

MEMORANDUM

AAN / TO : Mayor (Councillor GL Nkumbi)
VAN / FROM : Municipal Manager
LÊER / FILE : 5/1/1/13; 4/1/1/B
DATUM / DATE : 23 January 2024

Honourable Mayor

MFMA SECTION 72 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 2023/24 FOR THE PERIOD 01 JULY 2023 ENDING 31 DECEMBER 2023

The above matter bears reference.

1. Introduction

In terms of Section 72 (1), (2) and (3) of the Municipal Finance Management Act No 56, 2003 Chapter 8, the Mid-Year Budget and Performance Assessment Report for the period ended 31 December 2023 is herewith submitted for your consideration.

In terms of Section 72, (1) the Accounting Officer of a municipality must by 25 January of each year—

- (a) assess the performance of the municipality during the first half of the financial year, taking into account—
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) 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;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; ...

- (b) submit a report on such assessment to—

- (i) the Mayor of the municipality;
 - (ii) the National Treasury; and
 - (iii) the relevant provincial treasury.
- (2) The statement referred to in section 71 (1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.
- (3) The accounting officer must, as part of the review—
- (a) make recommendations as to whether an adjustments budget is necessary; and
 - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Yours faithfully



DH MOLAOLE
MUNICIPAL MANAGER

DATE: 23.01.2024

/ts

DE AAR

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Alle korrespondensie moet gerig word
aan die **MUNISIPALE BESTUURDER**

All Correspondence must be addressed
to the **MUNICIPAL MANAGER**

Kantoor van die Munisipale Bestuurder:
Office of the Municipal **MUNICIPAL**
MANAGER

5/1/13

Verw. Nr./Ref. No.

23 January 2023

Datum/Date:

DH Molaole

Navrae/Enquiries:

The Municipal Manager
Emthanjeni Municipality
PO. Box 42
DE AAR
7000

Dear Sir

ACKNOWLEDGEMENT OF RECEIPT: MFMA, SECTION 72 MID-YEAR ASSESSMENT REPORT

I, Councillor Gladwell Lulamile Nkumbi, Mayor of Emthanjeni Municipality acknowledge receipt of the MFMA, Section 72 Mid-Year Assessment Report

Yours faithfully

GL/NKUMBI
MAYOR

/ts



VISION

"A centre for development and service excellence focused on economic viability in pursuit of a better life for all"

MISSION STATEMENT

"To provide a quality service at all times and:
Invest in our resources, both human and capital
Develop an active citizenry
Create a conducive environment for economic growth".

EMTHANJENI MUNICIPALITY



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT 2023-2024

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Glossary

- **Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality DECEMBER revise its annual budget during the year.
- **Allocations** – Money received from Provincial or National Government or other municipalities.
- **Budget** – The financial plan of the Municipality.
- **Budget related policy** – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
- **Capital expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
- **Cash flow statement** – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it DECEMBER not be paid in the same period.
- **DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
- **Equitable share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
- **Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- **GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
- **GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.
- **IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.
- **MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.
- **MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

- **MIG** – Municipal Infrastructure Grant.
- **MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
- **Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages.
- **Rates** – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
- **SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
- **Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
- **Unauthorised expenditure** – Generally, is spending without, or in excess of, an approved budget.
- **Virement** – A transfer of budget.
- **Virement policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
- **Vote** – One of the main segments into which a budget. In Emthanjeni Municipality this means at directorate level.

1 Section- Introduction

1.1 Purpose

To inform Council on progress made in the implementation on of the original budget and rolled over projects in respect of the first six months of 2023/24 financial year as well as recommend whether an adjustments budget is necessary.

1.2 Legal requirements

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

- (1) The accounting officer of a municipality must by 25 January of each year -
 - (a) assess the performance of the municipality during the first half of the financial year, taking into account -
 - (i) the' monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) 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;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
 - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
 - (b) **submit a report on such assessment to -**
 - (i) **the mayor of the municipality**
 - (ii) the National Treasury; and
 - (iii) the relevant Provincial Treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.
- (3) The accounting officer must, as part of the review -
 - (a) make recommendations as to whether an adjustments budget is necessary; and
 - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Thereafter, the mayor must, in terms of Section 54(1);

- (a) Consider the report;
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;
- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year.

1.3 Contents of this report

With the concurrence of the Chief Financial Officer, it was agreed that:

- (a) The Budget and Treasury Office prepare a report complying with the financial requirements of MFMA section 72.

The mid-year budget statement for December 2023 is submitted to all legislated parties by 24 January 2024.

That this report be submitted by the accounting officer to the executive Mayor on 24 January 2024 in order to allow the executive Mayor to fulfil his responsibilities in terms of section 51 of the MFMA.
- (b) The Performance Internal Auditing and Risk Management Section in the Office of the Municipal Manager assists with the revision of the SDBIP after determination as by the Mayor as to whether amendments are required to the current SDBIP.
- (c) The outcomes of the above-mentioned reports and reviews form the basis of the mid-year budget and performance assessment as well as the adjustments budget.

PART 1 – IN-YEAR REPORT

Section 2 – Mayor's Report

2.1.1 Financial problems or risks facing the municipality

An area of concern is the under-performance in relation to the implementation of the capital budget however the biggest threat to the municipality poor payment culture from our consumers then places a huge strain on the cash flow of the municipality.

Another risk the municipality is facing is the serious threat the load shedding has brought this has made it increasingly difficult to collect revenue.

2.1.2 Relevant information

The audited figures relating to the 2023/2024 financial year are included in this report as the audit has been finalised.

Year-to-date operating revenue realised is 6% above the year-to-date budget for December 2023.

The increased revenue includes the annual property rates and other fixed service charges billed to consumers for the 2023/2024 financial year, this situation arose because certain customer's water usage are abnormally high these abnormalities are being investigated also the higher revenue amount are because of property rates being billed annually.

Operating expenditure incurred amounts to -45% below the year-to-date operating expenditure, this negative amount can be attributed to the fact that depreciation as well as debt impairment are calculated at the year end balances.

Section 2 – Resolutions

IN-YEAR REPORTS 2023/2024

This is the resolution that will be presented to Council when the In-Year Report is tabled:

Recommended resolution to Council with regards to December 2023 In-year report is:

RESOLVED

(a) That the Council takes note of the contents in the Mid-Year Budget & Performance Assessment 2023/2024 as set out in the schedules contained in Section 4 as well as the supporting documentation in Section 6 to 13.

1. Table C1 – Mid-Year Budget Statement Summary;
2. Table C2 -Mid-Year Budget Statement -Financial Performance (Standard classification);
3. Table C3 –Mid-Year Budget Statement – Financial Performance Standard classification (Revenue and expenditure by Municipal Vote)
4. Table C4 -Mid-Year Budget Statement -Financial Performance (Revenue by Source and Expenditure by Type)
5. Table CS -Mid-Year Budget Statement -Capital Expenditure;
6. Table C6 –Mid-Year Budget Statement – Financial Position; and

(b) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

The audited figures relating to the 2023/2024 financial year are included in this report as the audit has been finalised.

Year-to-date operating revenue realised is 6% above the year-to-date budget for December 2023.

The abnormally high revenue includes the annual property rates and other fixed service charges billed to consumers for the 2023/2024 financial year, this situation arose because certain customer's water usage are abnormally high these abnormalities are being investigated also the higher revenue amount are because of property rates being billed annually.

Operating expenditure incurred amounts to -45% below the year-to-date operating expenditure, this negative amount can be attributed to the fact that depreciation as well as debt impairment are calculated at the year end balances.

3.2 Consolidated performance

3.2.1 Against annual budget (original approved and latest Adjustments)

Detail	Capital Expenditure	Operating Expenditure	Operating Revenue (excluding capital transfers and contributions)
Original Budget	38 471	284 956	308 441
Adjusted Budget	38 471	284 956	304 909
Budget YTD	19 236	142 178	152 203
Actual	5 943	78 871	161 363
Variance YTD (R)	(13 293)	(63 606)	9 160
Variance YTD (%)	69%	45%	6%

Section 4 – In-year budget statement tables

4.1 Mid-Year Budget Statements

4.1.1 Table C1: s71 Quarterly Budget Statement Summary

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	44 921	44 419	44 419	3 191	30 766	22 210	8 557	39%	44 419
Service charges	166 855	189 830	186 298	10 168	78 637	92 897	(14 260)	-15%	186 298
Investment revenue	2 707	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	2 707	1 520	1 520	447	1 218	760	458	60%	1 520
Other own revenue	88 630	72 671	72 671	15 351	50 741	36 336	14 405	40%	-
Total Revenue (excluding capital transfers and contributions)	305 819	308 441	304 909	29 158	161 363	152 203	9 160	6%	304 909
Employee costs	97 564	110 816	110 816	-	4	55 408	(55 404)	-	110 816
Remuneration of Councillors	5 856	5 675	5 675	-	-	2 838	(2 838)	-	5 675
Depreciation and amortisation	55 408	10 359	10 359	-	-	5 180	(5 180)	-	10 359
Interest	23 764	1 845	1 845	1 444	6 918	923	5 995	-	1 845
Inventory consumed and bulk purchases	96 837	97 207	97 207	16 396	51 245	48 603	2 641	-	97 207
Transfers and subsidies	-	0	0	-	5	-	5	#DIV/0!	0
Other expenditure	169 861	59 054	59 054	3 201	20 700	29 527	(8 827)	-30%	59 054
Total Expenditure	449 292	284 956	284 956	21 040	78 871	142 478	(63 606)	-45%	284 956
Surplus/(Deficit)	(143 472)	23 485	19 953	8 118	82 491	9 725	72 767	748%	19 953
Transfers and subsidies - capital (monetary)	20 319	38 471	38 471	-	5 943	19 236	(13 293)	-69%	38 471
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(123 153)	61 956	58 424	8 118	88 434	28 960	59 474	205%	58 424
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(123 153)	61 956	58 424	8 118	88 434	28 960	59 474	205%	58 424
Capital expenditure & funds sources									
Capital expenditure	17 663	47 634	47 634	2 355	19 356	23 817	(4 461)	-19%	47 634
Capital transfers recognised	17 474	39 113	39 113	2 355	19 084	19 557	(472)	-2%	39 113
Borrowing	-	0	0	-	-	-	-	-	0
Internally generated funds	189	8 521	8 521	-	272	4 260	(3 989)	-84%	8 521
Total sources of capital funds	17 663	47 634	47 634	2 355	19 356	23 817	(4 461)	-19%	47 634
Financial position									
Total current assets	288 695	3 424 289	3 424 289	-	62 012	-	-	-	3 424 289
Total non current assets	808 323	4 319 564	4 319 564	-	19 894	-	-	-	4 319 564
Total current liabilities	430 361	2 454 220	2 454 220	-	(5 529)	-	-	-	2 454 220
Total non current liabilities	108 835	213 137	213 137	-	-	-	-	-	213 137
Community wealth/Equity	575 557	855 176	851 644	-	88 434	-	-	-	851 644
Cash flows									
Net cash from (used) operating	10 027	26 968	26 968	40 246	155 240	56 635	(98 605)	-174%	26 968
Net cash from (used) investing	(15 982)	(38 894)	(38 894)	(2 709)	(22 965)	(19 432)	3 533	-18%	(38 894)
Net cash from (used) financing	1 508	(1 572)	(1 572)	-	4	(786)	(790)	100%	(1 572)
Cash/cash equivalents at the month/year end	3 450	1 459	1 459	-	132 278	51 374	(80 904)	-157%	(13 498)
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	40 070	11 829	11 891	9 835	20 267	14 097	8 137	288 951	405 076
Creditors Age Analysis									
Total Creditors	7 109	9 537	9 485	12 185	3 474	1 006	32 154	151 546	226 555

Table C2: Quarterly Budget Statement – Financial Performance (standard classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Functional										
Governance and administration		26 517	49 178	49 178	18 063	76 486	24 589	51 898	211%	49 178
Executive and council		306	666	666	1	45	333	(288)	-87%	666
Finance and administration		26 211	48 512	48 512	18 062	76 442	24 256	52 186	215%	48 512
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 986	4 107	4 107	39	1 022	2 053	(1 031)	-50%	4 107
Community and social services		1 644	2 077	2 077	12	752	1 038	(287)	-28%	2 077
Sport and recreation		31	35	35	0	18	18	1	5%	35
Public safety		1 101	1 733	1 733	25	241	866	(626)	-72%	1 733
Housing		211	262	262	2	11	131	(120)	-91%	262
Health		-	0	0	-	-	-	-	-	0
Economic and environmental services		18 652	14 628	14 628	-	0	7 314	(7 313)	-100%	14 628
Planning and development		2 284	1 633	1 633	-	0	816	(816)	-100%	1 633
Road transport		16 368	12 995	12 995	-	-	6 497	(6 497)	-100%	12 995
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		233 061	279 000	275 468	11 056	89 797	137 482	(47 685)	-35%	275 468
Energy sources		96 518	141 054	137 522	7 936	58 450	68 509	(10 059)	-15%	137 522
Water management		55 647	55 578	55 578	654	16 553	27 789	(11 236)	-40%	55 578
Waste water management		72 305	74 613	74 613	1 631	9 773	37 306	(27 533)	-74%	74 613
Waste management		8 591	7 755	7 755	834	5 022	3 878	1 144	30%	7 755
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	281 217	346 912	343 380	29 158	167 306	171 438	(4 133)	-2%	343 380
Expenditure - Functional										
Governance and administration		212 296	77 845	77 845	2 609	17 822	38 923	(21 101)	-54%	77 845
Executive and council		15 710	16 054	16 054	173	1 565	8 027	(6 462)	-80%	16 054
Finance and administration		195 059	60 714	60 714	2 436	16 038	30 357	(14 319)	-47%	60 714
Internal audit		1 527	1 077	1 077	-	219	538	(320)	-59%	1 077
Community and public safety		38 216	40 248	40 248	459	1 273	20 124	(18 851)	-94%	40 248
Community and social services		21 719	17 004	17 004	255	620	8 502	(7 882)	-93%	17 004
Sport and recreation		4 307	9 443	9 443	166	257	4 721	(4 465)	-95%	9 443
Public safety		8 313	10 530	10 530	35	198	5 265	(5 067)	-96%	10 530
Housing		3 062	3 272	3 272	3	173	1 636	(1 463)	-89%	3 272
Health		815	0	0	-	25	-	25	#DIV/0!	0
Economic and environmental services		42 875	27 421	27 421	3 433	4 599	13 711	(9 112)	-66%	27 421
Planning and development		8 479	9 523	9 523	54	301	4 761	(4 460)	-94%	9 523
Road transport		34 396	17 899	17 899	3 379	4 298	8 949	(4 651)	-52%	17 899
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		155 869	139 407	139 407	14 460	53 096	69 703	(14 607)	-21%	139 407
Energy sources		111 155	108 475	108 475	13 819	49 862	54 237	(4 375)	-8%	108 475
Water management		16 989	9 178	9 178	339	2 872	4 589	(1 717)	-37%	9 178
Waste water management		12 358	9 417	9 417	147	1 543	4 708	(3 166)	-67%	9 417
Waste management		13 387	12 337	12 337	156	820	6 169	(5 349)	-87%	12 337
Other		38	34	34	80	82	17	85	382%	34
Total Expenditure - Functional	3	449 292	284 956	284 956	21 040	78 871	142 478	(63 606)	-45%	284 956
Surplus/ (Deficit) for the year		(168 075)	61 956	58 424	8 118	88 434	28 960	59 474	205%	58 424

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement
3. Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'
4. All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Table C3: Quarterly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

The operating expenditure budget is approved by Council on the municipal vote level.

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Office of the Mayor		306	666	666	1	45	333	(288)	-86.6%	666
Vote 2 - Municipal Manager		-	0	0	-	-	-	-	-	0
Vote 3 - Finance		24 813	48 281	48 281	17 941	75 689	24 141	51 548	213.5%	48 281
Vote 4 - Corporate Services		1 535	443	443	121	753	221	532	240.0%	443
Vote 5 - Community & Social Services		84 275	86 262	86 262	2 504	15 817	43 131	(27 314)	-63.3%	86 262
Vote 6 - Infrastructure		170 287	211 260	207 728	8 590	75 002	103 612	(28 610)	-27.6%	207 728
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - Community Virtual		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	281 217	346 912	343 380	29 158	167 306	171 438	(4 133)	-2.4%	343 380
Expenditure by Vote	1									
Vote 1 - Office of the Mayor		15 710	16 054	16 054	173	1 565	8 027	(6 462)	-80.5%	16 054
Vote 2 - Municipal Manager		1 527	1 077	1 077	-	219	538	(320)	-59.4%	1 077
Vote 3 - Finance		177 206	41 110	41 110	1 657	13 248	20 555	(7 307)	-35.5%	41 110
Vote 4 - Corporate Services		18 696	19 792	19 792	858	2 872	9 896	(7 024)	-71.0%	19 792
Vote 5 - Community & Social Services		64 842	64 674	64 674	770	3 714	32 337	(28 622)	-88.5%	64 674
Vote 6 - Infrastructure		171 310	142 250	142 250	17 581	57 253	71 125	(13 872)	-19.5%	142 250
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - Community Virtual		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	449 292	284 956	284 956	21 040	78 871	142 478	(63 606)	-44.6%	284 956
Surplus (Deficit) for the year	2	(168 075)	61 956	58 424	8 118	88 434	28 960	59 474	205.6%	58 424

References

1. Insert 'Vote', e.g. Department, if different to standard classification structure
2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

Table C4: Quarterly Budget Statement – Financial Performance (revenue and expenditure)

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		91 489	130 411	126 879	7 413	52 297	63 187	(10 890)	-17%	126 879
Service charges - Water		51 383	37 599	37 599	507	12 785	18 800	(6 015)	-32%	37 599
Service charges - Waste Water Management		15 977	14 542	14 542	1 488	8 968	7 271	1 698	23%	14 542
Service charges - Waste management		8 006	7 278	7 278	760	4 587	3 639	948	26%	7 278
Sale of Goods and Rendering of Services		1 522	1 440	1 440	-11	479	720	(240)	-33%	1 440
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 969	4 043	4 043	890	5 198	2 022	3 177	157%	4 043
Interest from Current and Non Current Assets		2 767	1 520	1 520	447	1 218	760	-	-	1 520
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 558	525	525	97	606	262	344	131%	525
Licence and permits		400	1 638	1 638	19	205	819	(614)	-75%	1 638
Operational Revenue		522	18	18	52	391	9	383	4375%	18
Non-Exchange Revenue										
Property rates		44 921	44 419	44 419	3 191	30 766	22 210	8 557	39%	44 419
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		9 231	114	114	2	12	57	(45)	-	114
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		60 511	64 335	64 335	13 409	38 768	32 167	6 600	-	64 335
Interest		7 813	450	450	842	5 081	225	4 856	-	450
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		(125)	110	110	-	-	55	(55)	-	110
Other Gains		2 937	-	-	-	-	-	-	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		305 819	308 441	304 909	29 158	161 363	152 203	9 160	6%	304 909
Expenditure By Type										
Employee related costs		97 564	110 816	110 816	-	4	55 408	(55 404)	-100%	110 816
Remuneration of councillors		5 856	5 675	5 675	-	-	2 838	(2 838)	-100%	5 675
Bulk purchases - electricity		92 212	94 068	94 068	12 969	46 888	47 034	(147)	-	94 068
Inventory consumed		4 625	3 139	3 139	3 427	4 357	1 569	2 788	-	3 139
Debt impairment		-	0	0	-	-	-	-	-	0
Depreciation and amortisation		55 408	10 359	10 359	-	-	5 180	(5 180)	-100%	10 359
Interest		23 764	1 845	1 845	1 444	6 918	923	5 995	650%	1 845
Contracted services		14 940	22 669	22 669	1 668	9 933	11 334	(1 401)	-12%	22 669
Transfers and subsidies		-	0	0	-	5	-	5	#DIV/0!	0
Irrecoverable debts written off		133 797	13 017	13 017	-	-	6 509	(6 509)	-	13 017
Operational costs		21 138	23 368	23 368	1 533	10 767	11 684	(917)	-8%	23 368
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		(13)	0	0	-	-	-	-	-	0
Total Expenditure		449 292	284 956	284 956	21 040	78 871	142 478	(63 606)	-45%	284 956
Surplus/(Deficit)		(143 472)	23 485	19 953	8 118	82 491	9 725	72 767	0	19 953
Transfers and subsidies - capital (monetary allocations)		20 319	38 471	38 471	-	5 943	19 236	(13 293)	(0)	38 471
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(123 153)	61 956	58 424	8 118	88 434	28 960			58 424
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(123 153)	61 956	58 424	8 118	88 434	28 960			58 424
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(123 153)	61 956	58 424	8 118	88 434	28 960			58 424
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(123 153)	61 956	58 424	8 118	88 434	28 960			58 424

References

1 Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions) including c: 326 138 346 912 343 380 29 158 167 306 171 438 343 380

Table C5: Quarterly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Mayor		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Finance		-	0	0	-	230	-	230	0 DIV/0!	0
Vote 4 - Corporate Services		-	0	0	-	21	-	21	0 DIV/0!	0
Vote 5 - Community & Social Services		-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure		7 385	34 221	34 221	2 054	16 024	17 111	(1 087)	-6%	34 221
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - Community Virtual		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4.7	7 385	34 221	34 221	2 054	16 274	17 111	(836)	-6%	34 221
Single Year expenditure appropriation	2									
Vote 1 - Office of the Mayor		-	50	50	-	-	25	(25)	-100%	50
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Finance		-	41	41	-	21	20	1	3%	41
Vote 4 - Corporate Services		-	21	21	-	21	11	(11)	-100%	21
Vote 5 - Community & Social Services		-	8 701	8 701	302	3 061	4 351	(1 290)	-36%	8 701
Vote 6 - Infrastructure		10 278	4 600	4 600	-	-	2 300	(2 300)	-100%	4 600
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - Community Virtual		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	10 278	13 413	13 413	302	3 062	6 708	(3 625)	-64%	13 413
Total Capital Expenditure		17 663	47 634	47 634	2 355	19 336	23 817	(4 481)	-19%	47 634
Capital Expenditure - Functional Classification										
Governance and administration		-	112	112	-	272	56	216	387%	112
Executive and council		-	91	91	-	21	45	(24)	-54%	91
Finance and administration		-	21	21	-	251	11	240	2290%	21
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		5 960	5 443	5 443	302	3 061	2 722	339	12%	5 443
Community and social services		5 960	15	15	-	-	6	(6)	-100%	15
Sport and recreation		-	5 422	5 422	302	3 061	2 711	350	13%	5 422
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	6	6	-	-	3	(3)	-100%	6
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		3 742	8	8	-	-	4	(4)	-100%	8
Planning and development		-	8	8	-	-	4	(4)	-100%	8
Road transport		3 742	0	0	-	-	-	-	-	0
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		7 960	42 071	42 071	2 054	16 024	21 036	(5 012)	-24%	42 071
Energy sources		1 695	21 146	21 146	2 054	5 110	10 573	(5 463)	-52%	21 146
Water management		1 936	17 675	17 675	-	10 914	8 837	2 076	23%	17 675
Waste water management		4 129	3 250	3 250	-	-	1 625	(1 625)	-100%	3 250
Waste management		-	0	0	-	-	-	-	-	0
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	17 663	47 634	47 634	2 355	19 336	23 817	(4 481)	-19%	47 634
Funded by:										
National Government		17 474	39 113	39 113	2 355	19 064	19 557	(472)	-2%	39 113
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		17 474	39 113	39 113	2 355	19 064	19 557	(472)	-2%	39 113
Borrowing	6	-	0	0	-	-	-	-	-	0
Internally generated funds		189	8 521	8 521	-	272	4 260	(3 989)	-94%	8 521
Total Capital Funding		17 663	47 634	47 634	2 355	19 336	23 817	(4 481)	-19%	47 634

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP undary payment
- Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations
- Include expenditure on investment property, intangible and biological assets
- Include finance leases and PPP capital funding component of undary payment - total borrowing/repayments to reconcile to changes in Table SA17
- Total Capital Funding must balance with Total Capital Expenditure

check balance

Table C6: Mid-year Budget Statement - Financial Position

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		35 510	265 665	265 665	9 313	265 665
Trade and other receivables from exchange transactions		20 215	1 614 232	1 614 232	30 745	1 614 232
Receivables from non-exchange transactions		3 901	249 606	249 606	12 701	249 606
Current portion of non-current receivables		-	2	2	-	2
Inventory		25 517	79 421	79 421	-	79 421
VAT		200 840	23 793	23 793	9 372	23 793
Other current assets		2 713	1 191 571	1 191 571	(119)	1 191 571
Total current assets		288 695	3 424 289	3 424 289	62 012	3 424 289
Non current assets						
Investments		32	30	30	-	30
Investment property		8 768	7 449	7 449	-	7 449
Property, plant and equipment		792 668	4 159 229	4 159 229	19 894	4 159 229
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		6 834	0	0	-	0
Intangible assets		21	152 855	152 855	-	152 855
Trade and other receivables from exchange transactions		-	0	0	-	0
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		808 323	4 319 564	4 319 564	19 894	4 319 564
TOTAL ASSETS		1 097 018	7 743 853	7 743 853	81 905	7 743 853
LIABILITIES						
Current liabilities						
Bank overdraft		16 558	15 360	15 360	-	15 360
Financial liabilities		-	-	-	-	-
Consumer deposits		3 072	2 278	2 278	74	2 278
Trade and other payables from exchange transactions		215 611	1 090 287	1 090 287	(43 323)	1 090 287
Trade and other payables from non-exchange transactions		7 721	910 450	910 450	27 141	910 450
Provision		13 112	2 210	2 210	-	2 210
VAT		173 060	431 426	431 426	9 579	431 426
Other current liabilities		1 226	2 210	2 210	-	2 210
Total current liabilities		430 361	2 454 220	2 454 220	(6 529)	2 454 220
Non current liabilities						
Financial liabilities		2 439	111 400	111 400	-	111 400
Provision		88 477	54 756	54 756	-	54 756
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		17 919	46 981	46 981	-	46 981
Total non current liabilities		108 835	213 137	213 137	-	213 137
TOTAL LIABILITIES		539 196	2 667 357	2 667 357	(6 529)	2 667 357
NET ASSETS	2	557 822	5 076 496	5 076 496	88 434	5 076 496
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		573 304	855 176	851 644	88 434	851 644
Reserves and funds		2 253	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	575 557	855 176	851 644	88 434	851 644

References

1. Material variances to be explained in Table SC1
2. Net assets must balance with Total Community Wealth/Equity

check balance -17 735 133 4 221 320 055 4 224 852 055 1 4 224 852 055

PART 2 – SUPPORTING DOCUMENTATION Section 5 – Debtors' analysis

Supporting Table SC3

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.Lo Council Policy
		6-30 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		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1220	7 173	2 837	2 349	2 073	2 118	2 350	1 699	102 782	123 175	111 022	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 834	4 503	5 134	3 592	3 684	8 671	3 485	37 720	81 609	57 130	-	-
Receivables from Non-exchange Transactions - Property Rates	1430	13 132	2 576	2 452	2 324	12 663	1 003	1 511	86 431	122 752	104 582	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 262	1 422	1 273	1 200	1 173	961	947	39 412	49 629	43 692	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 637	696	673	630	614	497	499	20 999	26 247	23 241	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	32	15	15	15	15	15	15	1 541	1 664	1 602	-	-
Interest on Area Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, bullock and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	49 079	11 829	11 891	9 835	20 267	14 097	8 137	288 951	495 076	381 287	-	-
2022/23 - totals only		3529007	22682564	27376630	7319755	25714566	5827878	5439958	181249569	312 900	227 352	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 226	457	422	408	900	349	341	14 700	18 887	16 782	-	-
Commercial	2300	15 181	3 932	4 570	2 950	5 657	8 361	2 832	98 688	142 151	118 487	-	-
Households	2400	23 652	7 440	6 899	6 477	13 630	5 387	4 861	175 563	244 030	206 018	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2688	49 079	11 829	11 891	9 835	20 267	14 097	8 137	288 951	495 076	381 287	-	-

Notes:
 Material increases in value of debtors' categories compared to previous month to be explained
 Bad debts = amounts actually written off in the month
 Total by Income Source must reconcile with Total by Customer Group

Creditors' analysis Supporting Table SC4

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	7 097	9 172	9 285	12 042	3 242	-	27 943	139 831	208 812	128 325
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	12	398	177	23	221	1 002	3 106	7 550	12 489	8 859
Auditor General	0800	-	-	24	119	-	-	916	4 023	5 081	4 628
Other	0900	-	27	-	-	12	3	189	142	373	208
Total By Customer Type	1600	7 109	9 597	9 462	12 185	3 474	1 008	32 154	151 546	228 555	142 019

Notes:
 Material increases in value of creditors' categories compared to previous month to be explained

Investment portfolio analysis

Choose name from list - Supporting Table SC3 Monthly Budget Statement - Investment portfolio - M06 December

Investments by maturity Name of investment & Investment ID	Ref	Period of investment Yrs/Mths	Type of investment	Capital Outflow (R/£ No)	Variable or Fixed Interest rate	Interest Rate	Commission Paid (R/£)	Commission Received	Expiry date of investment	Opening balance	Interest to be received	Partial / Premature Withdrawal (R)	Investment Top Up	Closing Balance
Municipality						0	0		22/01/2024					
Municipality sub-total														
Entities														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	2													

References:
 2. List investments in expiry date order
 3. If variable is selected in column F, input interest rate range
 4. Withdrawals to be entered as negative

Allocation and grant receipts and expenditure: - Operating Revenue Framework

Grant expenditure

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		57 695	72 057	72 057	333	7 513	36 029	(28 516)	-79.1%	72 057
Equitable Share		56 292	69 335	69 335	333	7 496	34 667	(27 171)	-78.4%	69 335
Local Government Financial Management Grant		1 370	2 040	2 040	-	16	1 020	(1 003)	-98.4%	2 040
Municipal Infrastructure Grant		33	683	683	-	-	341	(341)	-100.0%	683
Other transfers and grants [insert description]										
Provincial Government:		358	1 486	1 486	55	158	743	(585)	-78.7%	1 486
Specify (Add grant description)		358	1 486	1 486	55	158	743	(585)	-78.7%	1 486
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		637	714	714	-	148	357	(209)	-58.6%	714
Social Housing Regulatory Authority		195	200	200	-	148	100	48	47.9%	200
Social Housing Regulatory Authority		442	514	514	-	-	257	(257)	-100.0%	514
Total operating expenditure of Transfers and Grants:		58 690	74 257	74 257	388	7 819	37 129	(29 309)	-78.9%	74 257
Capital expenditure of Transfers and Grants										
National Government:		17 474	39 113	39 113	2 355	19 084	39 113	(20 029)	-51.2%	19 557
Energy Efficiency and Demand Side Management Grant		1 739	5 000	5 000	553	553	5 000	(4 447)	-88.9%	2 500
Integrated National Electrification Programme Grant		156	3 825	3 825	-	21	3 825	(3 804)	-99.5%	1 913
Municipal Infrastructure Grant		13 831	13 613	13 613	1 802	7 597	13 613	(6 017)	-44.2%	6 807
Water Services Infrastructure Grant		1 747	16 675	16 675	-	10 914	16 675	(5 761)	-34.6%	8 337
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		17 474	39 113	39 113	2 355	19 084	39 113	(20 029)	-51.2%	19 557
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		76 164	113 370	113 370	2 743	26 903	76 242	(49 338)	-64.7%	93 814

References

Capital programme performance

Month	2022/23		Budget Year 2023/24						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	1 535	3 972	3 972	1 561	1 561	3 972	2 411	60.7%	3%
August	1 535	3 972	3 972	7 011	8 572	7 943	(629)	-7.9%	18%
September	1 535	3 972	3 972	3 157	11 729	11 915	186	1.6%	25%
October	1 535	3 972	3 972	2 237	13 966	15 886	1 920	12.1%	29%
November	1 535	3 972	3 972	3 035	17 001	19 858	2 857	14.4%	36%
December	1 535	3 972	3 972	2 355	19 356	23 829	4 473	18.8%	41%
January	1 535	3 972	3 972	-	-	27 801	-	-	-
February	1 535	3 972	3 972	-	-	31 772	-	-	-
March	1 535	3 972	3 972	-	-	35 744	-	-	-
April	1 535	3 972	3 972	-	-	39 715	-	-	-
May	1 535	3 972	3 972	-	-	43 687	-	-	-
June	1 535	3 972	3 972	-	-	47 658	-	-	-
Total Capital expenditure	18 419	47 658	47 658	19 356					

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	<u>Revenue</u>			
2	<u>Expenditure By Type</u>			
3	<u>Capital Expenditure</u>			
4	<u>Financial Position</u>			
5	<u>Cash Flow</u>			
6	<u>Measurable performance</u>			
7	<u>Municipal Entities</u>			

References

1. Revenue for each source, vote and standard classification
2. Expenditure for each type, vote and standard classification
3. Capital expenditure for each vote and standard classification
4. Explain any material variances between the annual budget and the expected financial position based on current trends
5. Cash receipts by source and cash payments by type where not explained under revenue and expenditure
6. For Sept, Dec, Mar and Jun statements explain any material variances in achievement of measurable performance objectives

Municipal manager's quality certificate

I, DH Molaole the Municipal Manager of Emthanjeni Municipality hereby certify that the Mid-Year Budget Statement for the month of January 2024 has been prepared in accordance with the Municipality Finance Management Act and Regulations made under the Act.

Print Name Disang Humphrey Molaole



Municipal Manager of Emthanjeni (NC073)

Signature

Date 24/01/2024

EMTHANJENI MUNICIPALITY

TOP LAYER SDBIP PERFORMANCE REPORT FOR THE MID-YEAR ENDING 31 DECEMBER 2023



2023/24

1. SERVICE DELIVERY PERFORMANCE PLANNING

LEGISLATIVE OVERVIEW

In terms of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must in terms of Section 72(1)(b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mayor approved the Top Layer SDBIP for 2023/24 in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation which include the Municipality's key performance indicators for 2023/24.

CREATING A CULTURE OF PERFORMANCE

a) Performance Framework

Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "Municipality's Performance Management System entails a framework that describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players. "This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The Municipality adopted a performance management policy that was approved by Council in January 2011.

b) Monitoring Performance

The Municipality utilizes an electronic web-based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- ✦ The actual result in terms of the target set
- ✦ The output/outcome of achieving the KPI
- ✦ The calculation of the actual performance reported. (If %)
- ✦ A performance comment
- ✦ Actions to improve the performance against the target set, if the target was not achieved
- ✦ It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated

LINK TO THE IDP AND THE BUDGET

The Municipality identified the following strategic objectives based on the inputs from the community in the 5 year Integrated Development Plan (IDP):

- ✦ Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties.
- ✦ Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor.

- Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives.
- Maintaining a financially sustainable and viable Municipality.
- Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality.
- Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area.
- Provision of access to all basic services rendered to residents within the available resources.

a) Performance Indicators set in the approved Top Layer SDBIP for 2023/24 per strategic objective

Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL10	Review and sign a MOU with the Department of Defence by 30 June 2024 for support with fire brigade services	MOU reviewed and signed by 30 June 2024	All	1	0	0	0	1	1
TL11	Review the disaster management plan that includes contingency plans and submit to Council by 30 June 2024	Disaster management plan reviewed and submitted to Council by 30 June 2024	All	1	0	0	0	1	1
TL13	Submit a business plan to potential funders for the upgrading of the Fire Brigade by 30 June 2024	Business plan submitted by 30 June 2024	All	1	0	0	0	1	1

Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL18	Provide free basic services to indigent households as at 30 June 2024	Number of indigent households receiving free basic services as at 30 June 2024	All	3863	3000	3000	3000	3000	3000

Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL2	The number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2024	Number of people employed (newly appointed)	All	1	0	0	0	1	1
TL3	0.1% of the personnel budget spent on training as per the approved Skills Development Plan by 30 June 2024 [(Actual total training expenditure/total personnel budget)x100]	% of the personnel budget spent on training by 30 June 2024	All	0.14%	0.00%	0.00%	0.00%	0.10%	0.10%
TL4	Review the EEP and submit to the Portfolio Committee by 30 June 2024	EEP reviewed and submitted to the Portfolio Committee by 30 June 2024	All	1	0	0	0	1	1
TL5	Limit vacancy rate to 20% of budgeted posts by 30 June 2024 [(Number of funded posts vacant divided by budgeted funded posts)x100]	[(Number of funded posts vacant divided by budgeted funded posts)x100]	All	8.33%	0.00%	20.00%	0.00%	20.00%	20.00%

Maintaining a financially sustainable and viable Municipality

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL20	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grants)	Debt coverage as at 30 June 2024	All	174%	0.00%	0.00%	0.00%	45.00%	45.00%

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2023

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL21	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 (Total outstanding service debtors minus provision for bad debt) / (revenue received for services)	% of outstanding service debtors as at 30 June 2024	All	173%	0.00%	0.00%	0.00%	45.00%	45.00%
TL22	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of days it takes to cover fixed operating expenditure with available cash	All	0	0	0	0	30	30
TL23	Submit the annual financial statements to the Auditor-General by 31 August 2023	Statements submitted to the AG by 31 August 2023	All	1	1	0	0	0	1
TL24	Achievement of a payment percentage of 55% by 30 June 2024 ((Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100)	Payment % achieved	All	106.00%	55.00%	55.00%	55.00%	55.00%	55.00%
TL25	Prepare and submit the adjustments budget to Council by the 28 February 2024	Adjustments budget submitted by 28 February 2024	All	1	0	0	1	0	1
TL26	Prepare and submit the draft budget to Council by 31 March 2024	Draft budget submitted by 31 March 2024	All	1	0	0	1	0	1
TL27	Prepare and submit the final budget to Council by 31 May 2024	Final budget submitted by 31 May 2024	All	1	0	0	0	1	1

Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2023

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL1	Develop Risk based audit plan(RBAP) for 2024/25 and submit to the Audit Committee by 30 June 2024	RBAP for 2024/25 submitted to the Audit Committee by 30 June 2024	All	1	0	0	0	1	1
TL6	Review the Risk Committee and send appointment letters to members by 31 March 2024	Risk Committee reviewed and appointment letters sent to members by 31 March 2024	All	1	0	0	1	0	1
TL7	Complete the annual risk assessment and submit to the Risk Committee by 30 June 2024	Risk assessment completed and submit to the Risk Committee by 30 June 2024	All	0	0	0	1	0	1
TL8	Review the Communication Strategy and submit to Council by 30 June 2024	Reviewed Communication Strategy submitted to Council by 30 June 2024	All	0	0	1	0	0	1
TL9	Review the organogram and submit to Council by 30 June 2024	Reviewed organogram submitted to Council by 30 June 2024	All	0	0	0	0	1	1

Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL28	Create temporary jobs - FTE's in terms of EPWP by 30 June 2024 (Person days / FTE (230 days))	Number of FTE's created	All	149	0	0	0	61	61

Provision of access to all basic services rendered to residents within the available resources

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL12	Review the Human Settlement Plan and submit to Council by 30 June 2024	Human Settlement Plan reviewed and submitted to Council by 30 June 2024	All	1	0	0	0	1	1

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2023

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL14	Number of formal properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2024	Number of properties which are billed for water or have prepaid meters as at 30 June 2024	All	8 271	8 000	8 000	8 000	8 000	8 000
TL15	Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for this service as at 30 June 2024	Number of properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2024	All	11 421	6 000	6 000	6 000	6 000	6 000
TL16	Number of formal properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2024	Number of properties which are billed for sewerage as at 30 June 2024	All	8 296	7 200	7 200	7 200	7 200	7 200
TL17	Number of formal properties for which refuse is removed once per week and billed for the service as at 30 June 2023	Number of properties which are billed for refuse removal as at 30 June 2023	All	8 811	7 200	7 200	7 200	7 200	7 200
TL19	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2024 $\left(\frac{\text{Actual amount spent on projects}}{\text{Total amount budgeted for capital projects}} \times 100 \right)$	% of capital budget spent by 30 June 2024	All	81.80%	25.00%	50.00%	75.00%	95.00%	95.00%
TL29	Limit unaccounted for water to 17% by 30 June 2024 $\left(\frac{\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}}{\text{Number of Kilolitres Water Purchased or Purified}} \times 100 \right)$	% unaccounted water by 30 June 2024	All	10.23%	0.00%	0.00%	0.00%	17.00%	17.00%
TL30	Achieve a 95% water quality quarterly as per SANS 241 requirements for all water sampling points	% water quality level	All	92.80%	95.00%	95.00%	95.00%	95.00%	95.00%

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2023

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL31	Limit % electricity unaccounted for to 10% by 30 June 2024 ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased) x 100}	% of electricity unaccounted for at 30 June 2024	All	11.35%	0.00%	0.00%	0.00%	10.00%	10.00%
TL32	Compile maintenance plans for water, electricity, wastewater and roads and stormwater that include weekly, monthly, quarterly and annual actions and submit to Municipal Manager for approval by 30 June 2024	Number of plans submitted to Municipal Manager by 30 June 2024	All	4	0	0	4	0	4
TL33	95% of approved budget spent by 30 June 2024 for the development of 12 boreholes in De Aar (Northern scheme) ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	1,2,3, 4,5 and 8	25.82%	25.00%	50.00%	75.00%	95.00%	95.00%
TL34	95% of approved budget spent by 31 December 2023 for the upgrading of the Nonzwakazi Sports Ground ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	3	76.98%	75.00%	95.00%	0.00%	0.00%	95.00%
TL35	95% of approved budget spent by 30 June 2024 for the replacement and upgrading of the De Aar West electricity main transformers ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	5	6.44%	25.00%	50.00%	75.00%	95.00%	95.00%
TL36	95% of approved budget spent by 30 June 2024 for the installation of High Mast Lighting in De Aar and Britstown ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	1,2,3,4,5,7 and 8	New Key Performance Indicator for 2023/24	25.00%	50.00%	75.00%	95.00%	95.00%
TL37	95% of approved budget spent by 30 June 2024 for the electrification of 40x Stands in De Aar ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	1,2,3, 4	New Key Performance Indicator for 2023/24	25.00%	50.00%	75.00%	95.00%	95.00%

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2023

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Q3	Q4	Annual
TL38	95% of approved budget spent by 30 June 2024 for the installation of LED lights in Emthanjeni ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	ALL	New Key Performance Indicator for 2023/24	25.00%	50.00%	75.00%	95.00%	95.00%

b) Budget spending per strategic objective

The tables below provide an analysis of the capital and operational budget allocation for the 2023/24 financial year and actual expenditure as at 31 December 2023 per Strategic Objective (OPEX excludes internal transfers):

No.	Municipal Strategic Objective	Budget	Actual Capital Expenditure as at 31 December 2023	% Spent
		R'000	R'000	%
Capital				
1	Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	0	0	n/a
2	Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor	0	0	n/a
3	Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives	500	0	0%
4	Maintaining a financially sustainable and viable Municipality	41	21	51%
5	Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality	16 675	0	0%
6	Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area	5 000	1 340	26%
7	Provision of access to all basic services rendered to residents within the available resources	23 668	18 782	79%
Total		45 884	20 143	44%

Capital Budget per Strategic Objective



Actual Capital Expenditure per Strategic Objective



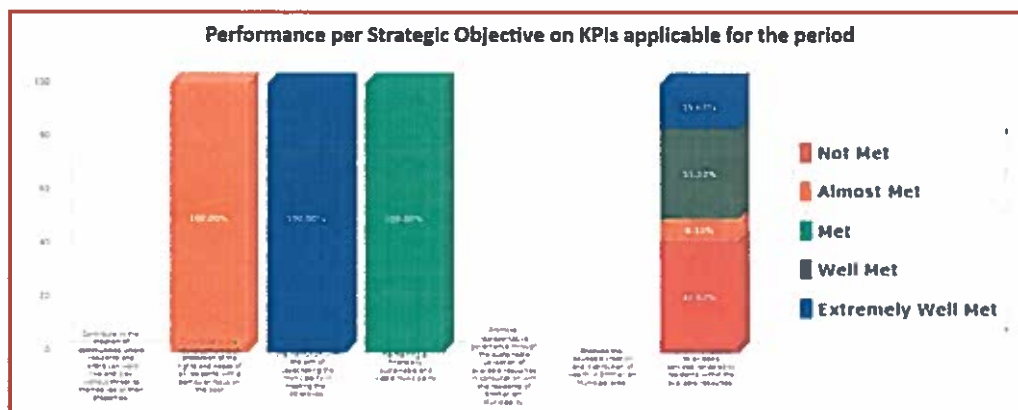
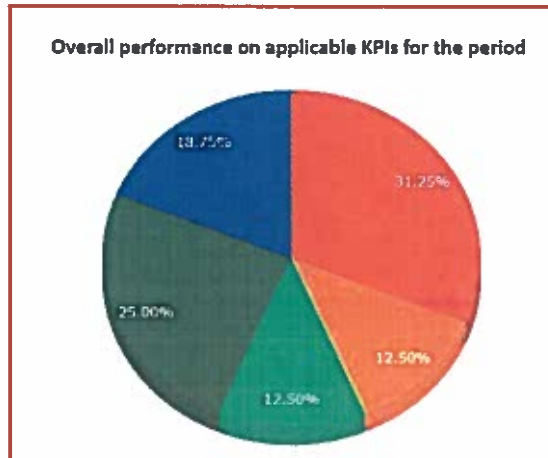
Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2023

No.	Municipal Strategic Objective	Budget	Actual Operational Expenditure as at 31 December 2023	% Spent
		R'000		%
Operational				
1	Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	9 636	3 163	33%
2	Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor	0	0	n/a
3	Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives	409	132	32%
4	Maintaining a financially sustainable and viable Municipality	176 221	15 002	8%
5	Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality	7 376	2 778	38%
6	Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area	257	349	135%
7	Provision of access to all basic services rendered to residents within the available resources	125 114	57 607	46%
Total		319 014	79 031	24%



2. MID-YEAR PERFORMANCE AGAINST THE PERFORMANCE INDICATORS SET IN THE APPROVED TOP LAYER SDBIP FOR 2023/24

OVERALL ACTUAL PERFORMANCE OF APPLICABLE INDICATORS FOR THE MID-YEAR ENDING 31 DECEMBER 2023



Measurement Category	Applicable Objectives for the Period				Total
	Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor	Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives	Maintaining a financially sustainable and viable Municipality	Provision of access to all basic services rendered to residents within the available resources	
KPI Not Met	0	0	0	5	5
KPI Almost Met	1	0	0	1	2
KPI Met	0	0	2	0	2
KPI Well Met	0	0	0	4	4
KPI Extremely Well Met	0	1	0	2	3
Total	1	1	2	12	16
Category	Colour			Explanation	
KPI's Not Met	R			0% >= Actual/Target < 75%	
KPI's Almost Met	O			75% >= Actual/Target < 100%	
KPI's Met	G			Actual/Target = 100%	
KPI's Well Met	G2			100% > Actual/Target < 150%	
KPI's Extremely Well Met	B			Actual/Target >= 150%	

ACTUAL PERFORMANCE PER STRATEGIC OBJECTIVE OF APPLICABLE INDICATORS FOR THE MID-YEAR ENDING 31 DECEMBER 2023

Detailed below is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2023 which measures the Municipality's overall performance per strategic objective. The tables, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

The Municipality met 56.25% (09 of 16) of the applicable KPI's for the period as at 31 December 2023. The remainder of the KPI's (22) on the Top Layer SDBIP out of the total number of 38 KPI's do not have targets for this period and will be reported on in future quarters when they are due. 43.75% (7 of 16) KPI targets were not achieved as at 31 December 2023 of which the details are included in the tables below.

Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
TL18	Provide free basic services to indigent households as at 30 June 2024	Number of indigent households receiving free basic services as at 30 June 2024	All	3 863	3 300	3 300	3 300	3 099	O
	Reason and/or Corrective Action	Increased intervention with the assistance of Councillors to encourage more consumers to apply for the subsidy.							

Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
TL5	Limit vacancy rate to 20% of budgeted posts by 30 June 2024 [(Number of funded posts vacant divided by budgeted funded posts)x100)	[(Number of funded posts vacant divided by budgeted funded posts)x100)	All	8.33%	0.00%	20.00%	20.00%	3.92%	B

Maintaining a financially sustainable and viable Municipality

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
TL23	Submit the annual financial statements to the Auditor-General by 31 August 2023	Statements submitted to the AG by 31 August 2023	All	1	1	0	1	1	G
TL24	Achievement of a payment percentage of 55% by 30 June 2024 $\{(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue \times 100\}$	Payment % achieved	All	106.00%	55.00%	55.00%	55.00%	55.00%	G

Provision of access to all basic services rendered to residents within the available resources

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
TL14	Number of formal properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2024	Number of properties which are billed for water or have pre paid meters as at 30 June 2024	All	8 271	8 000	8 000	8 000	8 737	G2
TL15	Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2024	Number of properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2024	All	11 421	6 000	6 000	6 000	11 000	B
	Reason and/or Corrective Action	Actual includes both conventional and prepaid meters. Target will be adjusted in February 2024 to be in line with current reality.							

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2022

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
TL16	Number of formal properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2024	Number of properties which are billed for sewerage as at 30 June 2024	All	8 296	7 200	7 200	7 200	8 825	G2
TL17	Number of formal properties for which refuse is removed once per week and billed for the service as at 30 June 2023	Number of properties which are billed for refuse removal as at 30 June 2023	All	8 811	7 200	7 200	7 200	8 316	G2
TL19	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2024 {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent by 30 June 2024	All	81.80%	25.00%	50.00%	50.00%	61.64%	G2
TL30	Achieve a 95% water quality quarterly as per SANS 241 requirements for all water sampling points	% water quality level	All	92.80%	95.00%	95.00%	95.00%	40.00%	R
	Reason and/or Corrective Action	The coliform is due to turbidity within the water which results due to loadshedding. Low levels of water are present during loadshedding such that when water comes back it results in the turbidity in water which then gives a poor water quality result. Failed samples are only on the E-Coli. Procurement of material to treat water is in progress.							
TL33	95% of approved budget spent by 30 June 2024 for the development of 12 boreholes in De Aar (Northern scheme) {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	1,2,3, 4,5 and 8	25.82%	25.00%	50.00%	50.00%	127.71 %	B
	Reason and/or Corrective Action	Overspending in terms of the actual budgeted amount. Total allocation has increased and will be amended with the adjustment budget in February 2024 as per the DORA gazette 24 October 2023. Spending is well on track and is based on construction.							

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2022

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
TL34	95% of approved budget spent by 31 December 2023 for the upgrading of the Nonzwakazi Sports Ground {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	3	76.98%	75.00%	95.00%	95.00%	20.57%	R
	Reason and/or Corrective Action	The Sub-contractor was delaying the project. The main Contractor has taken over work that was subcontracted due to poor performance of SMME. Project will be completed later than envisaged and target date will be extended within the revised SDBIP.							
TL35	95% of approved budget spent by 30 June 2024 for the replacement and upgrading of the De Aar West electricity main transformers {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	5	6.44%	25.00%	50.00%	50.00%	0.00%	R
	Reason and/or Corrective Action	The appointed service provider was terminated due to no performance. A consultant has to be re-appointed to draft new Tender document for procurement of a new service provider to implement the project.							
TL36	95% of approved budget spent by 30 June 2024 for the Installation of High Mast Lighting in De Aar and Britstown{(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	1,2,3,4,5,7 and 8	New Key Performance Indicator for 2023/24	25.00%	50.00%	50.00%	43.86%	O
	Reason and/or Corrective Action	Spending is below target. Contractor was appointed in October 2023 but performed very well within the short timeframe ending December 2023 with construction. Spending will increase in the next quarters.							
TL37	95% of approved budget spent by 30 June 2024 for the electrification of 40x Stands in De Aar {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	1,2,3,4	New Key Performance Indicator for 2023/24	25.00%	50.00%	50.00%	0.00%	R
	Reason and/or Corrective Action	Tender for appointment of consultants closed on 19 December 2023 and Municipality							

Top Layer SDBIP Performance Report for the Mid-year ending 31 December 2022

Int. Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2022/23	Targets 2023/24				
					Q1	Q2	Target	Actual	R
	Action	closed on 20th December 2023. Adjudication of tender to be completed before end of January 2024.							
TL38	95% of approved budget spent by 30 June 2024 for the installation of LED lights in Emthanjeni ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	ALL	New Key Performance Indicator for 2023/24	25.00%	50.00%	50.00%	23.47%	R
	Reason and/or Corrective Action	Business plan was only approved in November and the transfer of money was received on 01 December 2023. Spending will increase in the next quarters.							

ADJUSTMENT OF THE TOP LAYER SDBIP FOR 2023/24

In terms of Section 27(2)(b), when submitting an adjustments budget to the National Treasury and the relevant provincial treasury in terms of Section 28(7) of the MFMA read together with Section 24(3) of the MFMA, the municipal manager must also submit the amended service delivery and budget implementation plan, within ten working days after the council has approved the amended plan in terms of Section 54(1)(c) of the MFMA.

The Top Layer SDBIP will be revised if needed and submitted with the Adjustments Budget to Council with the necessary motivation where key performance indicator targets require amendment as a result of the Adjustments Budget and/or corrections as a result of the audit outcomes of 2022/23.

ANNUAL REPORT 2022/23


The draft Annual Report of the 2021/22 financial year will be tabled in Council within the legislative timeframe.

As prescribed in section 72(1)(a)(iii) of the MFMA the Accounting officer must assess the performance of the municipality in the first 6 months taking into account the past year's Annual Report, and progress on resolving the problems identified in the Annual Report. Council will appoint an Oversight Committee, who will compile an oversight report. This report will include a summary of comments and conclusions on the Annual Report of the municipality for 2022/23.

However, to ensure the credibility of the 2022/23 Annual Report and that the information in the report is accurate, reliable and correct, the Performance Report for 2022/23 (Chapters 3 & 4 of the Annual Report) was audited by the Auditor-General and the final draft Annual Report was also sent to them for verification. Thus, the final report will be scrutinized for accuracy, reliability and correctness not only by the management team but by the Auditor-General as well.


Municipal Manager

23.01.2024
Date


Mayor

24/01/2024
Date
