047	(872)	-2%	84,203
Vote 4 - Corporate Services	28,973	45,697	–	3,483	14,977	23,114	(8,137)	-35%	45,697
Vote 5 - Community Services	160,788	229,017	–	14,729	59,059	93,066	(34,007)	-37%	229,017
Vote 6 - Technical Services	224,368	249,634	–	20,955	136,637	131,317	5,319	4%	249,634
Vote 7 - Developmental Planning	12,706	21,637	–	1,487	8,154	11,034	(2,880)	-26%	21,637
Vote 8 - Executive Support	26,738	17,889	–	3,192	13,779	9,293	4,486	48%	17,889
Total Expenditure by Vote	610,171	734,364	–	59,909	325,100	359,287	(34,187)	-10%	734,364
Surplus/ (Deficit) for the year	101,093	114,566	–	90,318	162,447	164,355	(1,907)	-1%	114,566

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 Revenue1 Source and Expenditure Type

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	59,487	67,168		5,198	28,909	33,584	(4,675)	-14%	67,168
Service charges - electricity revenue	101,233	133,515		10,520	68,239	66,757	1,482	2%	133,515
Service charges - refuse revenue	12,221	12,488		1,111	6,638	6,244	394	6%	12,488
Rental of facilities and equipment	1,308	2,855		94	443	1,154	(711)	-62%	2,855
Interest earned - external investments	7,316	9,404		459	3,234	3,066	168	5%	9,404
Interest earned - outstanding debtors	15,871	19,888		1,591	8,926	12,487	(3,561)	-29%	19,888
Fines, penalties and forfeits	71,118	113,999		1,213	8,771	56,337	(47,566)	-84%	113,999
Licences and permits	5,872	7,302		455	3,180	4,700	(1,520)	-32%	7,302
Transfers and subsidies	363,048	383,099		126,349	286,929	263,389	23,540	9%	383,099
Other revenue	1,525	2,994		375	1,095	1,272	(177)	-14%	2,994
Gains				-	-	-	-		
Total Revenue (excluding capital transfers and contributions)	638,998	752,712	-	147,365	416,364	448,991	(32,627)	-7%	752,712
Expenditure By Type									
Employee related costs	178,956	213,757		24,956	101,146	106,956	(5,809)	-5%	213,757
Remuneration of councillors	27,289	28,178		2,539	13,992	14,089	(97)	-1%	28,178
Debt impairment	63,819	125,207		-	-	39,275	(39,275)	-100%	131,672
Depreciation & asset impairment	60,972	58,901		5,539	32,515	37,194	(4,679)	-13%	58,901
Finance charges	1,585	406		246	396	199	197	99%	406
Bulk purchases	91,699	121,123		9,040	70,695	60,561	10,134	17%	121,123
Other materials	42,889	37,865		3,940	23,763	20,431	3,332	16%	37,865
Contracted services	73,485	70,102		6,135	40,005	37,643	2,362	6%	70,102
Transfers and subsidies	10,946	9,404		963	4,817	5,225	(408)	-8%	9,404
Other expenditure	58,226	69,371		6,551	37,774	37,685	89	0%	62,906
Losses	306	50		-	(5)	29	(34)	-117%	50
Total Expenditure	610,171	734,364	-	59,909	325,100	359,287	(34,187)	-10%	734,364
Surplus/(Deficit)	28,827	18,347	-	87,456	91,264	89,704	1,560	2%	18,347
Transfers and subsidies - capital (monetary allocations)	72,266	95,858		2,862	71,183	74,498	(3,315)	-4%	95,858
Transfers and subsidies - capital (monetary allocations)		360		-	-	153	(153)	-100%	360
Surplus/(Deficit) after capital transfers & contributions	101,093	114,566	-	90,318	162,447	164,355			114,566
Taxation							-		
Surplus/(Deficit) after taxation	101,093	114,566	-	90,318	162,447	164,355			114,566
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	101,093	114,566	-	90,318	162,447	164,355			114,566
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	101,093	114,566	-	90,318	162,447	164,355			114,566

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, refuse, rental of facilities and equipment, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits and other revenue.

In the case of expenditure, the following line items reflect material variance, Bulk purchases, other expenditure, debt impairment, depreciation and asset impairment, finance charges, other materials, contracted services, 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

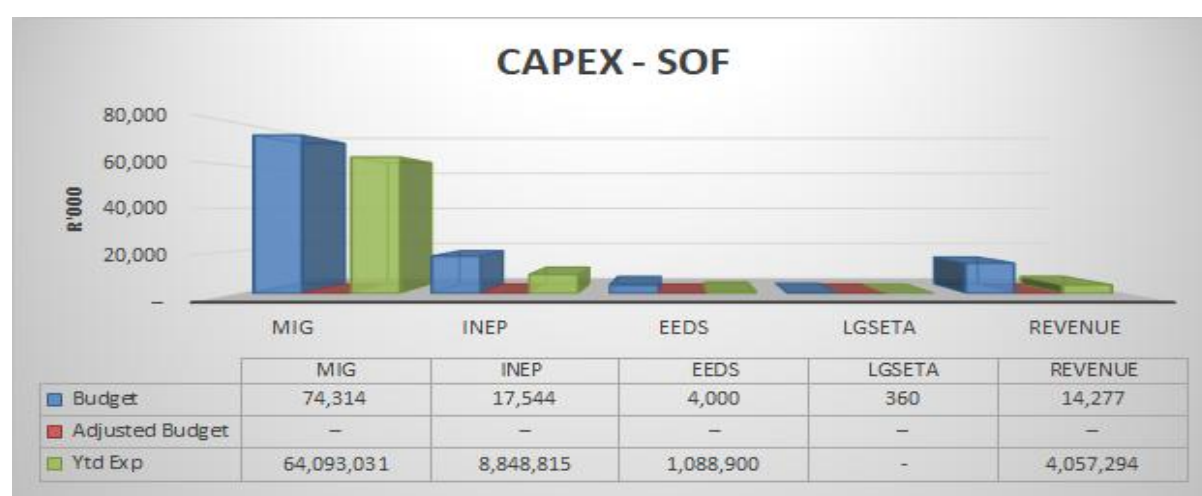
Vote Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	7,572	7,170	–	161	1,095	3,088	(1,993)	-65%	7,170
Executive and council	–	–					–		–
Finance and administration	7,572	7,170		161	1,095	3,088	(1,993)	-65%	7,170
Internal audit	–	–					–		–
Community and public safety	245	11,100	–	1,095	1,802	666	1,137	171%	11,100
Community and social services	–	800	–	696	696	488	208	43%	800
Sport and recreation	245	10,300	–	399	1,106	178	929	523%	10,300
Public safety	–	–	–	–	–	–	–		–
Housing							–		
Health							–		
Economic and environmental services	64,560	68,949	–	4,935	65,164	29,456	35,708	121%	68,949
Planning and development	–	–	–	–	–	–	–		–
Road transport	64,560	68,949	–	4,935	65,164	29,456	35,708	121%	68,949
Environmental protection	–	–	–	–	–	–	–		–
Trading services	13,737	23,277	–	1,202	10,027	8,944	1,083	12%	23,277
Energy sources	12,842	22,227		1,202	9,938	8,332	1,606	19%	22,227
Waste management	895	1,050		–	89	612	(523)	-85%	1,050
Other							–		
Total Capital Expenditure - Functional Classification	86,114	110,495	–	7,392	78,088	42,154	35,934	85%	110,495
Funded by:									
National Government	69,153	95,858		6,015	74,031	36,619	37,411	102%	95,858
Provincial Government							–		
District Municipality							–		
Transfers and subsidies - capital (monetary allocations)		360	–	–	–	–	–		360
Transfers recognised - capital	69,153	96,218	–	6,015	74,031	36,619	37,411	102%	96,218
Borrowing							–		
Internally generated funds	21,469	14,277		1,377	4,057	5,535	(1,477)	-27%	14,277
Total Capital Funding	90,622	110,495	–	7,392	78,088	42,154	35,934	85%	110,495

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2,102	1,000	-	54	891	485	406	84%	1,000
Vote 5 - Community Services	869	10,000	-	399	976	3,453	(2,476)	-72%	10,000
Vote 6 - Technical Services	74,273	70,688	-	4,414	64,205	27,292	36,914	135%	70,688
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	77,244	81,688	-	4,868	66,073	31,229	34,844	112%	81,688
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	5,470	6,170	-	107	204	2,603	(2,399)	-92%	6,170
Vote 5 - Community Services	271	2,150	-	696	915	1,278	(363)	-28%	2,150
Vote 6 - Technical Services	7,638	20,487	-	1,722	10,896	7,043	3,852	55%	20,487
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	13,379	28,807	-	2,525	12,015	10,925	1,091	10%	28,807
Total Capital Expenditure	90,622	110,495	-	7,392	78,088	42,154	35,934	85%	110,495

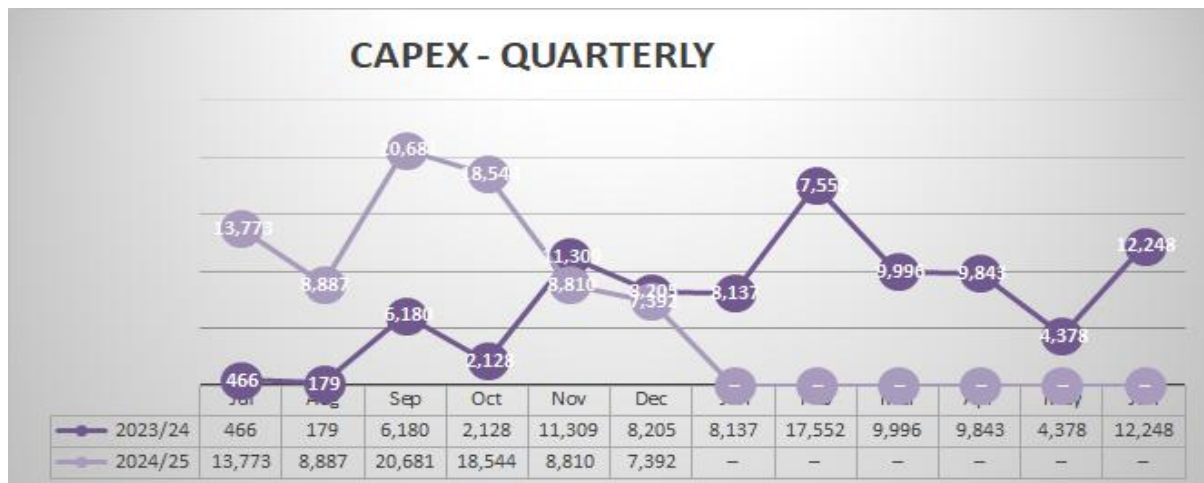
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of December 2024, R8,810 million spending is incurred and the year-to-date expenditure amounts to R70,696 whilst the year to date budget is R35,074 million and this gave rise to over spending variance of R35,622 million that translates to 102%.

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 R110, 495 million, R74, 314 million is funded from Municipal Infrastructure grant, R17, 544 million from Integrated National Electrification Programme, Energy Efficiency and Demand Side Management grant, R4, 000 million, LGSETA amounts to R360 and R14, 277 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 2023-24 and 2024/25 monthly capital expenditure performance.

Table C6: Monthly Budget Statement Financial Position

Description	2023/24	Budget Year 2024/25			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	23,456	76,076		2,584	76,076
Call investment deposits	–	–		83,459	–
Consumer debtors	132,262	145,085		163,730	145,085
Other debtors	19,167	13,993		97,249	13,993
Current portion of long-term receivables	10,417	119		296	119
Inventory	28,034	41,956		33,919	41,956
Total current assets	213,335	277,229	–	381,236	277,229
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	18,475	19,693	–	–	19,693
Investment property	103,831	47,492		110,604	47,492
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1,129,185	1,405,876		1,191,155	1,405,876
Biological	–	–	–	–	–
Intangible	–	663		–	663
Other non-current assets	463	463		1,928	463
Total non current assets	1,251,955	1,474,187	–	1,303,687	1,474,187
TOTAL ASSETS	1,465,290	1,751,416	–	1,684,923	1,751,416
LIABILITIES					
Current liabilities					
Bank overdraft	–	–		–	–
Borrowing	6,723	8,895		2,169	8,895
Consumer deposits	5,518	6,653		5,269	6,653
Trade and other payables	106,189	102,261	–	151,749	102,261
Provisions	11,300	6,565		8,768	6,565
Total current liabilities	129,731	124,375	–	167,955	124,375
Non current liabilities					
Borrowing	–	27,548		2,557	27,548
Provisions	117,221	90,302	–	121,790	90,302
Total non current liabilities	117,221	117,850	–	124,347	117,850
TOTAL LIABILITIES	246,951	242,225	–	292,301	242,225
NET ASSETS	1,218,338	1,509,192	–	1,392,622	1,509,192
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,218,338	1,509,192		1,392,622	1,509,192
Reserves	–	–		–	–
TOTAL COMMUNITY WEALTH/EQUITY	1,218,338	1,509,192	–	1,392,622	1,509,192

The above table shows that community wealth amounts to R1, 392 billion, total liabilities R292, thousand and the total assets R1,528 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site. Taking the current liabilities and current assets together, the municipality has current ratio of 2.3:1 which meets the acceptable norm of 2:1. The municipality 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	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	59,801	68,803	–	3,063	20,738	18,645	2,093	11%	68,803
Service charges	102,043	144,048	–	13,214	59,415	49,326	10,089	20%	144,048
Other revenue	2,684	28,186	–	3,931	70,431	66,987	3,444	5%	28,186
Transfers and Subsidies - Operational	333,406	383,099	–	125,897	287,977	162,522	125,454	77%	383,099
Transfers and Subsidies - Capital	111,606	91,858	–	17,000	80,597	59,585	21,011	35%	91,858
Interest	2,306	8,210	–	612	3,387	2,366	1,021	43%	8,210
Payments									
Suppliers and employees	(530,000)	(538,490)	–	(69,432)	(357,146)	(389,756)	(32,611)	8%	(538,490)
Finance charges	(1,371)	(406)	–	(246)	(396)	(870)	(473)	54%	(406)
Transfers and Grants	(4,139)	(9,404)	–	(963)	(4,817)	(3,799)	1,018	-27%	(9,404)
NET CASH FROM/(USED) OPERATING ACTIVITIES	76,336	175,904	–	93,076	160,186	(34,993)	(195,179)	558%	175,904
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	(4)	659	–	–	–	–	–		659
Decrease (increase) in non-current receivables	–	1,194	–	–	–	–	–		1,194
Decrease (increase) in non-current investments	–	–	–	–	–	–	–		–
Payments									
Capital assets	(64,105)	(99,594)	–	(7,392)	(78,088)	(87,957)	(9,869)	11%	(99,594)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(64,108)	(97,741)	–	(7,392)	(78,088)	(87,957)	(9,869)	11%	(97,741)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	–	–	–	38	(137)	679	(816)	-120%	–
Payments									
Repayment of borrowing	(7,122)	–	–	(3,437)	(5,127)	(2,989)	2,138	-72%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	(7,122)	–	–	(3,398)	(5,264)	(2,310)	2,954	-128%	–
NET INCREASE/ (DECREASE) IN CASH HELD	5,105	78,163	–	82,285	76,833	(125,261)			78,163
Cash/cash equivalents at beginning:	33,093	9,209	–		9,209	9,209			9,209
Cash/cash equivalents at month/year end:	38,198	87,372	–		86,042	(116,052)			87,372

Table C7 presents details pertaining to cash flow performance. As at end of December 2024, the net cash inflow from operating activities is R160, 186 million whilst net cash outflow from investing activities is R78,088 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R5, 264 million. The cash and cash equivalent held at end of December 2024 amounted to R86, 042 million and the net effect of the above cash flows is cash inflow movement of R76, 833 million. The cash and cash equivalent at end of the reporting period of R86, 042 million, is mainly made up of cash in the primary bank account amounting to R2, 584 million and short term investments amounting to R83, 459 million at the end of December 2024.

SUPPORTING TABLES

Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2024/25										Actual Bad Debts Written Off	Impairment - Bad Debts
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	8,455	3,796	971	609	281	103	115	4,054	18,385	5,163	-	-
Receivables from Non-exchange Transactions - Property Rates	4,560	2,598	2,211	2,021	2,037	1,897	2,162	73,783	91,270	81,902	-	-
Receivables from Exchange Transactions - Waste Management	1,087	801	697	679	665	659	633	29,759	34,978	32,394	-	-
Receivables from Exchange Transactions - Property Rental Debtors	82	74	56	55	93	46	40	1,522	1,968	1,755	-	-
Interest on Arrear Debtor Accounts	1,630	1,575	1,540	1,487	1,448	1,433	1,400	71,398	81,910	77,166	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	1,248	561	120	(300)	(585)	87	(77)	5,496	6,551	4,622	-	-
Total By Income Source	17,061	9,404	5,596	4,552	3,939	4,224	4,273	186,013	235,063	203,002	-	-
2023/24 - totals only	15,812	8,961	4,446	4,150	4,023	4,013	3,911	171,333	216,650	187,430	-	-
Debtors Age Analysis By Customer Group												
Organs of State	2,399	2,335	1,255	1,106	1,155	995	904	45,909	56,058	50,068	-	-
Commercial	8,190	3,086	1,321	1,035	681	504	433	13,351	28,601	16,004	-	-
Households	6,166	3,742	2,859	2,747	2,680	2,633	2,837	123,801	147,464	134,697	-	-
Other	306	241	161	(335)	(577)	92	100	2,953	2,941	2,233	-	-
Total By Customer Group	17,061	9,404	5,596	4,552	3,939	4,224	4,273	186,013	235,063	203,002	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of December 2024 amount to R235, 063 million. The debtors' book is made up as follows:

- Rates 39%
- Electricity 8%
- Rental 1%
- Refuse removal 15%
- Interest on Debtors 35%
- Other 3%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

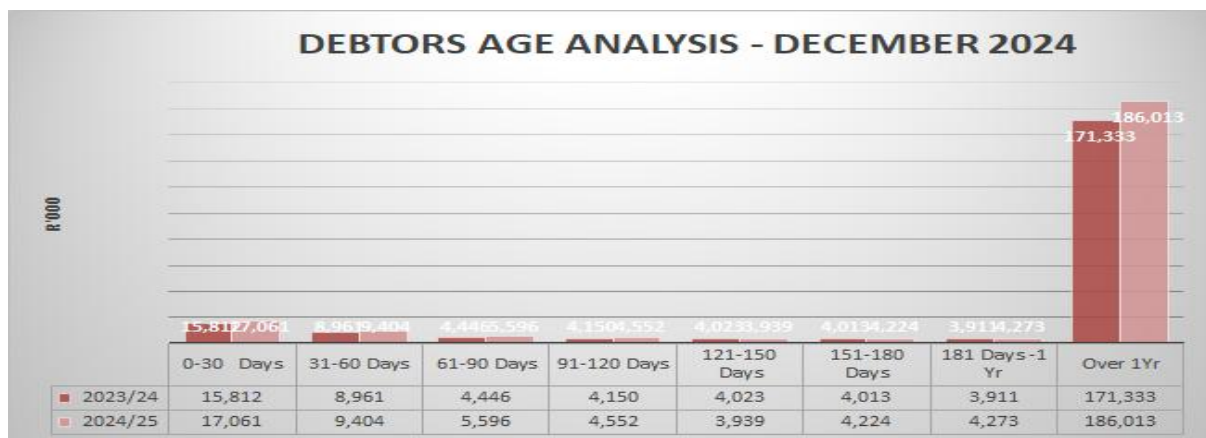
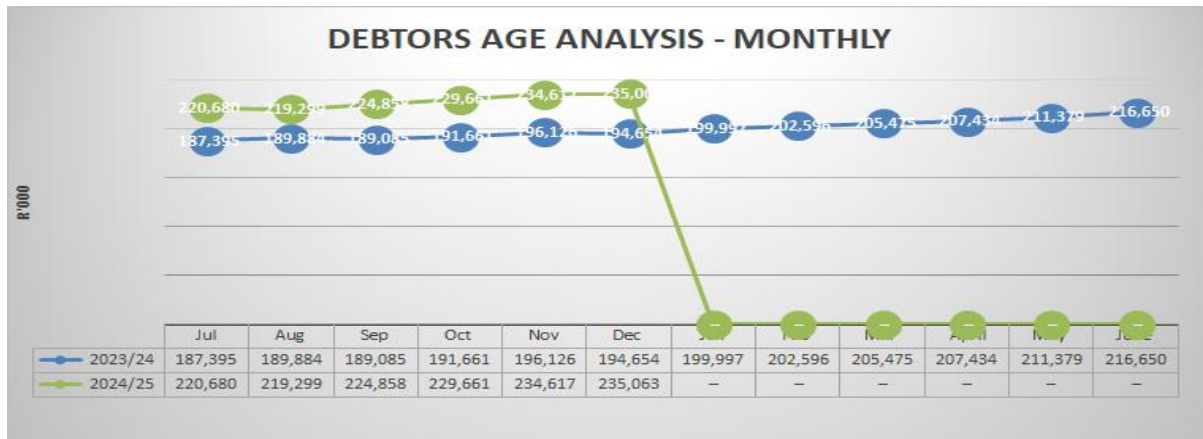


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2023-24 financial year and 2024/25 (as at end of December 2024) whilst the latter shows monthly movement of debtors for both the current financial year and the 2023-24 financial year. The debtors book is materially less than the 2024/25 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	INDIGENT	PENSIONER	HAND OVER	OUTSTANDING BALANCE
1501364	JAN JOUBERT TRUST (JO JO TANKS)	N	N	N	3,068,478
9012345	BREED J & OOSTHUIZEN J F	N	N	N	1,698,417
911906	TAFELKOP MALL (PTY) LTD	N	N	N	1,640,068
9005301	00000 TWIN CITY TRADING PTY/00000 TWIN CITY TRADING PTY LTD	N	N	N	1,576,335
9900067	SDM(WATER PURIFICATION & SEWAGE PLANT)	N	N	Y	1,364,502
9001667	NDEBELE MAHLANGU TRIBE	N	N	N	951,126
9001668	NDEBELE MAHLANGU TRIBE	N	N	N	950,744
9002327	DE LEMOS E M	N	N	N	710,480
9001763	TSHEHLA TRUST MAMAILE GEORGE	N	N	N	612,539
136	LIZINEX (PTY) LTD	N	N	N	605,961
5000633	ERASMUS G J	N	N	N	529,450
9002503	GOUWS BOERDERY TRUST 1999/022459/07	N	N	N	528,261
7000918	MATHEBULA JABULANI JACK TITUS	N	N	Y	526,642
9019006	TIGER STRIPES INVESTMENTS (PTY	N	N	Y	504,566
9001714	KWAMAHUZE COMMUNAL PROP ASSOC	N	N	N	489,412
72010812	PROVINCIAL GOVERNMENT OF THE PROVINCE OF MPUMALANGA	N	N	N	488,702
2000270	DEPARTMENT OF HEALTH(GROBLERSDAL HOSPITAL)	N	N	N	486,048
9001550	LEHLAKONG COMMUNAL PROP ASSOC	N	N	Y	444,248
9002065	GOVERNMENT OF KWANDEBELE(RURAL DEVELOPMENT)	N	N	N	436,384
9001052	NDEBELE STAM	N	N	Y	411,483
TOTAL					18,023,846

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2024/25								Prior year totals for chart
	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	
Creditors Age Analysis By Customer Type									
Bulk Electricity									
Bulk Water									
PAYE deductions									
VAT (output less input)									
Pensions / Retirement deductions									
Loan repayments									
Trade Creditors									
Auditor General									
Other								8,520	
Total By Customer Type	-	-	-	-	-	-	-	8,520	-

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.
- The municipality developed and implement invoice register.

Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry Date	Opening Balance	Interest Realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
STANDARD BANK (038823527023)	3 Months	Current Investment	8.5%		24-Feb-25	-	122,807	-	25,000,000	25,122,807
STANDARD BANK (038823527024)	2 Months	Current Investment	8.5%		23-Jan-25	-	146,712	-	30,000,000	30,146,712
STANDARD BANK(038823527025)	4 Months	Current Investment	8.6%		24-Mar-25	-	123,339	-	25,000,000	25,123,339
ABSA CALL ACCOUNT (9393951418)	1 Month	Current Investment	8.4%		31-Dec-24		65,819	- 17,000,000	20,000,000	3,065,819
TOTAL INVESTMENTS AND INTEREST						-		-	100,000,000	83,458,677

The Municipality had short investment portfolios during the month of December 2024 with an opening balance of R0 and top up investment of R100 000 million, in various investment portfolios. An amount of R458 thousand was earned as an interest, withdrew R17, 000 million and closed off with R83, 458 at the end of December 2024.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	363,048	390,192	-	125,897	287,894	266,936	20,958	8%	390,192
Local Government Equitable Share	357,955	384,783		125,897	283,268	262,202	21,066	8%	384,783
Finance Management	2,850	2,800		-	2,800	2,800	-		2,800
EPWP Incentive	2,243	2,609		-	1,826	1,934	(108)	-6%	2,609
Total Operating Transfers and Grants	363,048	390,192	-	125,897	287,894	266,936	20,958	8%	390,192
Capital Transfers and Grants									
National Government:	72,246	95,858	-	17,000	80,514	74,498	5,816	8%	95,858
Municipal Infrastructure Grant (MIG)	60,985	74,314		15,000	64,314	60,655	3,659	6%	74,314
Integrated National Electrification Grant	11,261	17,544		-	13,000	10,843	2,157	20%	17,544
Energy Efficiency and Demand Side Management Grant	-	4,000	-	2,000	3,200	3,000			4,000
Provincial Government:	-	-	-	-	-	-	-		-
Coghsta - Development	-	-					-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	358	360	-	-	83	153	(70)	-46%	360
LGSETA Learnership and Development	358	360		-	83	153	-	0%	360
Total Capital Transfers and Grants	72,604	96,218	-	17,000	80,597	74,651	5,746	8%	96,218
TOTAL RECEIPTS OF TRANSFERS & GRANTS	435,653	486,411	-	142,897	368,491	341,587	26,704	8%	486,411

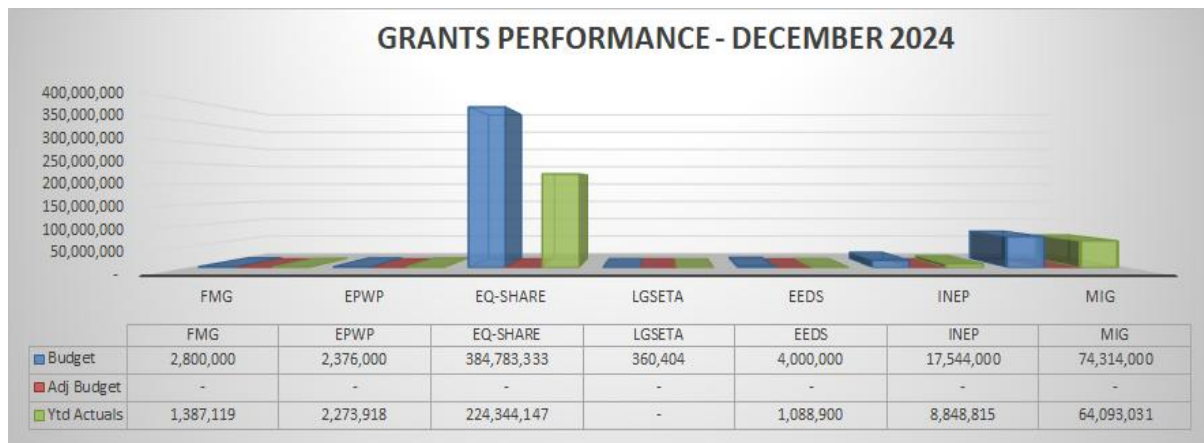
Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R368, 491 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R283, 268 million; Financial Management Grant amounting to R2,800 million LGSETA amounting R83,thousand, Municipal Infrastructure Grant amounting to R64 314 million; Integrated National Energy Grant R14, 200 million and Expanded Public Works Programme R1 826 million were received and Energy Efficiency and Demand Side Management Grant R3, 200 million. All the trenches of the grants allocated for the current financial year have been received in line with National Treasury payment schedule.

Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	363,048	390,192	-	45,751	228,005	201,764	26,242	13%	390,192
Local Government Equitable Share	357,955	384,783		45,299	224,344	198,704	25,640	13%	384,783
Finance Management	2,850	2,800		70	1,387	1,755	(368)	-21%	2,800
EPWP Incentive	2,243	2,609		382	2,274	1,305	969	74%	2,609
Total operating expenditure of Transfers and Grants:	363,048	390,192	-	45,751	228,005	201,764	26,242	13%	390,192
Capital expenditure of Transfers and Grants									
National Government:	72,246	95,858	-	2,862	71,183	36,494	34,690	95%	95,858
Municipal Infrastructure Grant (MIG)	60,985	74,314		1,122	61,296	28,572	32,723	115%	74,314
Integrated National Electrification Grant	11,261	17,544		1,741	8,799	6,624	2,175	33%	17,544
Energy Efficiency and Demand Side Management Grant	-	4,000		-	1,089	1,298	(209)	-16%	4,000
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	358	360	-	-	-	126	(126)	-100%	360
LGSETA Learnership and Development	358	360		-	-	126	(126)	-100%	360
Total capital expenditure of Transfers and Grants	72,604	96,218	-	2,862	71,183	36,619	34,564	94%	96,218
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	435,653	486,411	-	48,613	299,189	238,383	60,806	26%	486,411

An amount of R48, 613 million has been spent on grants during the month of December 2024 and the year-to-date actuals is R299, 189 million whilst the year to date budget amounts to R238,383 million and this results in an over spending variance of R60 ,806 million that translates to 26%. Of the total spending amounting to R299, 189 million, R288, 005 million is spent on operational grants whilst capital grants spent R71, 189 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 2024. The grants expenditure are shown below in percentages:

- Financial Management Grant 49.54%
- Expanded Public Work Programme 95.70%
- Equitable Share 58.30%
- Integrated National Electrification Grant 50.44%
- Municipal Infrastructure Grant 86.25%
- Energy Efficiency and Demand Side Management Grant 27.22%

Supporting Table: SC8 - Councillor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	15,739	16,754		1,547	8,348	8,377	(29)	0%	16,754
Pension and UIF Contributions	2,137	2,187		188	1,063	1,093	(30)	-3%	2,187
Medical Aid Contributions	99	88		–	6	59	(53)	-90%	88
Motor Vehicle Allowance	5,796	5,726		540	3,013	2,863	150	5%	5,726
Cellphone Allowance	3,240	3,154		235	1,403	1,577	(174)	-11%	3,154
Other benefits and allowances	264	239		29	159	119	39	33%	239
Sub Total - Councillors	27,275	28,148	–	2,539	13,992	14,089	(97)	-1%	28,148
% increase		3%							3%
Senior Managers of the Municipality									
Basic Salaries and Wages	2,125	5,567		250	1,500	2,784	(1,283)	-46%	5,567
Pension and UIF Contributions	122	325		19	114	190	(76)	-40%	325
Medical Aid Contributions	127	223		18	106	167	(61)	-37%	223
Motor Vehicle Allowance	404	902		44	266	451	(185)	-41%	902
Cellphone Allowance	81	138		9	56	83	(26)	-32%	138
Housing Allowances	–						–		
Other benefits and allowances	143	319		161	163	210	(47)	-22%	319
Sub Total - Senior Managers of Municipality	3,002	7,474	–	502	2,205	3,884	(1,679)	-43%	7,474
% increase		149%							149%
Other Municipal Staff									
Basic Salaries and Wages	112,799	136,119		10,495	62,141	68,059	(5,918)	-9%	136,119
Pension and UIF Contributions	22,094	26,099		2,024	11,833	13,031	(1,199)	-9%	26,099
Medical Aid Contributions	6,848	7,397		616	3,698	3,699	(1)	0%	7,397
Overtime	343	1,095		31	152	558	(406)	-73%	1,095
Performance Bonus							–		
Motor Vehicle Allowance	15,316	17,755		1,366	7,962	8,878	(915)	-10%	17,755
Cellphone Allowance	2,113	2,358		199	1,155	1,179	(24)	-2%	2,358
Housing Allowances	284	295		26	154	148	6	4%	295
Other benefits and allowances	11,222	14,225		9,505	10,630	7,150	3,481	49%	14,225
Payments in lieu of leave	1,715	106		37	780	106	674	635%	106
Long service awards	3,221	538		156	436	263	172	65%	538
Sub Total - Other Municipal Staff	175,953	205,987	–	24,454	98,941	103,071	(4,131)	-4%	205,987
% increase		17%							17%
Total Parent Municipality	206,231	241,609	–	27,495	115,138	121,044	(5,906)	-5%	241,609
% increase		17%							17%
TOTAL SALARY, ALLOWANCES & BENEFITS	206,231	241,609	–	27,495	115,138	121,044	(5,906)	-5%	241,609
% increase		17%							17%
TOTAL MANAGERS AND STAFF	178,956	213,461	–	24,956	101,146	106,956	(5,809)	-5%	213,461

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid at end of December 2024 amounts to R115, 138 million and the year-to-date budget is R121, 044 million and the expenditure for remuneration of councilors amounts to R13, 992 million while the year-to-date budget is R14, 089 million. The year-to-date actual expenditure for senior managers is R2, 205 million and the year-to-date budget is R3, 884 million. There are three senior managerial vacant position (Corporate services, Executive support and Infrastructure) and this is causing an underspending variance on budget performance for senior management. The year-to-date actual for other municipal staff is R98, 941 million and the year-to-date budget is R103, 071 million. The remuneration of councilors has underspending variance, senior managers have underspending and other municipal staff category has underspending variance.

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

Description	Budget Year 2024/25												2024/25 Medium Term Revenue &		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Year	Year +1	Year +2
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2024/25	2025/26	2026/27
Cash Receipts By Source															
Property rates	2,993	3,922	3,431	3,943	3,386	3,063	6,385	5,846	4,477	7,405	6,378	17,574	68,803	71,969	75,280
Service charges - electricity revenue	6,142	11,956	9,526	7,855	8,164	12,701	11,504	10,712	11,789	10,632	10,632	23,168	134,780	149,222	165,244
Service charges - refuse	446	612	493	509	498	513	516	931	516	1,134	516	2,583	9,268	9,695	10,141
Rental of facilities and equipment	44	74	25	46	46	30	144	322	436	59	491	1,137	2,855	2,986	3,123
Interest earned - external investments	541	382	247	205	305	459	—	3,959	—	789	1,133	191	8,210	8,588	8,983
Interest earned - outstanding debtors	166	266	112	199	352	154	—	—	—	—	—	(1,250)	—	—	—
Fines, penalties and forfeits	589	1,110	2,960	1,802	1,397	1,213	1,886	1,563	594	1,216	1,045	(235)	14,840	16,824	21,497
Licences and permits	578	—	549	520	468	455	—	988	—	1,524	—	2,221	7,302	7,638	7,989
Transfers and Subsidies - Operational	157,454	3,452	—	1,174	—	125,897	—	783	94,422	—	—	(83)	383,099	379,202	365,452
Other revenue	30,240	5,126	19,945	1,039	242	2,234	335	314	470	192	273	(57,221)	3,188	3,335	3,488
Cash Receipts by Source	199,192	26,900	36,988	17,292	14,859	146,717	20,770	25,418	112,704	22,951	20,468	(11,914)	632,345	649,459	661,197
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations)	33,514	—	24,000	—	6,000	17,000	—	4,544	10,800	—	—	—	95,858	72,932	78,173
Transfers and subsidies - capital (monetary allocations)	83	—	—	—	—	—	—	—	—	—	—	(83)	—	—	—
Proceeds on Disposal of Fixed and Intangible Assets	—	—	—	—	—	—	45	58	45	58	58	395	659	131	137
Increase (decrease) in consumer deposits	—	(28)	(87)	4	(65)	38	—	—	—	—	—	137	—	—	—
Decrease (increase) in non-current receivables	—	—	—	—	—	—	218	—	110	—	—	866	1,194	1,249	1,307
Decrease (increase) in non-current investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Receipts by Source	232,788	26,872	60,901	17,296	20,793	163,755	21,033	30,020	123,659	23,009	20,526	(10,598)	730,056	723,771	740,814
Cash Payments by Type															
Employee related costs	14,612	14,768	16,166	14,973	15,672	24,956	17,628	17,628	17,628	17,628	17,628	22,248	211,534	218,928	228,721
Remuneration of councillors	2,021	2,145	2,348	2,087	3,026	2,539	2,348	2,348	2,348	2,348	2,348	2,272	28,178	30,996	34,095
Interest paid	—	79	71	—	—	246	36	26	41	9	20	(122)	406	1,737	1,815
Bulk purchases - Electricity	11,293	14,733	14,861	11,807	8,962	9,040	10,659	7,752	12,112	2,786	6,056	11,063	121,123	136,530	153,896
Other materials	3,400	958	8,755	4,900	1,810	3,940	3,699	2,120	3,726	829	2,528	(4,834)	31,831	38,703	40,483
Contracted services	5,328	7,381	8,860	5,740	6,561	6,135	5,837	5,775	5,437	4,713	5,149	3,186	70,102	68,548	72,158
Grants and subsidies paid - other	740	811	90	814	1,398	963	992	742	742	742	742	627	9,404	9,913	10,442
General expenses	11,821	24,944	4,685	8,902	10,998	6,551	5,880	3,433	5,364	1,234	2,682	(27,055)	59,438	67,901	70,983
Cash Payments by Type	49,214	65,820	55,836	49,223	48,426	54,370	47,079	39,824	47,398	30,289	37,153	7,385	532,016	573,255	612,594
Other Cash Flows/Payments by Type															
Capital assets	13,773	8,887	20,681	18,544	8,810	7,392	11,054	9,543	12,246	8,810	10,866	(31,012)	99,595	75,203	74,932
Repayment of borrowing	—	841	849	—	—	3,437	—	—	—	—	—	(5,127)	—	—	—
Other Cash Flows/Payments	23,199	—	—	—	—	16,271	—	(495)	—	—	(495)	(22,196)	16,284	16,533	16,891
Total Cash Payments by Type	86,186	75,548	77,366	67,767	57,237	81,470	58,133	48,872	59,644	39,099	47,524	(50,950)	647,895	664,991	704,417
NET INCREASE/(DECREASE) IN CASH HELD	146,602	(48,676)	(16,464)	(50,470)	(36,443)	82,285	(37,100)	(18,852)	64,015	(16,090)	(26,998)	40,352	82,161	58,780	36,397
Cash/cash equivalents at the month/year beginning:	9,209	155,811	107,135	90,671	40,200	3,757	86,042	48,942	30,090	94,105	78,016	51,018	9,209	91,370	150,150
Cash/cash equivalents at the month/year end:	155,811	107,135	90,671	40,200	3,757	86,042	48,942	30,090	94,105	78,016	51,018	91,370	91,370	150,150	186,547

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly total cash receipts reflect an amount of R163, 755 million and the total cash payment for the month was R81, 470 million and this resulted in net decrease in cash held amounting to R82, 285 million. With cash and cash equivalent of R3,757 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R86, 042 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
July	466	4,245		13,773	13,773	4,245	(9,528)	-224%	12%
August	179	6,735		8,887	22,660	10,980	(11,681)	-106%	21%
September	6,180	7,018		20,681	43,341	17,997	(25,344)	-141%	39%
October	2,128	9,954		18,544	61,885	27,951	(33,934)	-121%	56%
November	11,309	7,123		8,810	70,696	35,074	(35,622)	-102%	64%
December	8,205	7,080		7,392	78,088	42,154	(35,934)	-85%	71%
January	8,137	11,054				53,208	—		
February	17,552	10,039				63,247	—		
March	9,996	12,246				75,494	—		
April	9,843	8,810				84,304	—		
May	4,378	11,362				95,666	—		
June	12,248	14,830				110,495	—		
Total Capital expenditure	90,621	110,495	—	78,088					

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 R7, 392 million. The year-to-date actual expenditure incurred is R78, 088 million whilst the year to date budget is R42, 154 million, that gives rise to over spending variance of R35, 934 million that translate to 71%.

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class									
Infrastructure	25,833	32,450	–	1,202	10,027	13,045	3,018	23%	32,450
Roads Infrastructure	1,430	300	–	–	–	–	–		300
Roads	1,430	300				–	–		300
Road Structures							–		
Drainage Collection				–	–	–	–		–
Electrical Infrastructure	17,351	21,727	–	1,202	9,938	8,034	(1,904)	-24%	21,727
Power Plants	5,737	4,000		–	1,089	1,298	209	16%	4,000
MV Substations	–	–	–	–	–	–	–		–
MV Networks	11,614	17,544		1,202	8,849	6,624	(2,225)	-34%	17,544
Capital Spares	–	183		–	–	112	112	100%	183
Solid Waste Infrastructure	7,053	8,250	–	–	89	4,211	4,122	98%	8,250
Landfill Sites	7,053	8,250		–	89	4,211	4,122	98%	8,250
Waste Transfer Stations							–		
Capital Spares	–	–	–	–	–	–	–		–
Drainage Collection		2,174	–	–	–	800	800	100%	2,174
Capital Spares							–		
Community Assets	–	–	–	–	–	–	–		–
Community Facilities	–	–	–	–	–	–	–		–
Other assets	–	–	–	–	–	–	–		–
Operational Buildings	–	–	–	–	–	–	–		–
Municipal Offices	–						–		
Intangible Assets	–	–	–	–	–	–	–		–
Servitudes							–		
Computer Software and Applications		–	–	–	–	–	–		–
Computer Equipment	2,102	1,360	–	161	997	610	(387)	-63%	1,360
Computer Equipment	2,102	1,360		161	997	610	(387)	-63%	1,360
Furniture and Office Equipment	5,496	6,110	–	–	98	2,668	2,571	96%	6,110
Furniture and Office Equipment	5,496	6,110		–	98	2,668	2,571	96%	6,110
Machinery and Equipment	360	800	–	–	283	501	218	43%	800
Machinery and Equipment	360	800		–	283	501	218	43%	800
Transport Assets	–	–	–	–	–	–	–		–
Transport Assets	–						–		
Total Capital Expenditure on new assets	33,791	40,720	–	1,363	11,405	16,824	5,419	32%	40,720

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	-	500	-	-	-	298	298	100%	500
Roads Infrastructure	-	-	-	-	-	-	-		-
Roads	-	-	-	-	-	-	-		-
Road Structures							-		
Electrical Infrastructure	-	500	-	-	-	298	298	100%	500
MV Networks	-						-		
Capital Spares		500		-	-	298	298	100%	500
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites	-	-	-	-	-	-	-		-
Capital Spares							-		
Community Assets	-	800	-	696	696	488	(208)	-43%	800
Community Facilities	-	800	-	696	696	488	(208)	-43%	800
Cemeteries/Crematoria	-	800	-	696	696	488	(208)	-43%	800
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices	-	-	-	-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	261	-	-	82	84	2	2%	261
Machinery and Equipment		261	-	-	82	84	2	2%	261
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	-	1,561	-	696	778	871	92	10.6%	1,561

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class									
Infrastructure	21,575	14,718	-	789	11,192	5,274	(5,918)	-112%	14,718
Roads Infrastructure	12,995	7,766	-	52	7,015	1,792	(5,223)	-291%	7,766
Roads	12,995	7,766		52	7,015	1,792	(5,223)	-291%	7,766
Road Furniture							-		
Electrical Infrastructure	6,655	4,750	-	501	2,994	2,380	(613)	-26%	4,750
MV Switching Stations							-		
MV Networks	6,655	4,750		501	2,994	2,380	(613)	-26%	4,750
Solid Waste Infrastructure	1,925	2,203	-	237	1,184	1,101	(82)	-7%	2,203
Landfill Sites	1,925	2,203		237	1,184	1,101	(82)	-7%	2,203
Capital Spares							-		
Community Assets	448	5,986	-	1,754	2,836	4,612	1,776	39%	6,262
Community Facilities	448	5,986	-	1,754	2,836	4,612	1,776	39%	6,262
Parks	448	5,986		1,754	2,836	4,612	1,776	39%	6,262
Other assets	959	1,353	-	24	747	889	142	16%	2,406
Operational Buildings	959	1,353	-	24	747	889	142	16%	2,406
Municipal Offices	959	1,353		24	747	889	142	16%	2,406
Intangible Assets	119	221	-	13	38	116	79	68%	221
Licences and Rights	119	221	-	13	38	116	79	68%	221
Computer Software and Applications	119	221		13	38	116	79	68%	221
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	550	-	256	256	177	(79)	-45%	-
Furniture and Office Equipment		550		256	256	177	(79)	-45%	
Machinery and Equipment	11,035	12,324	-	937	6,845	6,078	(768)	-13%	12,048
Machinery and Equipment	11,035	12,324		937	6,845	6,078	(768)	-13%	12,048
Transport Assets	-	2,776	-	146	1,924	2,174	250	11%	2,274
Transport Assets	-	2,776		146	1,924	2,174	250	11%	2,274
Total Repairs and Maintenance Expenditure	34,135	37,929	-	3,920	23,839	19,321	(4,518)	-23%	37,929

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	45,617	40,397	–	870	4,434	27,244	22,810	84%	40,397
Roads Infrastructure	39,143	36,420	–	334	1,703	24,844	23,140	93%	36,420
Roads	38,686	35,937		297	1,515	24,613	23,097	94%	35,937
Road Structures	228	241		18	94	88	(6)	-7%	241
Road Furniture	229	242		18	94	143	49	34%	242
Storm water Infrastructure	–	–	–	–	–	–	–		–
Drainage Collection	–	–					–		
Electrical Infrastructure	5,802	3,226	–	375	1,909	1,936	27	1%	3,226
MV Substations	1,547	2,014		100	508	1,135	626	55%	2,014
MV Switching Stations	356			–	–	222	222	100%	
MV Networks	1,519	1,212		93	474	580	106	18%	1,212
LV Networks	262			52	265	–	(265)	0%	
Capital Spares	2,118			130	662	–	(662)	0%	
Solid Waste Infrastructure	672	710	–	161	822	440	(382)	-87%	710
Landfill Sites	395	417		40	204	294	90	31%	417
Waste Transfer Stations							–		
Waste Processing Facilities	274	289		121	616	145	(472)	-326%	289
Capital Spares	3	3		0	1	1	(0)	-13%	3
Drainage Collection	–	42		–	–	24	24	0	42
Community Assets	1,058	1,117	–	78	399	570	171	30%	1,117
Community Facilities	808	854	–	65	333	438	104	0	854
Halls	30	31		2	11	14	3	0	31
Centres	183	193		15	76	85	9	0	193
Cemeteries/Crematoria	92	97		7	38	49	11	0	97
Parls	2	3		0	0	2	1	0	3
Taxi Ranks/Bus Terminals	249	263		20	102	132	30	23%	263
Capital Spares	253	267		21	105	156	51	33%	267
Sport and Recreation Facilities	249	263	–	13	65	132	66	50%	263
Indoor Facilities	–						–		
Outdoor Facilities	249	263		13	65	132	66	50%	263
Capital Spares							–		
Other Heritage	–	6		–	–	4	4	100%	6
Other assets	3,979	6,366	–	310	1,582	3,295	1,712	52%	6,366
Operational Buildings	1,427	2,608	–	219	1,115	919	(195)	-21%	2,608
Municipal Offices	1,026	2,574		174	888	907	19	2%	2,574
Stores	32	34		19	97	13	(84)	-657%	34
Training Centres	369			25	130	–	(130)	0%	
Housing	2,552	3,759	–	92	468	2,375	1,907	80%	3,759
Social Housing	2,552	3,759		92	468	2,375	1,907	80%	3,759
Intangible Assets	10	22	–	–	–	9	9	100%	22
Servitudes	10	14		–	–	6	6	100%	14
Licences and Rights	–	8	–	–	–	3	3	100%	8
Computer Software and Applications	–	8		–	–	3	3	100%	8
Computer Equipment	672	994	–	47	203	507	304	60%	994
Computer Equipment	672	994		47	203	507	304	60%	994
Furniture and Office Equipment	809	840	–	145	737	224	(514)	-230%	840
Furniture and Office Equipment	809	840		145	737	224	(514)	-230%	840
Machinery and Equipment	3,006	3,168	–	397	2,023	1,477	(547)	-37%	3,168
Machinery and Equipment	3,006	3,168		397	2,023	1,477	(547)	-37%	3,168
Transport Assets	5,821	5,990	–	3,451	17,597	3,434	(14,163)	-412%	5,990
Transport Assets	5,821	5,990		3,451	17,597	3,434	(14,163)	-412%	5,990
Total Depreciation	60,972	58,901	–	5,298	26,976	36,762	9,786	27%	58,901

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	56,831	58,214	-	4,935	64,928	21,006	(43,922)	-209%	58,214
Roads Infrastructure	55,962	58,214	-	4,935	64,928	21,006	(43,922)	-209%	58,214
Roads	55,962	58,214		4,935	64,928	21,006	(43,922)	-209%	58,214
Road Structures							-		
Storm water Conveyance							-		
Electrical Infrastructure	-	-	-	-	-	-	-		-
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
LV Networks							-		
Solid Waste Infrastructure	869	-	-	-	-	-	-		-
Landfill Sites	869						-		
Waste Transfer Stations							-		
Community Assets	-	10,000	-	399	976	3,453	2,476	72%	10,000
Community Facilities	-	-	-	-	-	-	-		-
Parks	-	-	-	-	-	-	-		-
Sport and Recreation Facilities	-	10,000	-	399	976	3,453	2,476	72%	10,000
Indoor Facilities							-		
Outdoor Facilities		10,000		399	976	3,453	2,476	72%	10,000
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices	-						-		-
Yards	-	-		-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment			-	-	-		-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on upgrading of existing assets	56,831	68,214	-	5,334	65,904	24,459	(41,445)	-169%	68,214

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 capital expenditure for new capital projects amounts to R11,405 million and the year-to-date budget is R16, 824 million that reflects positive spending variance of R5, 419 million that translates to 32% variance.

The total capital expenditure for renewal/upgrading of existing assets amounts to R78,175 million and the total budget amounts to R66, 683 million for the 2024/25 financial year.

The year-to-date actual expenditure on repairs and maintenance is R23, 839 million, and the total budget is R37, 929 million, reflecting an overspending variance of R14, 090 million that translates to 37%.

The year-to-date actual expenditure on upgrading of existing assets is R65, 904 million and the year-to-date budget is R24, 459 million, reflecting a negative spending variance of R41, 445 million that translates to 169%.

The year-to-date actual expenditure on depreciation and asset impairment is R26, 976 million and the year-to-date budget is R33, 762 million, reflecting a positive spending variance of R 9, 786 million, that translates to 27% which means the integration between asset management system and core financial system is working which is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is complying mSCOA requirements in terms of the depreciation method

List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	2024/25 Medium Term Revenue and Expenditure Framework			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Community Services	Fencing of Elandsdoorn/Ntwane Cemetery	Single	Community Assets	Community Assets	700,000	-	696,000	99%
	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300,000	-	-	0%
	Construction of washbay at Groblersdal landfill site	Single	Solid Waste Infrastructure	Landfill Sites	250,000	-	-	0%
	Landfill Sites:Elansdoorn Landfill Site	Single	Community Assets	Community Assets	500,000	-	-	0%
	Landfill Sites:Notice Boards	Single	Machinery and Equipment	Machinery and Equipment	100,000	-	89,100	89%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	300,000	-	130,000	43%
Corporate Services	Upgrading of Tafelkop Stadium	Multi	Community Assets	Community Assets	10,000,000	-	976,456	10%
	Computer Equipment	Multi	Computer Equipment	Computer Equipment	1,360,404	-	997,372	73%
Technical Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	5,809,566	-	97,850	2%
	Groblersdal Traffic lights	Single	Electrical Infrastructure	Capital Spares	500,000	-	-	0%
	Groblersdal Storm water	Multi	Storm water Infrastructure	Drainage Collection	2,173,914	-	-	0%
	AIRCONS	Multi	Electrical Infrastructure	Capital Spares	182,526	-	-	0%
	Machinery and Equipment	Multi	Machinery and Equipment	Machinery and Equipment	260,870	-	235,652	90%
	Electrification of Doorm (Designs)	Multi	Electrical Infrastructure	MV Networks	200,000	-	199,392	100%
	Electrification of Luckau Maganagobuswa	single	Electrical Infrastructure	MV Networks	5,277,000	-	520,010	10%
	Electrification of Lusaka (Designs)	Multi	Electrical Infrastructure	MV Networks	200,000	-	-	0%
	Electrification of Magukubjane	single	Electrical Infrastructure	MV Networks	4,267,000	-	3,893,087	91%
	Electrification of Mantrombi Section	single	Electrical Infrastructure	MV Networks	2,000,000	-	196,000	10%
	Electrification of Moletema High view	Single	Electrical Infrastructure	MV Networks	2,000,000	-	1,789,061	89%
	Electrification of Ntswelomotse ext (Designs)	Multi	Electrical Infrastructure	MV Networks	200,000	-	-	0%
	Electrification of Oorlog (Designs)	Single	Electrical Infrastructure	MV Networks	200,000	-	200,000	100%
	Electrification of Phooko	Single	Electrical Infrastructure	MV Networks	3,000,000	-	1,851,264	62%
	Electrification of Zaaipuss Police Station (Designs)	Single	Electrical Infrastructure	MV Networks	200,000	-	200,000	100%
	Energy Efficiency and Demand Side Management	Multi	Electrical Infrastructure	Power Plants	4,000,000	-	1,088,900	27%
	Upgrading of Stormo Bus Road	Single	Roads Infrastructure	Roads	300,000	-	-	0%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	21,000,000	-	21,049,014	100%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	17,750,000	-	18,091,162	102%
	Upgrading of Maraganeng internal Access road (MIG)	Multi	Roads Infrastructure	Roads	8,574,200	-	6,815,036	79%
	Upgrading of Mokumong access road to Marateng taxi rank (MIG)	Multi	Roads Infrastructure	Roads	16,989,800	-	17,161,363	101%
	Upgrading of Tafelkop Bapeding Bus route	Single	Roads Infrastructure	Roads	600,000	-	599,844	100%
	Upgrading of Talane Bus route	Single	Roads Infrastructure	Roads	600,000	-	520,123	87%
	Upgrading of Waalkrat Bus route	Single	Roads Infrastructure	Roads	700,000	-	691,354	99%

Adjusted budget on revenue and expenditure

Description	2023/24	Budget Year 2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
Revenue By Source				
Property rates	59 487	67 168	57 818	28 909
Service charges - electricity revenue	101 233	133 515	136 478	68 239
Service charges - refuse revenue	12 221	12 488	13 276	6 638
Rental of facilities and equipment	1 308	2 855	886	443
Interest earned - external investments	7 316	9 404	6 468	3 234
Interest earned - outstanding debtors	15 871	19 888	17 852	8 926
Fines, penalties and forfeits	71 118	113 999	17 541	8 771
Licences and permits	5 872	7 302	6 360	3 180
Transfers and subsidies - Operational	363 048	383 099	383 099	286 929
Transfers and subsidies - Capital	72 266	95 858	95 858	78 848
Other revenue	1 525	2 994	2 190	1 095
Total Revenue (excluding capital transfers and contributions)	638 998	752 712	737 826	416 364

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and more.

Rental of facilities and equipment

A slight downward adjustment will be processed on rental of facilities and machinery as straight line journals are typically calculated and applied at year-end.

Interest on external investments

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

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 is still a challenge. The municipality is not performing well compared to prior year and the downward adjustment is based on traffic fines issued report as opposed to actual year to date (payments). The municipality issued R43 898 million traffic fine as at 20 January 2025.

Transfer and subsidies

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

Other revenue

Downwards adjustment is based on actual performance.

Description	2023/24	Budget Year 2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
Expenditure By Type				
Employee related costs	178 956	213 757	202 292	101 146
Remuneration of councillors	27 289	28 178	27 985	13 992
Debt impairment	63 819	125 207	–	–
Depreciation & asset impairment	60 972	58 901	65 030	32 515
Finance charges	1 585	406	792	396
Bulk purchases	91 699	121 123	141 391	70 695
Other materials	42 889	37 865	47 527	23 763
Contracted services	73 485	70 102	80 011	40 005
Transfers and subsidies	10 946	9 404	9 633	4 817
Other expenditure	58 226	69 371	75 549	37 774
Losses	306	50	10	(5)
Total Expenditure	610 171	734 364	650 220	325 100

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and more.

Employee related cost

The downward adjustment on employee-related costs is due to certain positions not being filled and some not filled on time as anticipated. Additionally, the municipality had retirees during the course of the year. Consequently, the municipality did not incur the expected salary and benefits expenses for those unfilled roles, resulting in a reduction in overall employee-related costs.

Debt impairment

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

Depreciation and asset impairment

Upward adjustment will be made based on the performance of the line item and data cleansing to take place based on the 2023/24 audit outcome

Finance charges

The upward adjustment on finance charges is due to the engagement of a newly appointed service provider for fleet finance leasing for a period of 36 months. This new provider has different terms, rates, or fees associated with their services compared to the previous arrangement. As a result, the overall finance charges have increased, necessitating an upward adjustment in municipal financial records to reflect these higher costs.

Other material

Upward adjustment is based on actual performance mainly on repairs and maintenance of roads, to date 92% of the budget have been spent . This adjustment reflects the need for additional funds to address the safety, functionality and longevity and preventing deterioration of our roads infrastructure.

Losses

The scrutiny has been performed on municipal losses, reclassification journals and downward adjustment will be processed to reflect gains.

Transfers and subsidies (capital and operational grants)

There are no resources to adjust within the existing grant allocation, leading to a stagnant financial position regarding grants. This means that the current budget and expenditures remain as initially planned without the potential for modification.

Quality certificate

I, **Namudi Reginah Makgata**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of 31 December 2024 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature

P.P. Makgata

Date

24/01/2025