



MONTHLY BUDGET STATEMENT NOVEMBER 2021

To comply with section 71 of the MFMA and the requirements as promulgated in the MBRR Government Gazette No 32141 of 17 April 2009 by submitting the Monthly Budget Statement to the Executive Mayor, National and Provincial Treasury within 10 working days after the end of each month, containing prescribed financial performance particulars for that reporting month and for the financial year up to the end of that month.

SOL PLAATJE LOCAL MUNICIPALITY

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Due date: 14 December 2021

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List of Abbreviations and Acronyms used in the MBS

AFS – Annual Financial Statements
AGSA - Auditor-General of South Africa
BTO - Budget and Treasury Office
CAPEX – Capital Expenditure
CFO - Chief Financial Officer
COGHSTA - Department of Co-operative Governance, Human Settlement and Traditional Affairs
DBSA - Development Bank of South Africa
DoRA - Division of Revenue Act
DPW – Department of Public Works
DSAC – Department of Sports, Arts and Culture
DWS - Department of Water and Sanitation
ED - Executive Director
EEDG - Energy Efficiency and Demand Side Management Grant
EPWP - Expanded Public Works Programme
FMG – Financial Management Grant
FY – Financial Year
GG – Government Gazette
GRAP - Generally Recognised Accounting Practices
GURP - Galeshewe Urban Renewal Programme
IDP - Integrated Development Plan
INEP - Integrated National Electrification Programme
ISDG - Infrastructure Skills Development Grant
IT - Information Technology
IUDG –Integrated Urban Development Grant
IYM – In-year Monitoring
KPA or KPI - Key Performance Area or Indicator
MBRR - Municipal Budget and Reporting Regulations (GG 32141 of 17 April 2009)
MBS – Monthly Budget Statement
MFMA - Municipal Finance Management Act (Act 56 of 2003)
MIG - Municipal Infrastructure Grant
MM - Municipal Manager
MSA - Municipal Systems Act
MSIG - Municipal Systems Improvement Grant
MTREF - Medium Term Revenue and Expenditure Framework
NDPG - Neighbourhood Development Partnership Grant
NERSA - National Energy Regulator of South Africa (“the Regulator”)
NT - National Treasury
OPEX – Operational Expenditure
O/S - Outstanding
PPE - Property, Plant and Equipment
R&M - Repairs and Maintenance
SALGA - South African Local Government Association
SCM - Supply Chain Management
SCOA – Standard Chart of Accounts
SDBIP - Service Delivery and Budget Implementation Plan
SEDP - Strategic Economic Development and Planning
SLA -Service Level Agreement
SMME - Small, Medium and Micro Enterprises
SPLM - Sol Plaatje Local Municipality
VAT – Value Added Tax
YTD – Year to date
WRM - Water Resource Management
WRL - Water Research Levy
WSIG – Water Services Infrastructure Grant

PART 1 – IN-YEAR REPORT

TO: THE EXECUTIVE MAYOR

DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE: MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING 30 NOVEMBER 2021

1. Purpose

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 by the submission of a monthly budget statement to the Executive Mayor, National and Provincial Treasury containing prescribed financial performance particulars for that reporting month and for the financial year up to the end of that month, as legislated.

The Covid-19 pandemic did not bode well for the municipality's finances which was already under severe strain and further exposed the vulnerability of the municipality's cash position. The municipality would like to thank all our clients who still continued to settle their outstanding municipal accounts during this difficult period. The municipality realises once again, the critical importance of having a minimum 3 months cash coverage which is a sound directive and required norm from National Treasury. This has been the focus of the municipality for the past few months to ensure that Sol Plaatje Municipality recovers fully to ensure its sustainability and financial viability. The municipality's main goal is to remain positive and committed in stabilising the municipality, improving its cash position and improving on service delivery. The re-instatement of the Chief Financial Officer and the Municipal Manager, effective 23 August 2021 is proving to be contributing positively to the stabilization of the municipality and improved accountability.

In order for the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced, serious consideration should be given to the service delivery and financial implications of all decisions taken, ensure that acts, regulations and policies are adhered to diligently, enhance revenue collection and ensure that operational and capital funds are spent effectively with good value for money.

Improving on preventative maintenance and spending funds cost-effectively and efficiently to address service delivery challenges can no longer be delayed, we have noted an increase in emergency maintenance which seems excessive as no competitive bidding taking as a result of the impact of asset failure on service delivery. We are striving to ensure assets are maintained at desired levels and are being utilised optimally. The spending of funds will have to be prioritised, wastage be curbed and overall personnel performance and productivity be monitored and improved. Municipal officials should also take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure. Refrain from committing acts of financial misconduct and/or criminal offences as per Chapter 15 of the MFMA.

It is imperative that all municipal officials must have the inherent desire to do their job to the best of their ability, take pride and ownership in their work, take accountability for their job functions, doing the right thing consistently and work as a collective, cohesive team to achieve the municipality's strategic objectives. Foremost to all of these, have the community's best interest at heart.

Our vision remains “Moving towards a leading and a modern city and our Motto is “WE SERVE”

Sol Plaatje (NC091): Monthly Budget Statement: November 2021

2. Background

Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 April 2009, regarding the "Local Government: Municipal Finance Management Act 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

"The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required Tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act."

Further, Section 71 of the MFMA requires that, "the accounting officer of a municipality must by no later than **10 working days** after the end of each month submit to the Mayor of the municipality, and the relevant national and provincial treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month." For the reporting period ending **30 November 2021**, the ten working day reporting limit expires on **14 December 2021**.

As per MFMA Budget Circular No. 94 "from 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *mSCOA* data strings required for submission as prescribed and all publications will use the data collected from the *mSCOA* data strings" which must be submitted before or on **14 December 2021**, (ten working day limit).

3. Executive summary

The Statement of Financial Performance shown in Annexure A, Table C4, is prepared on the prescribed monthly C-schedules, detailing Revenue by source and Expenditure by type. The consolidated summary of the financial performance is indicated in Table 1 and Table 2 below:

Summary Statement of Financial Performance: YTD Budget					
Description R thousand (R'000)	YTD Budget November 2021	YTD Actual November 2021	Variance Favourable (Unfavourable)	% YTD Actual vs YTD Budget	% Variance Favourable (Unfavourable)
Total Revenue (excluding capital transfers and contributions)	985,713	985,213	(500)	99.9%	-0.1%
Total Revenue (including capital transfers and contributions)	1,055,615	1,005,304	(50,311)	95.2%	-4.8%
Total Operational Expenditure	977,081	817,616	(159,465)	83.7%	-16.3%

Table 1: Consolidated summary: Statement of Financial Performance: YTD Budget

As indicated in Table 1 above, as at 30 November 2021, the billed revenue excluding capital grants amounted to R985,213 million which resulted in a satisfactory variance of minus 0.1% when compared to the YTD budget of R985,713 million. The billed revenue including capital grants resulted in a satisfactory variance of minus 4.8% when compared to the YTD budget of R1,055,615 billion. Going forward, Capital grants will be recognised in the Statement of Financial Performance, one a monthly basis as soon as the conditions of the grant has been met. The Total Operational Expenditure resulted in a negative variance of minus 16.3%.

Summary Statement of Financial Performance: Original Budget					
Description R thousand	Original Budget	YTD Actual November 2021	Variance Favourable (Unfavourable)	% YTD Actual vs Original Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 41.67%
Total Revenue (excluding capital transfers and contributions)	2,365,711	985,213	788,070	41.6%	-0.02%
Total Revenue (including capital transfers and contributions)	2,533,477	1,005,304	794,181	39.7%	-1.99%
Total Operational Expenditure	2,344,984	817,616	622,200	34.9%	-6.80%

Table 2: Consolidated summary: Statement of Financial Performance: Original Budget

Indicated in Table 2 above is the YTD actual compared to the Original Budget. When calculating the ideal In-Year-Monitoring percentage of 41.67% [calculated as follow: (100/12 months x 5 months of the year)] as at the end of November 2021, the Total operational revenue excluding capital grants versus the Original Budget resulted in a satisfactory variance of minus 0.02%. The Total operational revenue including capital grants versus the Original Budget resulted in a satisfactory variance of minus 2%. The Total Operational Expenditure resulted in a fairly satisfactory variance of minus 6.8%.

Please note that certain Revenue by source and Expenditure by type categories are showing excessive negative and/or positive variances. This is due to fact that the YTD budgets were all systematically determined on a straight-line basis by dividing the total budget per category per line item by 12. The capital projections were also done in the same fashion. Please note that variances within a 5% range, as prescribed by National Treasury are acceptable and need not necessarily be explained.

4.1 Operating Revenue by Source

Table C4 Monthly Budget Statement - Financial Performance (Revenue) - November 2021										
Revenue by Source	Original Budget	Monthly actual	YearTD actual	YearTD budget	Achieved YTD Budget	YTD variance	YTD variance %	Achieved Original Budget	Original Budget Variance	Original Variance IYM % - 41.67%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Property rates	603,707	43,768	304,657	251,544	121.1%	53,112	21.1%	50.5%	53,112	8.8%
Service charges - electricity revenue	861,157	57,285	328,701	358,815	91.6%	(30,114)	-8.4%	38.2%	(30,114)	-3.5%
Service charges - water revenue	294,012	25,449	124,098	122,505	101.3%	1,593	1.3%	42.2%	1,593	0.5%
Service charges - sanitation revenue	76,648	7,162	35,462	31,937	111.0%	3,525	11.0%	46.3%	3,525	4.6%
Service charges - refuse revenue	59,567	5,335	26,189	24,820	105.5%	1,369	5.5%	44.0%	1,369	2.3%
Rental of facilities and equipment	13,145	1,019	5,088	5,477	92.9%	(389)	-7.1%	38.7%	(389)	-3.0%
Interest earned - external investments	9,000	863	435	3,750	11.6%	(3,315)	-88.4%	4.8%	(3,315)	-36.8%
Interest earned - outstanding debtors	157,200	13,676	52,876	65,500	80.7%	(12,624)	-19.3%	33.6%	(12,624)	-8.0%
Fines, penalties and forfeits	34,725	817	2,613	14,469	18.1%	(11,855)	-81.9%	7.5%	(11,855)	-34.1%
Licences and permits	6,500	704	3,828	2,708	141.4%	1,120	41.4%	58.9%	1,120	17.2%
Agency services	-	-	-	-						
Transfers and subsidies	230,640	4,150	93,635	96,100	97.4%	(2,465)	-2.6%	40.6%	(2,465)	-1.1%
Other revenue	19,411	1,522	6,657	8,088	82.3%	(1,431)	-17.7%	34.3%	(1,431)	-7.4%
Gains on disposal of PPE	-	22	974	-		974			974	
Total Revenue (excluding capital transfers and contributions)	2,365,711	161,772	985,213	985,713	99.9%	(500)	-0.1%	41.6%	(500)	0.0%
Transfers and subsidies - capital	167,766	4,675	20,091	69,902	28.7%	(49,811)	-71.3%	12.0%	(49,811)	-29.7%
Total Revenue (including capital transfers and contributions)	2,533,477	166,447	1,005,304	1,055,615	95.2%	(50,311)	-4.8%	39.7%	(50,311)	-2.0%

Table 3: Table C4 Financial Performance (Revenue)

Comparison against the YTD Budget

- ❖ Property Rates is showing a positive YTD variance of 21.1%, as a result of the annual billing on Property rates.
- ❖ Service charges is performing satisfactorily for the month under review, however Electricity revenue is showing a slight under-recovery of minus 8.4%. Sanitation service charges is showing an over-recovery of 11%, as a result of the actuals being higher than the YTD budget. The comparison between the actuals versus the Original budget is performing satisfactorily.
- ❖ Interest earned – External investments shows a negative variance of minus 88.4%, as a result of accrued interest revenue that was recognised for the 2020/21 financial year. It should be noted that investments have been declining year-on-year but have remained relatively constant for the period under review. Due to financial constraints the municipality could not increase its investments which largely contributes to the lower interest earned. The reduced interest rate by the Reserve bank, prior to the latest interest rate hike, also had a negative impact on Interest earned. The bulk of the interest normally gets recognised at year-end.
- ❖ Interest earned on outstanding debtors is showing a negative variance of minus 19.3%. The Billing section will have to do a thorough investigation into the lower interest generated and ascertain that interest is being duly charged to all outstanding balances that should attract interest.
- ❖ Fines, penalties and forfeits is showing a negative variance of 81.9% as a result of the under-recovery of Law enforcements fines with a 2.72% achieved versus a target of R17,900 million. The unit is experiencing various challenges in terms of capacity and the process of the reconciliation of fines with the Department of Justice needs to improve. Added to this, Covid-19 has put a heavy strain on the collection of fines as physical contact is limited in the apprehension of offenders and execution of warrant of arrests. Penalties: Disconnection fees achieved an actual of 12.67% against an annual target of R16,500 million. The bulk blocking of prepaid meters, could not materialise as the municipality must remain cognisant of adhering to the Covid-19 regulations.
- ❖ Licences and permits is showing a positive variance of 41.4%, however there are possible outstanding payments due to the Department of Transport, Safety and Liaison. There is sometimes a delay in the timing of receipts and eventual transfer, especially towards month-end. The responsible employee for this function, retired and the unit is experiencing some change-over challenges in this regard. Hopefully this will improve going forward.
- ❖ Capital grants is showing a negative variance of 71.3%, as a result of the lower than anticipated capital grant expenditure. Serious intervention will have to be taken by Management to improve on capital grant expenditure and capital expenditure overall.

Comparison against Original Budget

Based on the IYM percentage of 41.67%, the majority of revenue sources are performing satisfactorily.

- ❖ Property rates is showing an over-recovery, due to annual billing on Property rates.
- ❖ Service charges is performing satisfactorily.
- ❖ Interest from External Investments shows an unsatisfactory variance of minus 36.8%. Same factors are applicable as described in the paragraph above.
- ❖ Interest on outstanding debtors is showing a negative variance of 8.0%. Same factors are applicable as described in the paragraph above
- ❖ Fines, penalties and forfeits is showing a negative variance of 34.1%. Same factors are applicable as described in the paragraph above.
- ❖ Licences and permits is showing a positive variance of 17.2%. Same factors are applicable as described in the paragraph above.
- ❖ Transfers – recognised capital is showing a negative variance of 29.7%, as a result of the lower grant spending.

Also indicated in Chart 1 below is the weighting of the YTD Actual on billed Revenue per Source as a percentage of total operational revenue as at 30 November 2021. The main contributors of the municipality's revenue are Service Charges (52.2%), Property Rates (30.9%) and Transfers and subsidies (9.5%). The weighting per Revenue source is slightly distorted due to the annual billing on Property rates.

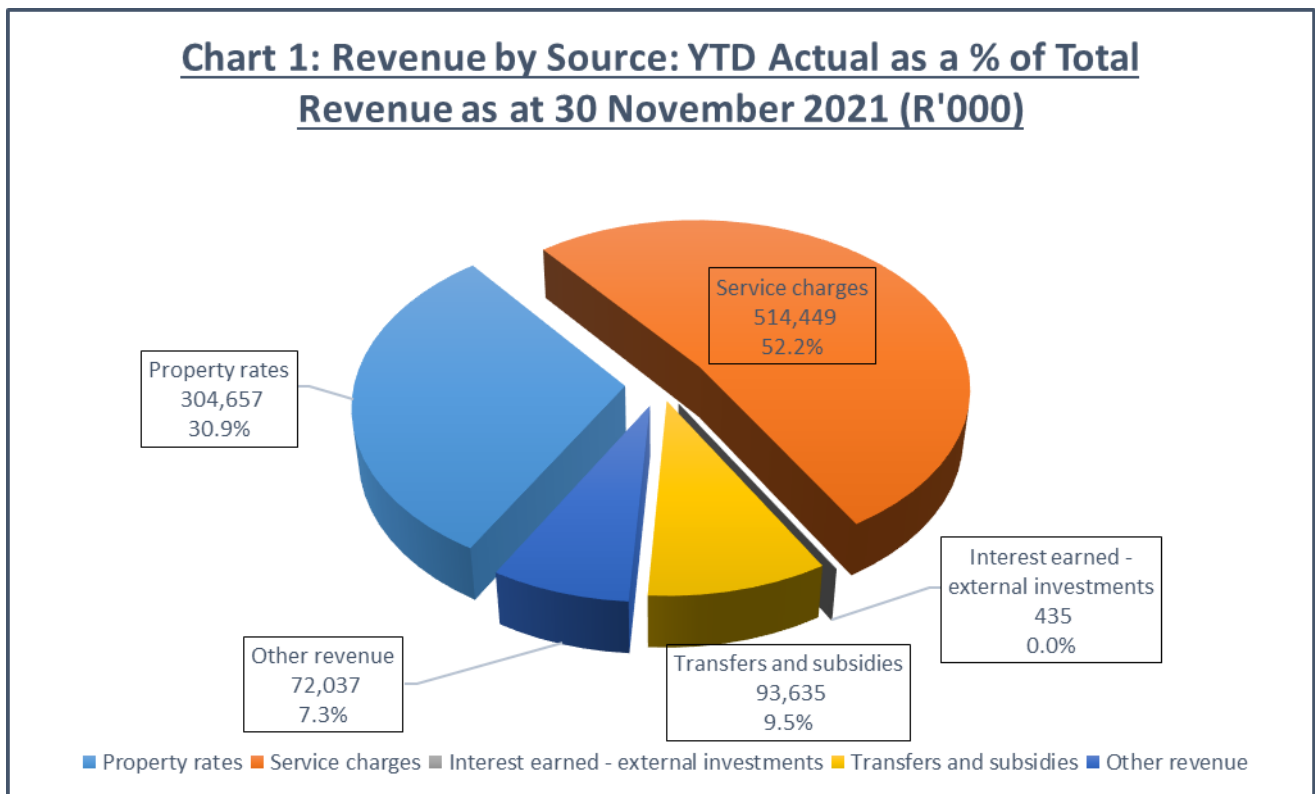


Chart 1: Revenue by Source: YTD Actual as a percentage of Total Revenue

4.2 Operating Expenditure by Type

Table C4 Monthly Budget Statement - Financial Performance (Expenditure) - November 2021										
Expenditure By Type	Original Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Original Budget	Original Budget Variance	Original Variance IYM
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	% - 41.67%
Employee related costs	836,388	60,306	301,607	348,497	86.5%	(46,889)	-13.5%	36.1%	(46,888)	-5.6%
Remuneration of councillors	34,547	651	10,680	14,395	74.2%	(3,715)	-25.8%	30.9%	(3,715)	-10.8%
Debt impairment	275,000	0	68,754	114,583	60.0%	(45,829)	-40.0%	25.0%	(45,829)	-16.7%
Depreciation & asset impairment	79,150	-	-	32,979	0.0%	(32,979)	-100.0%	0.0%	(32,979)	-41.7%
Finance charges	22,261	-	-	9,275	0.0%	(9,275)	-100.0%	0.0%	(9,275)	-41.7%
Bulk purchases - electricity	647,000	92,249	278,750	269,583	103.4%	9,167	3.4%	43.1%	9,167	1.4%
Inventory consumed	279,331	15,615	76,895	116,389	66.1%	(39,493)	-33.9%	27.5%	(39,492)	-14.1%
Contracted services	46,687	2,608	11,325	19,453	58.2%	(8,128)	-41.8%	24.3%	(8,128)	-17.4%
Transfers and subsidies	4,850	20	874	2,021	43.2%	(1,147)	-56.8%	18.0%	(1,147)	-23.7%
Other expenditure	119,770	16,525	68,731	49,906	137.7%	18,825	37.7%	57.4%	18,826	15.7%
Total Expenditure	2,344,984	187,975	817,616	977,081	83.7%	(159,465)	-16.3%	34.9%	(159,461)	-6.8%

Table 4: Table C4 Financial Performance (Expenditure)

Comparison against YTD Budget

As indicated in the Table 4 above, as at 30 November 2021 current expenditure shows an unsatisfactory variance of minus 16.3%. The YTD actual amounted to R817,616 million against the YTD budgeted SDBIP target of R977,081 million.

- ❖ Employee related costs shows an unsatisfactory variance of minus 13.5%. Post-retirement benefit obligations are not factored in and will only be finalised as part of year-end procedures. There was also a soft lock on the filling of vacancies for the past few months. The majority of employees receive their 13th cheques (bonus) at the end of December.
- ❖ Remuneration of councillors is showing an under-expenditure of 25.8%, as a result of the local elections. It should be noted that the gazette on the Determination of upper limits of salaries, allowances and benefits of different members of municipal councils for 2021/2022 financial year has not been issued. The gazette is normally issued during December of each year.
- ❖ Depreciation was projected for on a straight-line basis but will only be provided for, as part of year-end procedures. Herewith the response from the Asset Management Unit, why Depreciation cannot be recognised at least quarterly “The Asset Management System currently do not interface with the Financial System and this make it difficult, to post the transactions for depreciation monthly or quarterly. We currently have to pass journals in the financial system to recognise depreciation in the general ledger. This is due to the fact that the systems do not interface. Once journals are passed for depreciation and changes needs to be done for depreciation due to asset processes like disposals or impairment recognition, we will have to pass new journals for the correction of depreciation. The Asset Management System can currently interface with the Financial System but requires authorization from the service provider of the Financial System. Asset Management is one of the core functions that will be dealt with by the re-established mSCOA Steering Committee.”
- ❖ Debt impairment is provided for quarterly. The journal for the second quarter will be processed before 31 December 2021.
- ❖ Expenditure on Contracted services is lower than anticipated, especially pertaining to Legal Cost Advice & Litigation which is 12.75% spent versus a budget of R7,065 million. Contr: Maintenance of Unspecified Assets is 1.25% spent versus a budget of R5,000 million. There are no specific maintenance contracts in place. This line item was previously budgeted for the security contract, which has since expired. Security personnel were appointed and funds from Contracted Services will transferred to Employee costs during the Adjustment budget. Prepaid Electricity Vendors is 36.6% spent versus a budget of R25,500 million.
- ❖ Bulk purchases – Electricity is showing a satisfactory variance of 3.4%. Based on the accrual accounting principle the July to October 2021 ESKOM invoices were captured on the system, but remains unpaid due to cash flow constraints. The full arrears will be included in the new debt agreement that the municipality envisages to conclude with ESKOM for the 2021/22 financial year.
- ❖ Bulk purchases Water is mapped to Inventory as per GRAP 12. The municipality was not billed for July and September 2021 and is awaiting the invoices from the Department. These invoices are therefore not captured on the system, resulting in the substantial understatement of this expenditure line item. The municipality downloaded the November 2021 bulk invoice from the DWS Statements and Invoices Customer Portal. The November 2021 bulk invoice amounts to R14,523 million and is due at the end of December 2021.
- ❖ Transfers and subsidies shows a negative variance of 56.8%. A transfer of R550 thousand was made to the SPCA. Due to cashflow constraints the municipality opted to settle the R2,200 million in tranches as and when cash becomes available. Other grants also shows minimal movement due to cash flow constraints.
- ❖ Finance charges is showing a negative variance of 100%. Finance charges are paid bi-annually and the first instalment is due on or before 31 December 2021. Interest on overdue accounts will be addressed in the Adjustment budget. Corrections on the actuals pertaining to Interest paid on overdue accounts will be journalised on the system. All Interest paid on overdue accounts must be recognized as Fruitless and Wasteful expenditure in the Annual Financial Statements.

- ❖ The expenditure on Inventory consumed is showing an unsatisfactory variance of 33.9%. It has been reiterated monthly that expenditure on Inventory consumed needs to be monitored closely and remedial action be taken to ensure that funds are spent effectively with good value for money and also that funds will be fully spent at year-end.
- ❖ During the 2019/20 Mid-year Budget Assessment the following factors were identified by the municipality that negatively affects the expenditure on Inventory consumed:
The possible root causes can vary from poor preventative maintenance strategies, poor planning, vehicles being at the Workshop for longer periods which is hampered by the availability of suitable parts, procurement processes exacerbated by a lack of valid tenders being in place for which the user departments are responsible for, clamping down on deviations and major works still outstanding for which proper procurement processes need to be adhered to, and then prioritisation as a result of the cash flow constraints. It is advised that management finalise maintenance plans and implement these plans within the current financial constraints, ensure that remedial action be taken to improve on preventative maintenance and spend funds cost-effectively and efficiently to address service delivery issues and ensure assets are maintained at desired levels and are being utilised optimally. The spending of funds will have to be prioritised, wastage be curbed, overall personnel performance and productivity be monitored and improved.

Operating Expenditure by Type: Comparison against Original Budget

Indicated in Table 4 above, is the YTD actual compared to the Original Budget. The ideal In-Year-Monitoring percentage as at the end of October 2021 is 41.67%. The total operational expenditure against the Original Budget is 34.9% spent, resulting in a variance of minus 6.8%.

- ❖ Employee costs and Councillors remuneration is showing a satisfactory variances of 5.6% and 10.8%, respectively. Same factors are applicable as explained above.
- ❖ Depreciation will be provided for at year-end. Same factors are applicable as explained above.
- ❖ Finance charges are paid bi-annually and show an unsatisfactory variance of minus 41.7%. Same factors are applicable as explained above.
- ❖ Debt impairment is provided for on a quarterly basis. The journal for the second quarter will be processed before 31 December 2021.
- ❖ Expenditure on Contracted services is lower than anticipated, same factors are applicable as explained above.
- ❖ Transfers and grants is unsatisfactory with a variance of minus 23.7%. The same factors are applicable as explained in the paragraph above.
- ❖ Bulk purchases Water is understated as the municipality is awaiting the July and September invoices from the Department and have therefore not been captured on the system.

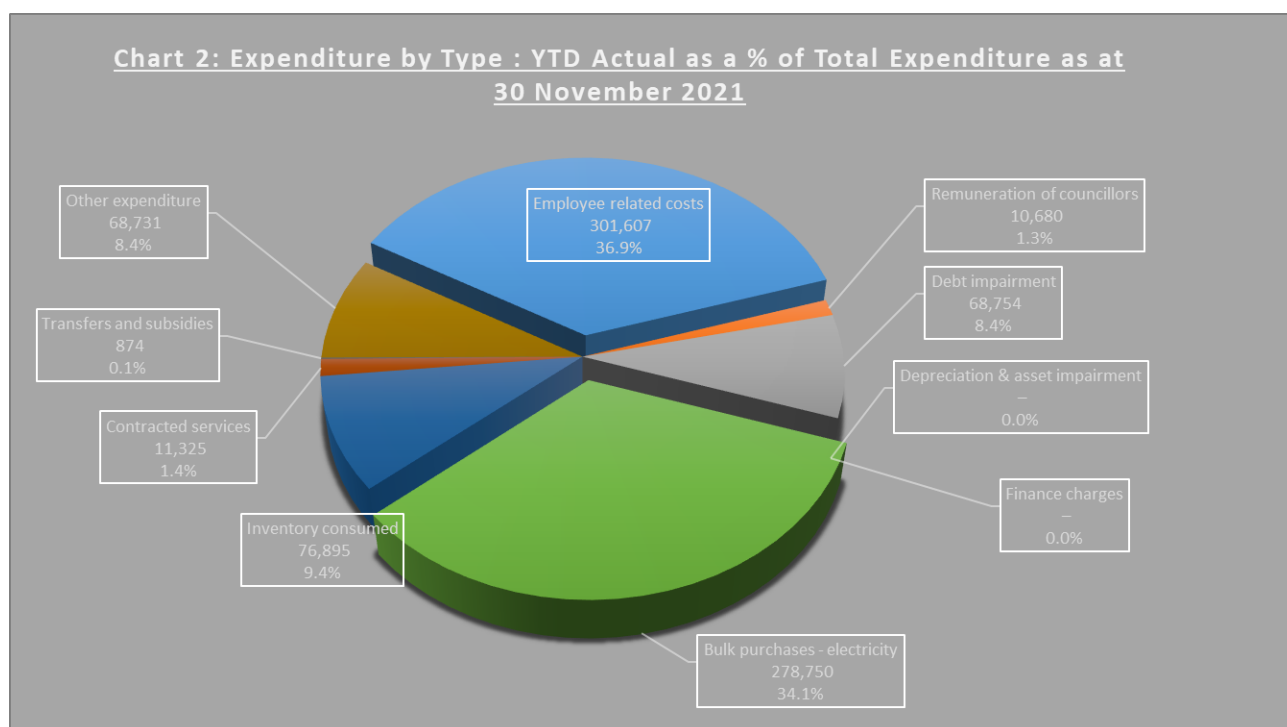


Chart 2: Expenditure by Type: YTD Actual as a percentage of Total Expenditure

Also indicated in Chart 2 above is the weighting of the YTD Actual on Expenditure by Type as a percentage of total operational expenditure as at 30 November 2021. The main cost drivers of the municipality are Employee Related Costs, Debt Impairment and Bulk Purchases. It should be noted that these percentages are still slightly distorted as a result of the following:

- ❖ The Post-retirement benefit obligations under Employee related costs will be finalized as part of the year-end procedures. The softlock on filling of vacancies also plays a role.
- ❖ Depreciation is not provided for and will only be finalized at year-end.
- ❖ Debt impairment is provided for quarterly. The journal for the second quarter will be processed before 31 December 2021.
- ❖ Interest on external borrowing is paid bi-annually.
- ❖ The municipality is still awaiting the July and September 2021 invoices from DWS and this has not been captured on the system. The November 2021 account is due at the end of December 2021.

Bulk Purchases: Electricity and Water

- ❖ Indicated in Table 5.1 below, is the YTD expenditure on Bulk Purchases Electricity. When compared to the IYM percentage of 41.67% as at end of November 2021, Bulk Purchases Electricity is showing a satisfactory variance of 1.4%.

Description	Original Budget	Original Budget	Monthly Actual	YTD Actual	% Spent Original Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 41.67%
Bulk Purchases: Electricity	647,000,000	647,000,000	92,248,664	278,749,970	43.1%	1.4%
Total	647,000,000	647,000,000	92,248,664	278,749,970	43.1%	1.4%

Table 5.1: Summary of YTD Bulk Electricity expenditure

- ❖ Indicated in Table 5.2 below, is the Bulk purchases – Water which is showing a negative variance of minus 30.2% when compared to the ideal percentage of 41.67%. The municipality is awaiting the July and September 2021 bulk water invoice from DWS and have therefore not been committed on the system.

Description	Original Budget	-	Monthly Actual	YTD Actual	% Spent Original Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 41.67%
BULK WATER PURCHASES	114,000,000	114,000,000	-	13,105,484	11.5%	-30.2%
Total	114,000,000	114,000,000	-	13,105,484	11.5%	-30.2%

Table 5.2: Summary of YTD Bulk Water expenditure

Organ of state	Principle debt	Monthly Instalment	Corrections on arrear debt	Total revised debt amount	Amount paid to date	% of debt settled	Balance on Payment arrangement	Balance of unpaid invoices	Current Account due (Nov 2021)	Total Outstanding Debt	YTD Interest charged 2021/22
ESKOM	112,040,715.83	12,448,968.43	-	112,040,715.83	112,040,715.83	100%	-	362,488,779.62	50,895,977.97	413,384,757.59	12,222,326.66
DWS (Water boards)	61,179,514.18	5,000,000.00	340,009.25	61,519,523.43	60,439,295.38	98%	1,080,228.05	75,596,431.62	14,605,001.72	91,281,661.39	507,157.37
Grand Total	173,220,230.01	17,448,968.43	340,009.25	173,560,239.26	172,480,011.21	99%	1,080,228.05	438,085,211.24	65,500,979.69	504,666,418.98	12,729,484.03

Table 6: Summary of outstanding Bulk costs debt

Indicated in Table 6 above, is the total outstanding debt owed to ESKOM amounting to R413,385 million. The current account due to ESKOM is R50,896 million. The arrear debt of R362,489 million pertains to the unpaid accounts for June 2021 (R59,903m), July 2021 (R104,400m), August 2021 (R93,020m), September 2021 (R54,138m) and October (R51,028m). The municipality did not have sufficient cash to settle the outstanding accounts due to ESKOM. For the month of November 2021, the municipality settled R20,000 million on the June 2021 invoice. The municipality settled a further R30,000 million on 8 December 2021, which will be reflected in the new month. The total year to date interest charged on overdue accounts due to ESKOM amounts to R12,222 million which must be disclosed as Fruitless and Wasteful Expenditure for the year under review. The debt for 2020/21 has been settled in full. The municipality envisages to enter into a new payment agreement with ESKOM for the current financial year.

Also, indicated in Table 6 above, is the total outstanding debt owed to DWS amounts to R91,282 million. The municipality downloaded, the current invoices from the DWS Statements and Invoices Customer Portal. The total current account due is R14,605 million. It should be noted that the total debt due to DWS needs to concurred with the Department. The debt owed to DWS is understated because the Department never billed the municipality for June 2021, relating to 2020/21 financial year and July and September 2021 for the current year. The mentioned invoices was therefore not received from the Department and is not loaded on the Portal either.

The arrear debt of R75,596 million pertains to the outstanding accounts for January 2021 (R17,084m), February 2021 (R15,329m), March 2021 (R13,224m), August 2021 (R14,685m) and October 2021 (R15,275m). Due to cash flow constraints, the municipality could not settle the outstanding invoices. For the month of November 2021, the municipality settled an amount of R16,733 million on the arrear debt owed to DWS. The total year to date interest charged on overdue accounts to DWS amounted to R507 thousand. The interest charged is possibly understated, due to the fact that no statements were received from DWS for August to November 2021. The debt agreement for 2020/21 has an outstanding balance of R1,080 million which will be resolved before end of December 2021. The municipality envisages to enter into a new payment agreement with DWS for the current financial year, inclusive of all debt.

4.3 Capital expenditure

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure - November 2021										
Capital expenditure	Original Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Original Budget	Original Budget Variance	Original Variance IYM % - 41.67%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Capital expenditure	179,266	4,960	21,531	74,694	28.8%	(53,163)	-71.2%	12.0%	(53,163)	-29.7%
Funded by										
Capital transfers recognised	167,766	4,675	20,092	69,903	28.7%	(49,811)	-71.3%	12.0%	(49,811)	-29.7%
Internally generated funds	11,500	285	1,440	4,792	30.0%	(3,352)	-70.0%	12.5%	(3,352)	-29.1%
Weighting Capital transfer recognised	94%	94%	93%	94%						
Weighting Internally generated funds	6%	6%	7%	6%						

Table 7: High level summary: Capital Expenditure

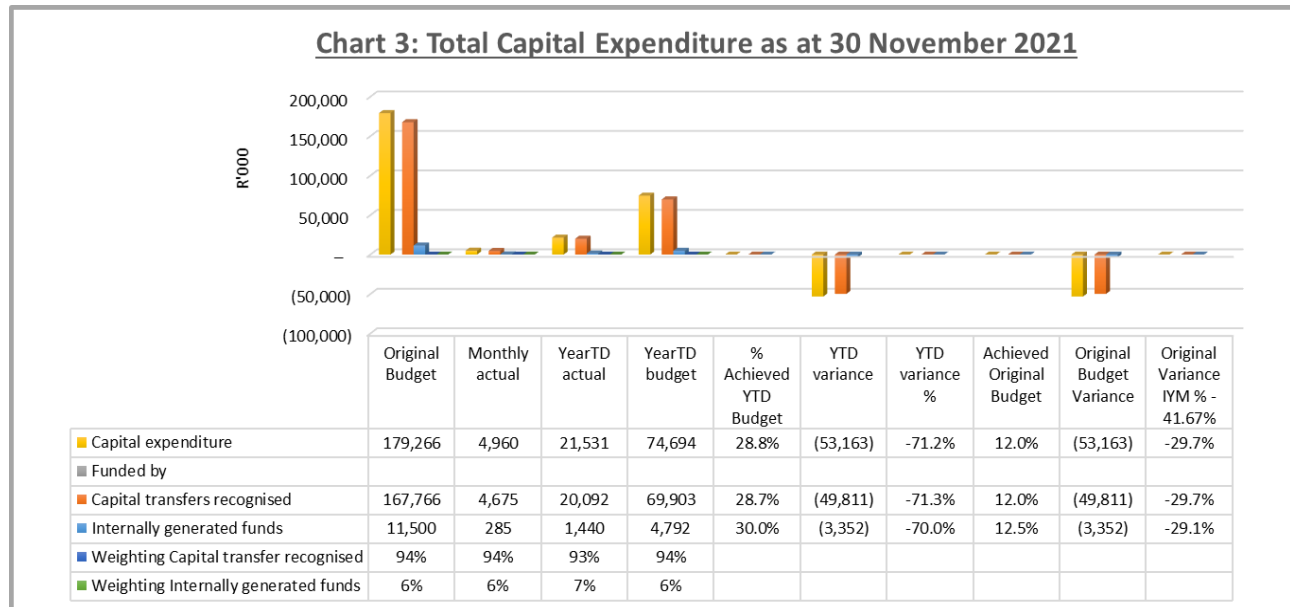


Chart 3: Total Capital expenditure

As indicated in the Table 7 and Chart 3 above, the YTD Actual on capital expenditure as at end of October 2021 amounted to R21,531 million and 28.8% spent when compared to the YTD budget of R74,694 million and 12% spent when compared to the Original Budget of R179,266 million. The total YTD capex is funded from Capital grants R20,092 million (93%) and Internally generated funds R1,440 million (7%). Capex is extremely low and this must improve going forward. Planning of project managers also needs to improve going forward. One of the major challenges that the municipality is experiencing is in respect of tendering processes.

The majority of capital projects are based on a functionality criteria. Bidders either do not meet the functionality criteria or submit incomplete tender documents resulting in bidders being non-responsive. And due to the non-responsiveness of bidders, these bids unfortunately have to be re-advertised. The municipality has been implementing more compulsory site meetings to sensitise service providers on the compliance issues pertaining to bid documents. Secondly, project managers need to realistically anticipate challenges and immediately address delays in order to ensure that projects are completed within the specified timeframe. Contract management also needs to be monitored more closely, placing emphasis on the performance of appointed service providers and addressing issues of non-performance immediately. The Project Management Unit (PMU) is not adequately staffed, resulting in a lack of qualified permanently appointed project managers. Lastly, it is advised that disputes, if any are addressed and resolved expeditiously. The capital expenditure is slow and overall capital expenditure remains a major concern. Remedial action will have to be taken going forward to ensure improvement on capex. It should be noted that capital expenditure excludes VAT and commitments. The capital expenditure report shown in Annexure A, Table C5 has been prepared on the prescribed monthly C-schedule, and is categorised by municipal vote and functional classification.

Sol Plaatje (NC091): Monthly Budget Statement: November 2021

4.4 Cash flows

Chart 4: Current investment deposits and Cash & cash equivalents at year-end

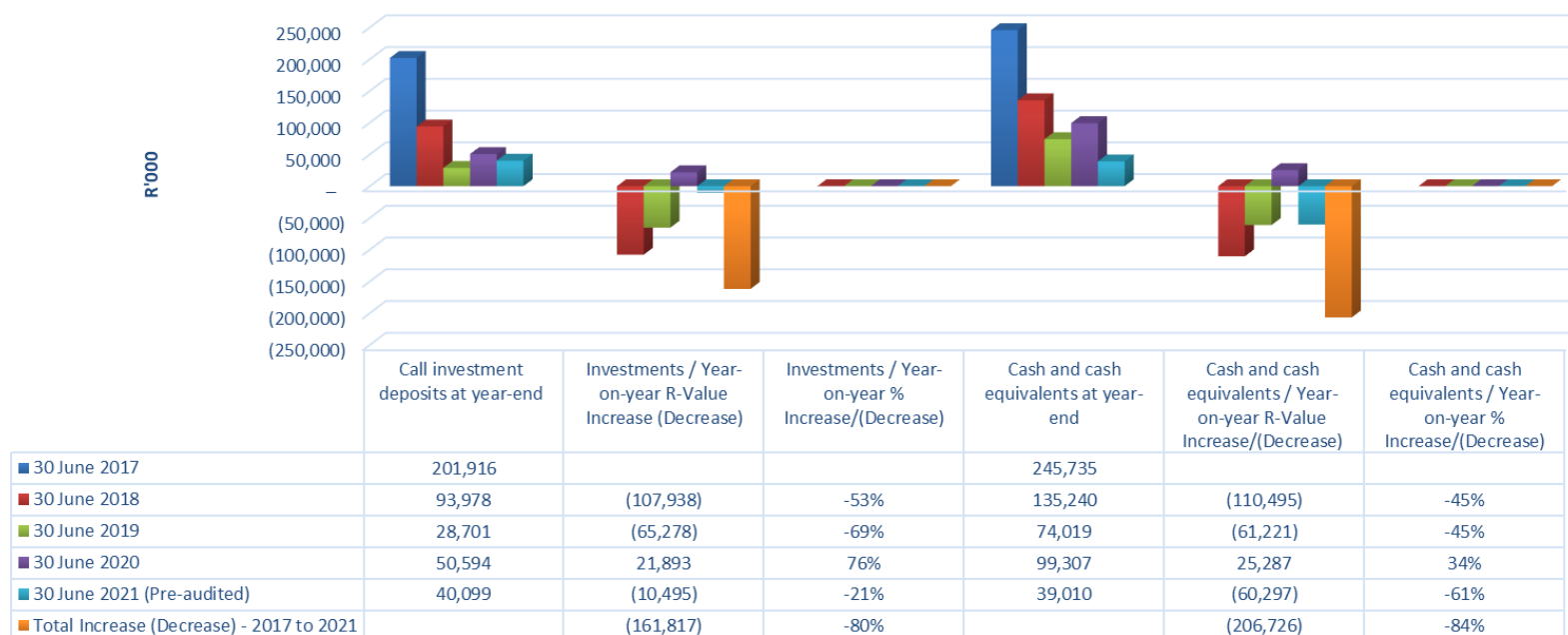


Chart 4: Call investment deposits and Cash & cash equivalents at year-end

Investments decreased by R107,938 million or 53% from 2017 to 2018. Investments decreased by R65,278 million or 69% from 2018 to 2019. Investments increased by R21,893 million or 76% from 2019 to 2020. Investments decreased by R10,495 million or 21% from 2020 to 2021. From 2017 to 2021, the total investments decreased by R161,817 million. The same trend can be seen year-on-year, as indicated in the chart above in respect of the Cash and cash equivalents. This is attributable to various factors inter alia, the lower collection rate, increased capital expenditure, especially increase on CRR funding year-on-year, the non-implementation of the basic charge for the 2018/19 financial year, increase in bulk purchases, operational expenditure, including excessive expenditure on Overtime and EPWP, variation orders on contracts, excessive water and electricity losses. And the servicing of the long-term loan. The decline in investments and Cash & cash equivalents is concerning and must be addressed by management.

Chart 5: Call investment deposits incl interest for the period ending 30 November 2021

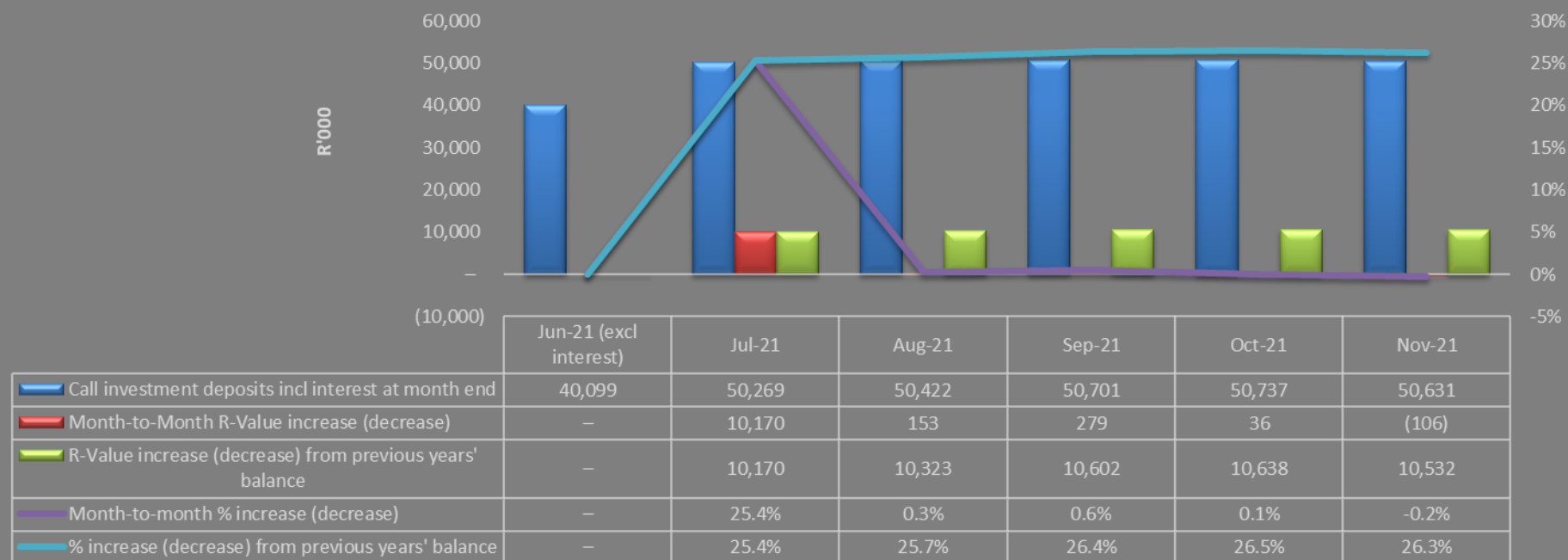


Chart 5: Call investment deposits at month-end

As indicated in the Chart 5 above from October to November 2021 investments incl interest decreased by R106 thousand or minus 0.2%, in respect of the month-to-month comparison. Investments increased by R10,532 million or 26.3% when compared to the previous years' pre-audited balance of R40,099 million. Various commitments must be met monthly including Salaries, Bulk Electricity, Bulk Water in the billing period and capital expenditure. The majority of staff receive their annual bonuses in December of each year. Bi-annual long-term loan repayments. The non-charging of the basic charge for the 2018/19 financial year for domestic consumers also had a negative impact on the income from Sale of Electricity and thus negatively affecting the municipality's cash flow. The movement on investments should be monitored going forward and a concerted effort should be done to collect current and long outstanding debt. Capital and Operational expenditure overall, also needs to be reviewed and prioritised.

This chart could not be populated due to errors on the system pertaining to C6 (Statement of Financial Position) and C7 (Cash flow) that could not be resolved timeously.

Chart 6.1: Cash & cash equivalents at month-end

This chart could not be populated due to errors on the system pertaining to C6 (Statement of Financial Position) and C7 (Cash flow) that could not be resolved timeously.

Chart 6.2: Cost coverage ratio

The estimated average Cost coverage ratio is currently less than one week. Cash at this stage is monitored on a daily basis. The Cost coverage ratio is a critical indicator that the municipality is in a severe cash flow crisis and not in the conducive position to settle short-term commitments. This is a critical threat to the municipality's ability to pay salaries, bulk accounts and day-to-day operations which can have a detrimental effect on service delivery and irrevocably damage the municipality's relationship with its service providers and further tarnishing the municipality's reputation. The only way to address these issues, is to work as a collective team, enforce accountability within all departments and to collect outstanding debt. Collect outstanding debt and improve the collection rate. The municipality also needs to spend funds effectively and efficiently with good value for money. Cost containment measures must be stringently applied.

4. In-year budget statement tables

The financial results for the period under review are attached consisting of the following Tables, in Annexure A

- (a) Table C1: Summary
- (b) Table C2: Financial Performance (Functional Classification)
- (c) Table C3: Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Financial Performance (Revenue and Expenditure)
- (e) Table C5: Capital Expenditure by vote, functional classification and funding
- (f) Table C6: Statement of Financial Position
- (g) Table C7: Cash Flow

PART 2 - SUPPORTING DOCUMENTATION

5. Debtors' Analysis`

NC091 Sol Plaatje - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	NT Code	Budget Year 2021/22										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	54 948	18 767	19 765	449 796	–	–	–	–	543 275	449 796	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	58 891	18 009	18 174	186 227	–	–	–	–	281 301	186 227	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	53 300	14 009	13 329	684 290	–	–	–	–	764 928	684 290	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	12 006	4 336	4 134	140 837	–	–	–	–	161 313	140 837	–	–
Receivables from Exchange Transactions - Waste Management	1600	9 285	3 234	3 161	108 072	–	–	–	–	123 752	108 072	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	538	505	497	41 364	–	–	–	–	42 905	41 364	–	–
Interest on Arrear Debtor Accounts	1810	19 861	9 904	9 293	586 892	–	–	–	–	625 951	586 892	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	7 477	4 229	2 196	195 843	–	–	–	–	209 745	195 843	–	–
Total By Income Source	2000	216 308	72 992	70 549	2 393 321	–	–	–	–	2 753 169	2 393 321	–	–
2020/21 - totals only		282 266	72 083	60 625	2 144 368					2 559 343	2 144 368		
Debtors Age Analysis By Customer Group													
Organs of State	2200	33 752	17 576	12 852	743 432	–	–	–	–	807 612	743 432	–	–
Commercial	2300	77 967	17 505	18 378	354 090	–	–	–	–	467 940	354 090	–	–
Households	2400	101 783	36 633	38 180	1 249 298	–	–	–	–	1 425 893	1 249 298	–	–
Other	2500	2 807	1 278	1 139	46 500	–	–	–	–	51 724	46 500	–	–
Total By Customer Group	2600	216 308	72 992	70 549	2 393 321	–	–	–	–	2 753 169	2 393 321	–	–

Table 8: Supporting Table SC3: Aged Debtors

Indicated in Table 8 above, is the total outstanding debt by Income Source and Customer Group, with the total O/S Debt amounting to R2,753,169 billion as at the end of November 2021. The Credit control office implemented the following contingencies. In the light of current cash flow and very low cashier collection at points, we resumed disconnection and blocking of institutions, businesses and Government Departments without valid arrangements or not in discussions with, effective immediately. Bulk blocking of prepaid meters is hampered due to Covid-19 regulations. On a weekly basis, the municipality also focuses on the Top Ten accounts for all debtor groups. Water and lights (long outstanding queries and Interims), Rates (long outstanding Interims) are also dealt with. The Call Centre also do courtesy calls to the most paying customers, as a means to improve customer satisfaction.

Specific action – Covid-19

30% Discount for full settlement of arrear debt; 10% monthly early payment incentive (excluding Electricity sales); Radio interviews – customer education and awareness, invite indigent for registration; Blocking of non-residential dwellings: 30 % prepaid partial (non-indigent customers); 10 % prepaid partial (indigents customers) and 100% Commercial, Businesses, Gov, Staff, Cllrs, NGO, etc)

Sol Plaatje (NC091): Monthly Budget Statement: November 2021

Chart 7 below, depicts the month-on-month summary of Debt over 90 days as a percentage of total O/S Debt which increased from 84% to 87% for the period under review. Debt over 90 days increased by R108,094 million in respect of the month-to-month comparison. The month-to-month increase on Total debt amounted to R35,134 million. It is concerning that total debt over 90 days is hovering at an average of 85%. During the Adjustment Budget funding assessment for 2019/20, NT advised that the municipality should consider writing off debtors that we know we are not realistically going to collect. To this end, the amounts written off as uncollectable amounted to R403,262 million for the year ended 30 June 2020. For the year ended 30 June 2021, the amounts written off as uncollectable amounted to R330,209 million. The total amounts written off as uncollectable for the two financial years amounts to R733,470 million.

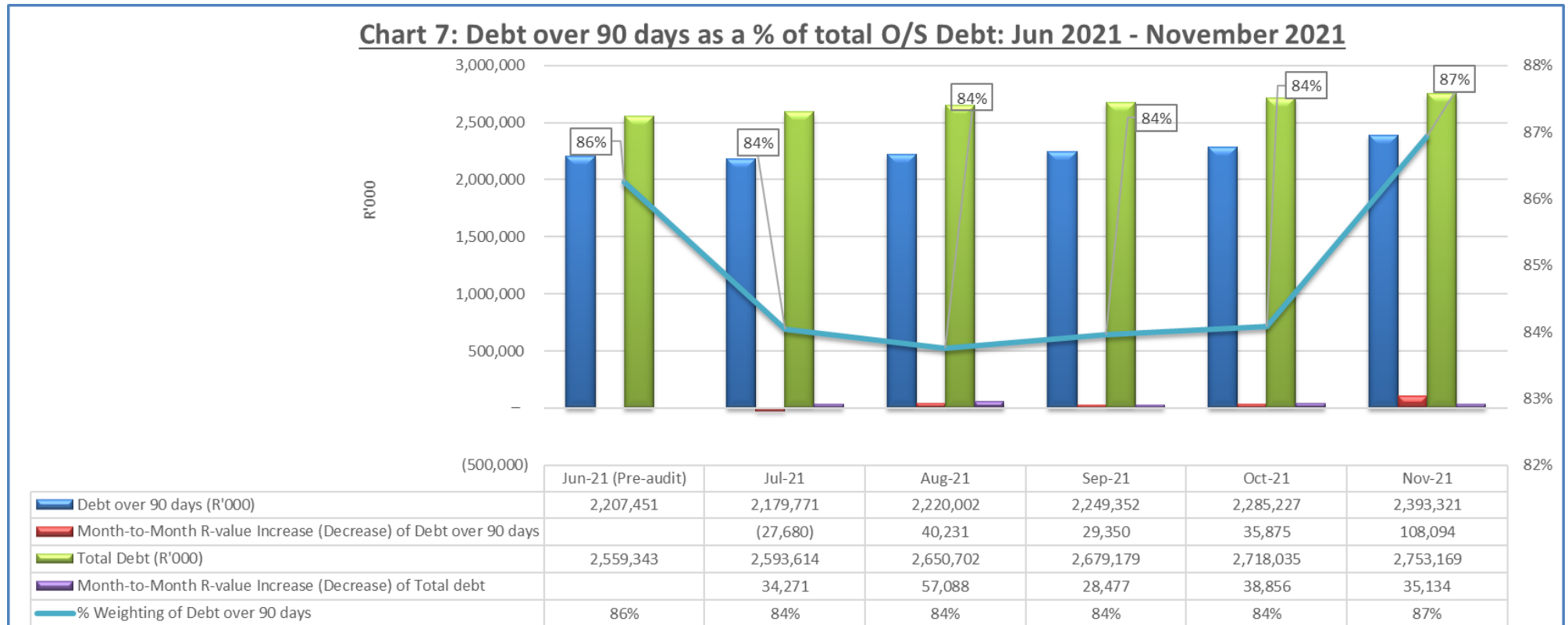


Chart 7: Debt over 90 days as a percentage of Total O/S Debt

Chart 8: Outstanding Debt by Income Source as at 30 November 2021

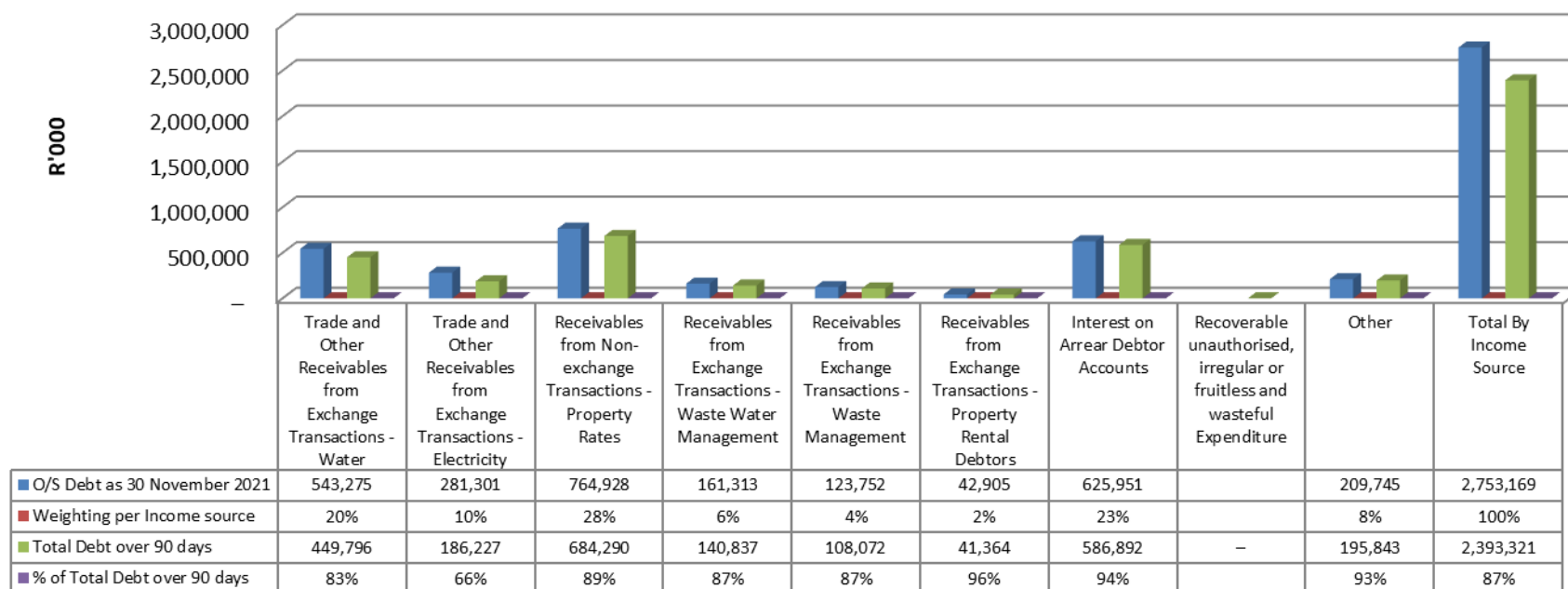


Chart 8: Outstanding Debt by Income Source

Indicated in Chart 8 above, is the total outstanding debt per Income Source, including the weighting and the percentage of Total Debt over 90 days as at the end of November 2021. The highest percentage weighting of debt owed is attributable to:

- ❖ Receivables from Non-exchange Transactions - Property Rates at 28%
- ❖ Interest on Arrear Debtor Accounts 23%, and
- ❖ Trade and Other Receivables from Exchange Transactions – Water at 20%

The highest percentage weighting of debt owed in excess of 90 days is attributable to:

- ❖ Receivables from Exchange Transactions - Property Rental Debtors at 96%
- ❖ Interest on Arrear Debtor Accounts at 94%;
- ❖ Other 93%

Debtors Age Analysis By Income Source	O/S Debt as 31 October 2021	O/S Debt as 30 November 2021	Percentage month-on-month Increase/ (Decrease) in Debtors	R-Value Increase/(Decrease)	Weighting of Debt per Category as a % of Total O/S
Trade and Other Receivables from Exchange Transactions - Water	532 953 535	543 275 491	1.9%	10 321 956	20%
Trade and Other Receivables from Exchange Transactions - Electricity	278 434 267	281 301 000	1.0%	2 866 733	10%
Receivables from Non-exchange Transactions - Property Rates	758 386 330	764 927 952	0.9%	6 541 622	28%
Receivables from Exchange Transactions - Waste Water Management	158 516 571	161 313 225	1.7%	2 796 654	6%
Receivables from Exchange Transactions - Waste Management	121 570 182	123 751 761	1.8%	2 181 579	4%
Receivables from Exchange Transactions - Property Rental Debtors	42 464 379	42 904 580	1.0%	440 201	2%
Interest on Arrear Debtor Accounts	617 519 859	625 950 699	1.3%	8 430 840	23%
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-		-	
Other	208 190 192	209 744 578	0.7%	1 554 386	8%
Total By Income Source	2 718 035 315	2 753 169 286	1.3%	35 133 971	100%
Debtors Age Analysis By Customer Group					
Organs of State	806 815 610	807 611 768	0.1%	796 158	29%
Commercial	458 517 306	467 940 055	2.0%	9 422 749	17%
Households	1 401 834 567	1 425 893 345	1.7%	24 058 778	52%
Other	50 867 832	51 724 118	1.7%	856 286	2%
Total By Customer Group	2 718 035 315	2 753 169 286	1.3%	35 133 971	100%

Table 9: Month-on-month growth in outstanding debtors

Indicated in Table 9 above is the month-on-month growth in outstanding debt, per Income Source and per Customer Group, from October to November 2021, the municipality's total O/S debt increased by 1.3% or R35,134 million.

O/S debt per Income Source

- ❖ Trade and Other Receivables from Exchange Transactions - Water increased by 1.9%.
- ❖ Trade and Other Receivables from Exchange Transactions - Electricity increased by 1.0%.
- ❖ Receivables from Non-exchange Transactions - Property Rates increased by 0.9%.
- ❖ Receivables from Exchange Transactions - Waste Water Management increased by 1.7%;
- ❖ Receivables from Exchange Transactions - Waste Management increased by 1.8%.
- ❖ Receivables from Exchange Transactions - Property Rental Debtors increased by 1.0%.
- ❖ Interest on Arrear Debtor Accounts increased by 1.3%.
- ❖ Other increased by 0.7%.

O/S debt per Customer Group

- ❖ Organs of State increased by 0.1%.
- ❖ Commercial debtors increased by 2.0%.
- ❖ Debt owed by Households increased by 1.7%.
- ❖ Other Debt increased by 1.7%.

Weighting per Customer Group

- ❖ Government debt constitutes 29%, Businesses 17%, Households 52% and Other 2% of the total outstanding debt.

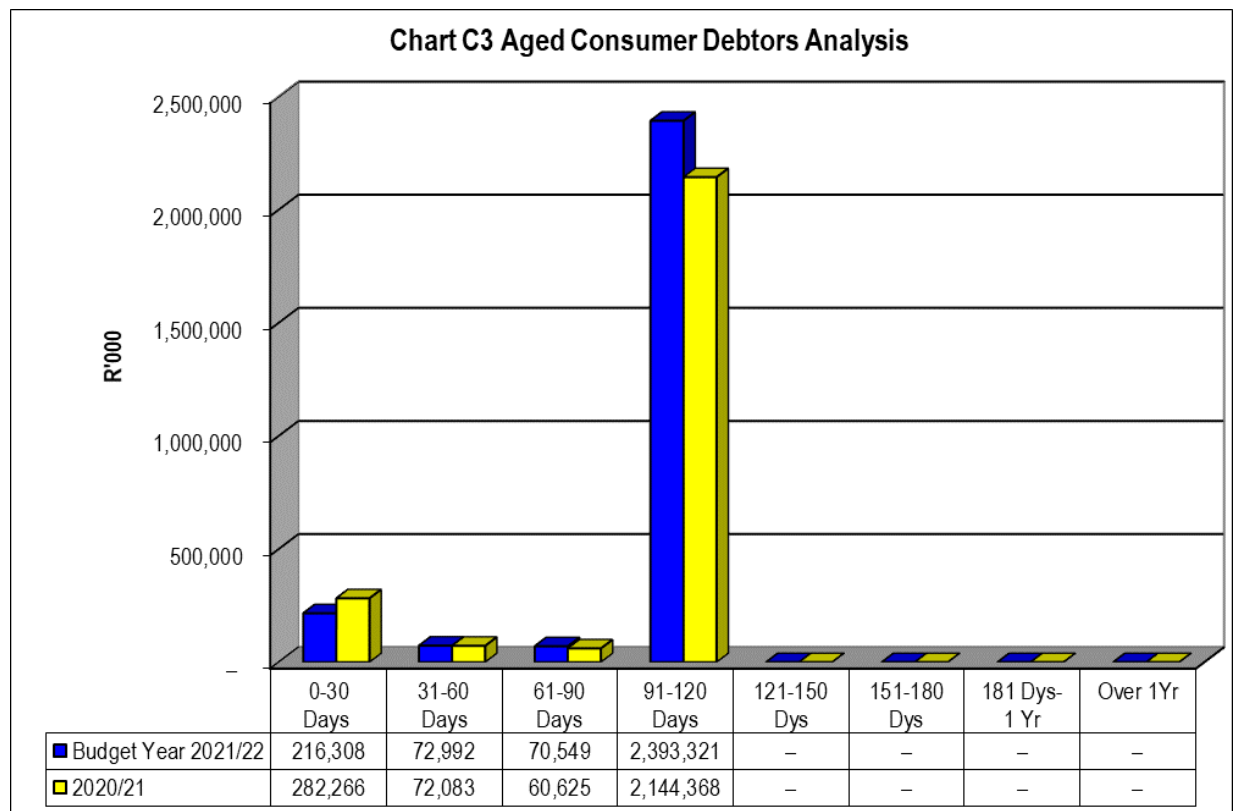


Chart 9: Aged Consumer Debtor Analysis

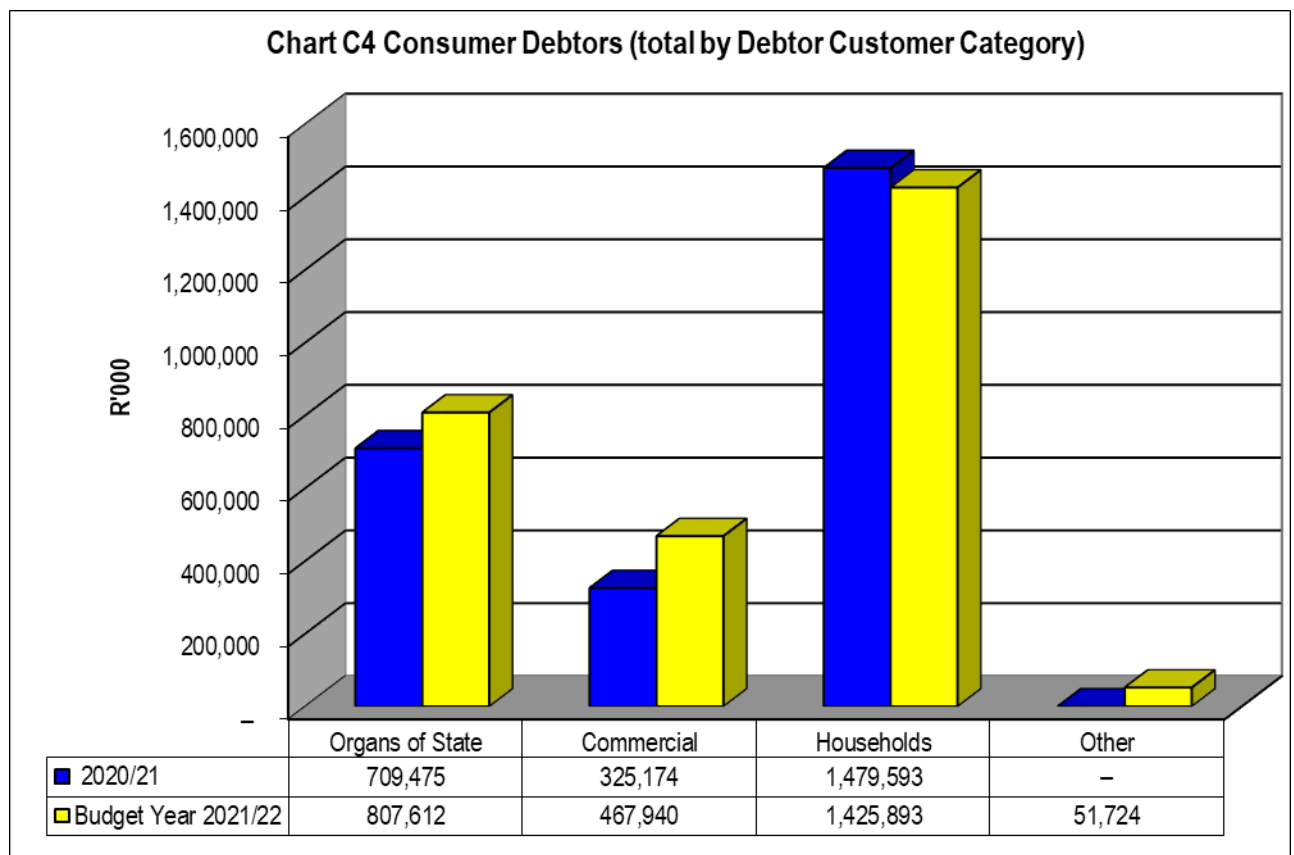


Chart 10: Consumer Debtors (total by Debtor Customer Category)

Chart 11: Debtor's Age Analysis per Customer Group as at 30 November 2021

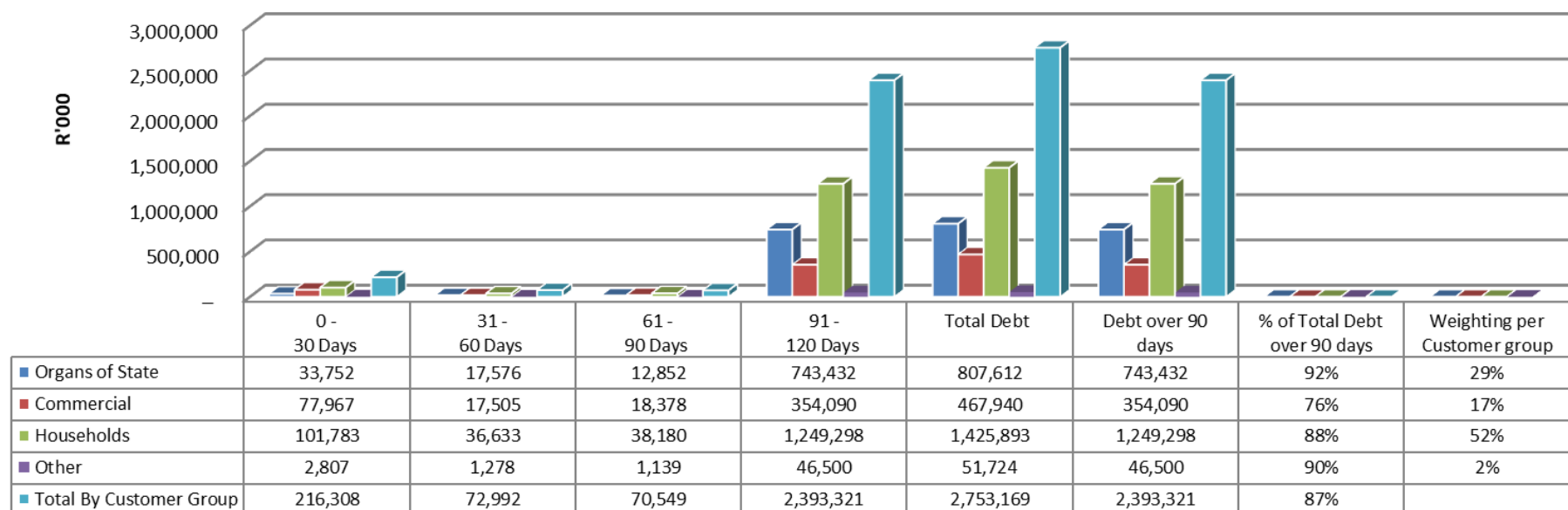


Chart 11: Debtor's Age Analysis per Customer Group

Chart 11 above, illustrates that the bulk of SPM debt is aged over 90 days with a total weighting of 87%. An analysis revealed that the catalysts for this condition are the sheer volume of accountholders in arrears, the poor economic circumstances of a large number of our accountholders, and the increasing cost of services beyond the Municipality's control. This is compounded by the large number of water leaks that go unreported which causes the accountholder's account to escalate beyond their means to pay. In addition to this, there is a substantial portion of irrecoverable, stagnant debt that attracts interest every month. We have a backlog of processing this debt and submitting this to Council for approval to write off.

We have revised our policies to make our processes more effective. This will allow us to focus on preventing debt from ageing where possible in tracing and updating our debtors' information and of course recovering outstanding amounts. We anticipate a marked turnaround of this trend and in conjunction with a concerted effort to retard the escalation of ageing debt, we are focusing on improving the accuracy and regularity of our billing as well as our communication with our accountholders. Indigent verification is a continuous process and we are encouraging accountholders whose households qualify, to approach the Municipality for an assessment and possible registration as an Indigent Household. The benefits of this are the provision of free basic services and assistance with arrear debt owed to the Municipality. The Covid-19 pandemic also adversely affected consumer's ability to pay, this is evident by the average monthly collection rate of 69%. The municipality has been providing additional incentives to assist consumers to settle their arrear accounts.

Revised collection rate

As per Table 10 below, when taking into consideration what was billed in October 2021 and received in November 2021, the monthly collection rate is 67%. Indicated in Table 11 below is the revised average collection of 68.7% for the period under review. The average collection is distorted due to the annual billing of Property rates. The actual Rand-value billed for July 2021, is R78m and was subsequently deducted from the YTD Actual on Property rates.

The annual billing is effectively deducted from the YTD billing on Property rates, to portray a more realistic picture of the average collection rate which translates into an average collection rate of 75.4%. When considering the average collection rate, various factors are taken into account, like the receipts on Prepaid Electricity, unallocated credits, etc. The YTD billing on Property Rates and Service Charges are obtained from the general ledger. Billing on Other is obtained from the BS902 report (Debits Raised Versus Payments).

The BS566 report (Payments per Service per Day/Period) includes all monies received from 1 November to 30 November 2021. Unallocated credits are obtained from the cashbook. Government in particular and businesses/households that opt to get billed annually, have until the end of September/ October 2021 to settle their outstanding accounts.

Monthly Collection Rate	Debits (Billed October 2021)	Credits (Received November 2021)	% Collected
PROPERTY RATES	45,545,001	28,486,442	63%
ELECTRICITY	35,331,323	29,581,311	84%
WATER	28,072,859	14,512,090	52%
SEWERAGE	8,506,247	3,739,274	44%
REFUSE	6,426,320	2,939,529	46%
OTHER	11,572,840	11,926,438	103%
Total	135,454,590	91,185,083	67%

<u>Monthly collection rate per service</u>						
Monthly Collection	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Average
Property Rates	62%	25%	81%	66%	63%	50%
Electricity excl Prepays	80%	77%	69%	80%	84%	77%
Water	85%	47%	47%	57%	52%	57%
Sewerage	48%	44%	43%	46%	44%	45%
Refuse	48%	47%	44%	49%	46%	47%
Other	108%	50%	108%	129%	103%	100%
Monthly collection rate	74%	41%	69%	72%	67%	62%

Table 10: Monthly collection rate

REVENUE BY SOURCE	YTD ACTUAL NOVEMBER 2021	YTD RECEIPTS	Rate
PROPERTY RATES	R 304 656 698	R 151 470 802	49.7%
SERVICE CHARGE ELECTRICITY	R 209 325 532	R 164 340 959	78.5%
SERVICE CHARGE ELECTRICITY - PREPAIDS	R 119 375 487	R 119 375 487	100.0%
SERVICE CHARGE WATER	R 124 098 128	R 65 568 227	52.8%
SERVICE CHARGE SANITATION	R 35 461 505	R 18 659 692	52.6%
SERVICE CHARGE REFUSE	R 26 188 772	R 14 609 559	55.8%
OTHER	R 57 674 961	R 57 013 533	98.9%
UNALLOCATED CREDITS		R 10 978 449	
REVISED AVERAGE COLLECTION RATE - NOVEMBER 2021	R 876 781 083	R 602 016 708	68.7%
REVENUE BY SOURCE	YTD ACTUAL NOVEMBER 2021	YTD RECEIPTS	Rate
2021 incl ANNUAL BILLING ON PROPERTY RATES	R 876 781 083	R 602 016 708	68.7%
LESS ANNUAL BILLING ON PROPERTY RATES	R -78 561 553		0.0%
REVISED AVERAGE COLLECTION RATE - NOVEMBER 2021 excl ANNUAL BILLING ON PROPERTY RATES	R 798 219 531	R 602 016 708	75.4%

Table 11: Revised Average collection rate

Indicated in the Tables 12 and 13 below, are the receipts per Service and per Debtor type as per the BS566 report

BS566 Payments per Service per Day/Period - Service							
Per Service	Tariff Code	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	TOTAL
PROPERTY RATES	VA	-	710.80	-	-	337.67	1 048.47
PROPERTY RATES	VA2010	98.54	400.00	73.74	270.53	-	842.81
PROPERTY RATES	VARESD	12 007 341.97	12 212 368.68	12 163 799.89	11 222 764.30	12 293 562.39	59 899 837.23
PROPERTY RATES	VASRA	679 537.02	722 394.72	699 696.30	604 340.70	747 694.53	3 453 663.27
PROPERTY RATES	VABCOM	12 149 403.43	14 308 811.99	15 446 038.89	13 892 475.88	12 974 181.89	68 770 912.08
PROPERTY RATES	VAIND	1 344 417.62	1 525 434.72	1 314 215.38	1 392 330.34	1 360 965.99	6 937 364.05
PROPERTY RATES	VAFAAG	100 199.84	107 193.66	126 646.12	100 059.69	99 002.70	533 102.01
PROPERTY RATES	VAFARE	23 064.20	14 172.13	21 678.35	9 219.56	20 891.37	89 025.61
PROPERTY RATES	VAMUN	570.12	-	1 140.24	570.12	-	2 280.48
PROPERTY RATES	VAGOVN	962 992.98	1 446 092.14	7 006 585.48	545 618.29	499 289.09	10 460 577.98
PROPERTY RATES	VARESV	219 155.37	168 997.49	210 933.49	292 794.10	201 372.36	1 093 252.81
PROPERTY RATES	VAPBO	-	-	772.00	-	2 500.00	3 272.00
PROPERTY RATES	VAFABC	31 124.00	52 728.24	50 268.00	33 094.16	58 409.06	225 623.46
TOTAL PROPERTY RATES		27 517 905.09	30 559 304.57	37 041 847.88	28 093 537.67	28 258 207.05	151 470 802.26
BASIC ELECTRICITY	BE	467 974.35	474 997.38	528 492.86	492 282.43	496 021.06	2 459 768.08
ELECTRICITY	EL	28 210 519.51	34 737 091.67	37 135 052.34	32 776 764.99	29 021 762.79	161 881 191.30
PREPAID ELECTRICITY		27 317 859.54	25 196 134.81	22 614 270.11	22 498 541.03	21 748 681.17	119 375 486.66
TOTAL ELECTRICITY		55 996 353.40	60 408 223.86	60 277 815.31	55 767 588.45	51 266 465.02	283 716 446.04
BASIC WATER	BW	45 774.06	44 178.85	42 504.92	72 083.06	51 824.65	256 365.54
WATER CONSUMPTION	WA	16 299 907.56	9 977 711.36	14 816 830.56	9 438 590.61	14 778 821.25	65 311 861.34
TOTAL WATER		16 345 681.62	10 021 890.21	14 859 335.48	9 510 673.67	14 830 645.90	65 568 226.88
BASIC SEWERAGE	BS	245 124.26	182 272.32	199 980.15	245 775.14	214 603.14	1 087 755.01
SANITATION	SE	3 799 122.39	3 387 940.08	3 510 835.65	3 312 467.68	3 561 571.37	17 571 937.17
TOTAL SANITATION		4 044 246.65	3 570 212.40	3 710 815.80	3 558 242.82	3 776 174.51	18 659 692.18
REFUSE	BR	2 815 388.72	2 605 275.97	2 682 447.75	2 550 730.53	2 709 474.69	13 363 317.66
ADD REFUSE	RF	252 390.81	273 761.64	193 154.13	276 423.29	250 511.18	1 246 241.05
TOTAL REFUSE		3 067 779.53	2 879 037.61	2 875 601.88	2 827 153.82	2 959 985.87	14 609 558.71
INTEREST ON ARREARS	IN0001	34 721.11	39 204.54	41 963.66	28 142.74	19 396.33	163 428.38
INTEREST ON ARREARS	INBR	65 535.02	60 770.80	52 524.18	61 409.09	56 483.71	296 722.80
INTEREST ON ARREARS	INSE	89 478.44	76 410.67	71 230.70	86 879.14	85 086.47	409 085.42
INTEREST ON ARREARS	INWA	255 169.16	216 027.29	219 572.70	222 259.47	427 275.83	1 340 304.45
INTEREST ON ARREARS	INSU	51 029.35	49 019.46	31 523.87	39 452.06	36 368.04	207 392.78
INTEREST ON ARREARS	INBS	4 948.42	2 260.00	4 757.86	14 216.02	8 066.60	34 248.90
INTEREST ON ARREARS	INEL	326 905.24	219 210.02	222 915.63	220 809.65	286 709.58	1 276 550.12
INTEREST ON ARREARS	INBE	2 731.42	4 468.97	5 980.62	17 835.85	3 744.49	34 761.35
INTEREST ON ARREARS	INBW	4 757.82	1 733.39	1 825.24	15 571.01	5 112.68	29 000.14
INTEREST ON ARREARS	INRF	1 706.64	1 440.81	5 502.72	2 581.91	3 044.61	14 276.69
INTEREST ON ARREARS	INVA	255 616.54	321 812.05	313 042.98	364 777.88	357 950.83	1 613 200.28
TOTAL INTEREST ON ARREARS		1 092 599.16	992 358.00	970 840.16	1 073 934.82	1 289 239.17	5 418 971.31
DEPOSITS	DEWE	204 112.43	202 855.98	254 984.41	182 067.71	374 831.70	1 218 852.23
CREDITS NOT YET ALLOCATED	EX	10 745 412.33	3 566 948.92	10 241 165.37	11 905 763.87	8 948 611.32	45 407 901.81
SUNDRY DEBTORS	SU	818 020.20	718 375.28	714 650.82	635 311.16	1 131 199.14	4 017 556.60
HOUSE RENTALS	SU10	129 941.73	123 109.95	124 165.61	114 330.62	91 293.17	582 841.08
MISC 1	SU50	42 303.30	44 846.26	86 889.42	71 174.85	48 139.33	293 353.16
MISC 2	SU51	-	-	-	-	-	-
INFORMAL HOUSING	SU60	8 229.35	4 517.35	4 693.13	6 888.68	5 220.99	29 549.50
ARREARS MAGIC	SU70	1 598.50	426.23	1 217.59	145.95	192.44	3 580.71
SUNDRY COMMISSION	SUCOMM	1 583.93	961.85	1 422.09	1 308.13	1 132.25	6 408.25
COMM ON PNP	SUEASY	2 125.88	8 599.61	5 999.28	7 624.37	10 169.60	34 518.74
OTHER		11 953 327.65	4 670 641.43	11 435 187.72	12 924 615.34	10 610 789.94	51 594 562.08
VAT	VAT	7 861 034.92	7 821 334.01	8 943 726.80	7 413 858.05	7 717 700.85	39 757 654.63
TOTAL RECEIPTS		100 561 068.48	95 726 867.28	117 500 900.92	98 671 063.61	98 960 527.14	511 420 427.43
TOTAL RECEIPTS LESS VAT		92 700 033.56	87 905 533.27	108 557 174.12	91 257 205.56	91 242 826.29	471 662 772.80
TOTAL RECEIPTS INCL PREPAIDS		120 017 893.10	113 101 668.08	131 171 444.23	113 755 746.59	112 991 507.46	591 038 259.46

Table 12: BS566 report on receipts per service

BS566 Payments per Service per Day/Period - Debtor type							
Debtor Type Description	Debtor Type	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	TOTAL
BUSINESS KVA	BK	9 501 634.66	12 189 536.61	12 271 474.43	12 896 498.67	9 836 022.82	56 695 167.19
BUSINESS RESIDENTIAL	BR	792 204.29	897 256.49	985 137.71	857 766.56	1 017 521.76	4 549 886.81
BUSINESS	BU	28 016 684.19	27 693 890.64	26 624 836.40	26 111 421.16	23 484 405.93	131 931 238.32
CHURCHES	CH	86 323.44	79 220.18	128 513.69	100 431.31	100 733.39	495 222.01
COUNCILLOR	CL	31 186.52	40 726.69	82 562.07	32 897.14	35 876.93	223 249.35
COMMERCIAL	CO	2 090 027.46	2 068 011.34	3 275 997.26	2 271 213.96	2 047 682.18	11 752 932.20
GOVERNMENT - OTHER	GO	-	-	-	1 565.21	564.96	2 130.17
SCHOOLS	GS	1 696 524.31	1 681 033.13	1 865 739.52	1 790 450.47	2 190 439.37	9 224 186.80
INDIGENTS CANCELLED	IC	656 541.45	663 808.64	647 822.63	583 480.35	1 110 100.92	3 661 753.99
INDIGENTS	ID	1 314 980.60	1 184 815.32	1 142 862.02	1 074 581.88	1 198 276.32	5 915 516.14
INDIGENTS INFORMAL SETTLEMENT	IF	149 731.75	99 744.81	89 179.46	69 764.40	93 263.93	501 684.35
INDIGENT - LATE ESTATE	IL	1 536.92	614.97	676.07	1 123.97	975.66	4 927.59
INDIGENT PENDING	IP	400 782.73	339 621.13	329 250.14	340 655.07	322 932.12	1 733 241.19
INDUSTRIAL	IN	755 854.35	957 195.81	830 074.30	1 348 021.04	967 066.57	4 858 212.07
MUNICIPAL	MU	314 158.78	472 935.53	433 396.12	261 274.33	290 509.96	1 772 274.72
NAT: POLICE	N3	10 168.40	3 069.53	23 235.79	4 397.07	21 575.33	62 446.12
NAT: DEFENCE AND MILITARY VETERA	ND	1 145.68	-	3 703.05	1 234.35	1 234.35	7 317.43
NAT: CORRECTIONAL SERVICES	NN	393 926.33	336 758.10	368 797.83	749 918.30	54 055.97	1 903 456.53
NAT: PUBLIC WORKS	NP	8 578 764.15	3 825 996.97	19 696 804.47	8 293 431.09	10 482 512.06	50 877 508.74
NON-STAFF ACCOUNTS PAID BY STAFF	NS	392 271.09	345 389.80	354 724.64	372 226.17	387 468.60	1 852 080.30
OPEN SPACE	OP	13 501.16	7 071.83	8 048.47	47 565.03	6 701.93	82 888.42
OTHER	OT	364 200.88	417 037.71	356 532.05	615 018.42	275 817.50	2 028 606.56
PUBLIC: OTHER: PROV PUBLIC ENTIT	P0	5 330.30	2 024.12	5 393.39	5 393.39	5 393.39	23 534.59
PROV: SOCIAL DEVELOPMENT	P1	463 687.08	212 639.30	296 305.02	5 156.35	242 560.62	1 220 348.37
PROV: HOUSING AND LOCAL GOVERNME	P2	176 797.83	59 029.00	774.92	83.86	165 174.42	401 860.03
PROV: OFFICE OF THE PREMIER	P3	8 053.84	4 478.88	5 777.14	5 248.67	5 995.57	29 554.10
PROV: OTHER DEPARTMENTS	P4	220 239.28	161 874.69	215 156.78	20 587.82	163 814.38	781 672.95
PROV: AGRICULTURE	PA	46 365.72	-	57 465.35	-	77 148.57	180 979.64
PROV: EDUCATION	PE	1 920 364.15	2 451 676.00	2 800 969.94	2 751 698.66	2 075 529.60	12 000 238.35
PROV: HEALTH	PH	1 587 041.92	2 562 813.04	573 550.27	1 998 251.98	1 195 943.57	7 917 600.78
PROV: PUBLIC WORKS, ROADS & TRAN	PP	1 974 807.82	192 505.16	5 466 059.93	380 079.29	2 364 733.94	10 378 186.14
PROV: SPORT, ARTS & CULTURE	PS	48 261.96	266 211.88	2 048.25	2 853.55	123 577.80	442 953.44
RESIDENTIAL	RE	30 000 326.47	27 918 996.59	28 992 251.09	27 624 756.95	30 176 780.69	144 713 111.79
SUNDRY DEBTOR	SD	3 641.12	7 096.24	10 708.64	8 504.09	4 077.91	34 028.00
STALE REFUNDS	SR	78.00	-	-	-	-	78.00
STAFF	ST	676 590.57	752 437.47	601 311.45	604 052.59	707 859.52	3 342 251.60
UNKNOWN	UN	230.00	-	540.00	249.61	255.00	1 274.61
EXCEPTIONAL CIRCUMSTANCES	IE	6 068.36	10 015.67	9 493.83	25 352.80	8 242.75	59 173.41
VAT	VAT	7 861 034.92	7 821 334.01	8 943 726.80	7 413 858.05	7 717 700.85	39 757 654.63
TOTAL RECEIPTS		100 561 068.48	95 726 867.28	117 500 900.92	98 671 063.61	98 960 527.14	511 420 427.43
TOTAL RECEIPTS LESS VAT		92 700 033.56	87 905 533.27	108 557 174.12	91 257 205.56	91 242 826.29	471 662 772.80

Table 13: BS566 report on receipts per debtor type

Chart 12.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity from Jun 2021 to Nov 2021

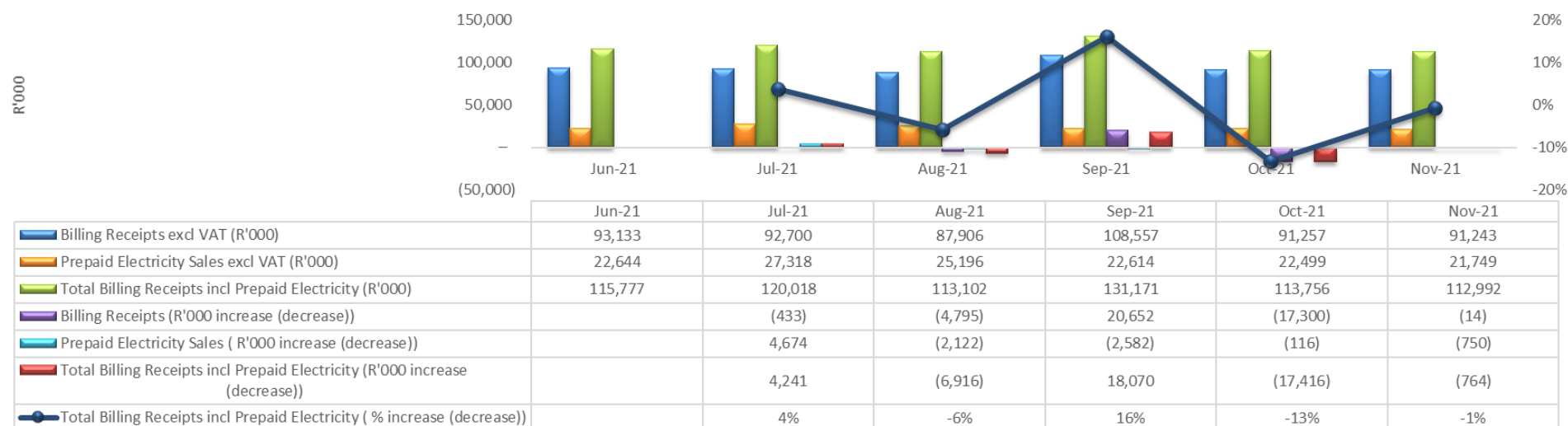


Chart 12.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity

As indicated in Chart 12.1 above, the Total Billing Receipts including Prepaid Electricity amounted to R112,992 million which resulted in a decrease of R764 thousand or minus 1% in respect of the month-to-month comparison. Unallocated billing receipts at month end amounted to R10,978 million.

Chart 12.2: Monthly billing receipts per revenue source from Jun - Nov 2021



Chart 12.2: Monthly billing receipts per revenue source

Indicated in Chart 12.2 above, is the month-to-month receipts per Revenue source. Receipts are relatively constant based on the month-to-month comparison. The downward trend is concerning and indicative of the fact that the municipality is battling to collect its outstanding debt and more needs to be done to improve on its revenue collection. Receipts on Property Rates, Electricity sales and Other decreased when compared to the previous month. There is an increase on Service charges from Water, Sanitation and Refuse including Interest on arrears.

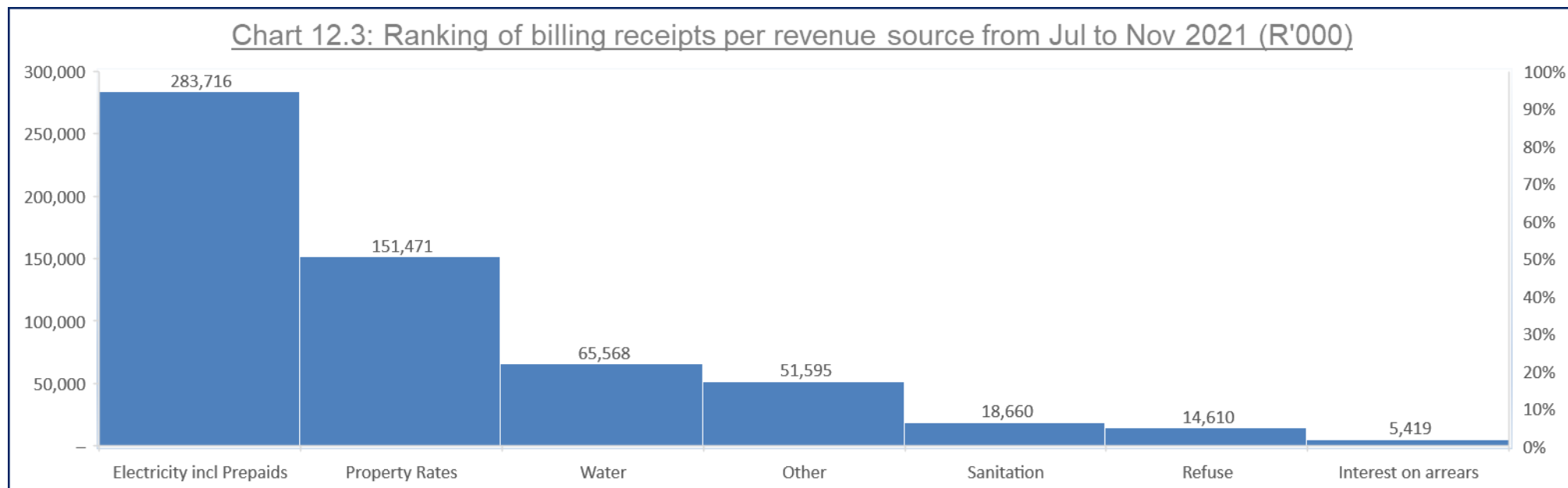


Chart 12.3: Ranking of billing receipts per revenue source

Indicated in Chart 12.3, is the ranking of receipts per revenue source from July to November 2021. Data from the above pareto chart, clearly indicates that Electricity incl Prepays is the highest contributor at R283,716 million being received. This illustrates the sensitivity and vulnerability in respect of Electricity sales that the municipality is facing. Any major reductions in this revenue source can severely affect the municipality's financial position and this was clearly demonstrated when the municipality had to abolish the implementation of the basic charge in 2018/19 financial year. The second highest contributor is Property Rates at R151,471 million, however more measures should be implemented to ensure that receipts from annual billing materializes.

Receipts from Sanitation and Refuse is extremely low and on average the municipality collects approximately 54% from these revenue sources. The lowest contributor in respect of actual receipts, is Interest on arrears at R5,419 million. This demonstrates the fact that the municipality is facing challenges in collecting long outstanding debt. It should be noted that in terms of the approved Customer Care, Credit Control and Debt Collection Policy, is outlines that "the municipality shall implement an incentive for settlement of arrears accounts as illustrated below:

- a) 100 % of all interest charges and penalties not yet paid and still reflecting on the consumer's most recent account may be written off if such account is settled in full prior to the next billing run of such account.
- b) 85 % of all interest charges and penalties not yet paid and still reflecting on the consumer's most recent account may be written off if such account is settled in full over a period of two consecutive months.
- c) 50 % of all interest charges and penalties not yet paid and still reflecting on the consumer's most recent account will be written off if such account is settled in full over a period of three consecutive months."

The above incentives then negatively influences the collectability of this revenue source, but positively influences the collection of other services.

6. Creditors' Analysis

NC091 Sol Plaatje - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	NT Code	Budget Year 2021/22									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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	50,896	51,028	54,138	93,020	104,400	59,903	–	–	413,385	165,312
Bulk Water	0200	14,605	15,275	14,685	–	–	–	45,636	1,080	91,282	98,903
PAYE deductions	0300	8,745	–	–	–	–	–	–	–	8,745	8,752
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	7,411	–	–	–	–	–	–	–	7,411	7,355
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	10,069	30	–	27	–	–	–	–	10,125	27,512
Auditor General	0800	2,464	–	–	–	–	–	–	–	2,464	–
Other	0900	–	–	–	1	–	–	–	–	1	150,244
Total By Customer Type	1000	94,190	66,333	68,823	93,047	104,400	59,903	45,636	1,080	533,413	458,077

Table 14: Supporting Table SC4: Aged Creditors

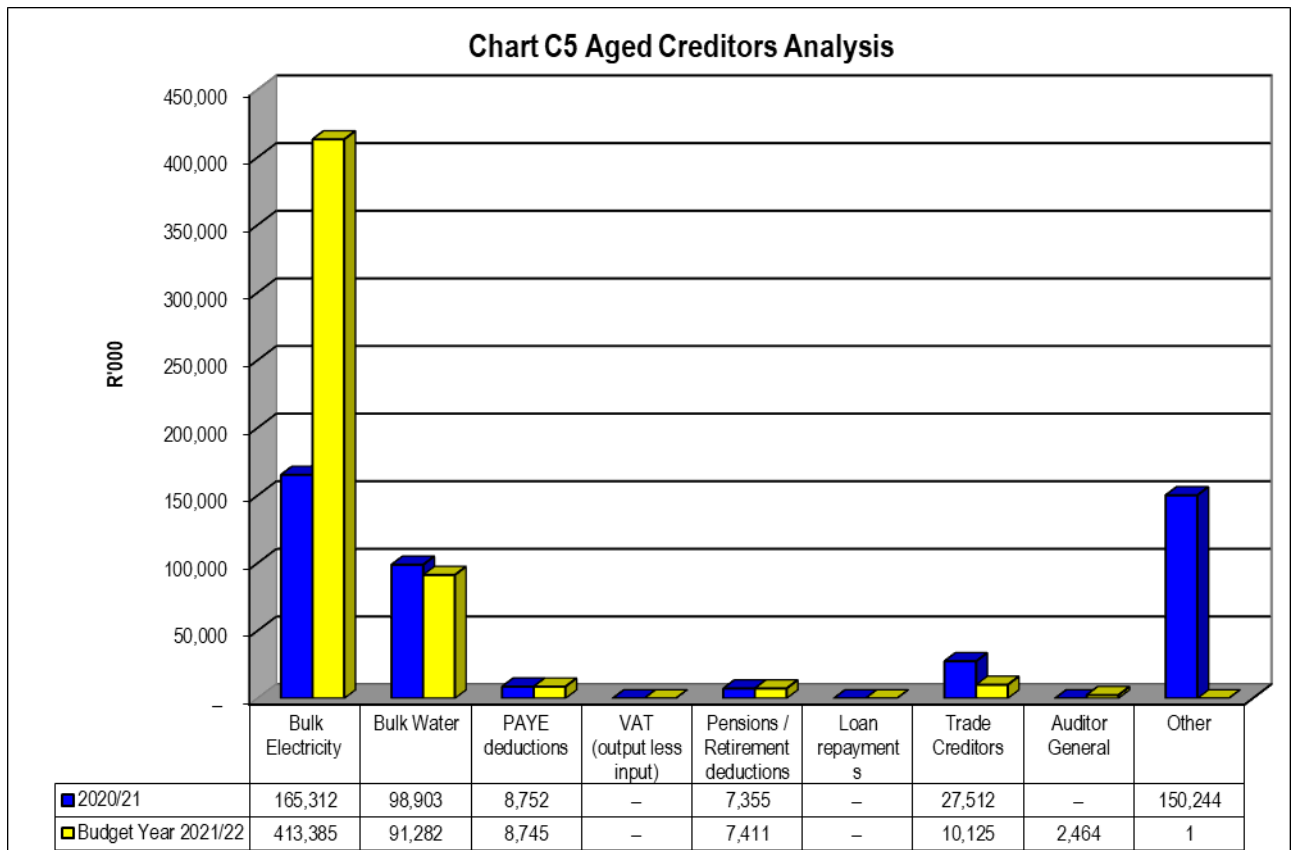


Chart 13: Aged Creditors Analysis

Bulk Electricity – As at the 30 November 2021, the outstanding debt owed to ESKOM amounted to R413,385 million. The municipality will conclude a new payment agreement with ESKOM for the 2021/22 financial year.

Bulk Water – The outstanding debt owed to DWS is R91,282 million. The municipality is still awaiting the June, July and September 2021 invoice from the Department. The municipality will conclude a new payment agreement with DWS for the 2021/22 financial year.

PAYE and Pension statutory deductions are paid over monthly to the relevant institutions.

VAT – after the monthly VAT reconciliation, an amount of R3,788 million was claimed from SARS.

Trade creditors are all suppliers registered on the municipality's database and it is a prerequisite for these suppliers to be registered on the central supplier database (CSD). Outstanding payables pertain to all services rendered and goods received but not yet paid.

Auditor General – the current account due to AGSA is R2,464 million.

Other creditors – includes Sundry creditors which were unpaid as at the reporting date.

7. Investment portfolio analysis

The market value of the investment portfolio has been utilized and for the period ending 30 November 2021, the value of total investments made was R50,631 million including interest. Investments excluding interest amounted to R50,099 million. Part of investments made during the month where interest accrued which reflected an increase in investment and not as a result of increased revenue collection.

NC091 Sol Plaatje - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commissio n Paid (Rands)	Commissio n Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
Absa Bank 20 -6295-4443		12 mths	Notice	YES	Fixed	04.85			28.06.2022	7,497	30		-	7,527
Standard Bank 048466271-080		12 mths	Notice	YES	Fixed	05.850			10.11.2022	21,256	91	283	-	21,064
First National Bank			Call a/c	YES	Variable	03.30				5,553	15		-	5,568
Absa Bank			Call a/c	YES	Variable	02.30				5,533	11		-	5,544
Investec			Call a/c	YES	Variable	03.60				622	2		-	624
Nedbank			Call a/c	YES	Variable	03.50				5,208	14		-	5,222
Standard Bank			Call a/c	YES	Variable	03.50				5,068	15		-	5,082
Municipality sub-total										50,737	177	283	-	50,631
TOTAL INVESTMENTS AND INTEREST	2									50,737	177	283	-	50,631

Table 15: Supporting Table SC5: Investment portfolio

8. Allocation and grant receipts and expenditure

Operational and Capital Grants: Receipts

NC091 Sol Plaatje - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M05 November

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		245 173	222 840	222 840	–	89 485	92 850	(3 365)	-3.6%	222 840
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		234 642	212 328	212 328	–	88 470	88 470	–	0.0%	212 328
Expanded Public Works Programme Integrated Grant		4 170	3 362	3 362	–	–	1 401	(1 401)	-100.0%	3 362
Infrastructure Skills Development Grant		4 661	5 500	5 500	–	–	2 292	(2 292)	-100.0%	5 500
Local Government Financial Management Grant		1 700	1 650	1 650	–	–	688	(688)	-100.0%	1 650
Municipal Disaster Relief Grant		–	–	–	–	1 015	–	1 015		–
Municipal Infrastructure Grant		–	–	–	–	–	–	–		–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
Provincial Government:		15 253	7 800	7 800	4 150	4 150	3 250	900	27.7%	7 800
Capacity Building		–	–	–	–	–	–	–		–
Capacity Building and Other Grants		8 207	7 800	7 800	4 150	4 150	3 250	900	27.7%	7 800
Expanded Public Works Programme		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Infrastructure Grant		7 046	–	–	–	–	–	–		–
Libraries; Archives and Museums		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Finance and Admin		–	–	–	–	–	–	–		–
Public Safety		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
European Union		–	–	–	–	–	–	–		–
Higher Education SA (HESA)		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	260 426	230 640	230 640	4 150	93 635	96 100	(2 465)	-2.6%	230 640
Capital Transfers and Grants										
National Government:		109 706	167 766	167 766	4 675	20 091	69 902	(49 811)	-71.3%	167 766
Infrastructure Skills Development Grant		–	–	–	–	–	–	–		–
Integrated National Electrification Programme Grant		17 206	66 500	66 500	–	317	27 708	(27 391)	-98.9%	66 500
Integrated Urban Development Grant		50 328	66 266	66 266	3 987	13 656	27 611	(13 955)	-50.5%	66 266
Municipal Infrastructure Grant		–	–	–	–	–	–	–		–
Neighbourhood Development Partnership Grant		22 881	10 000	10 000	–	52	4 167	(4 114)	-98.7%	10 000
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–		–
Water Services Infrastructure Grant		19 291	25 000	25 000	688	6 066	10 417	(4 350)	-41.8%	25 000
Provincial Government:		–	–	–	–	–	–	–		–
Capacity Building		–	–	–	–	–	–	–		–
Libraries; Archives and Museums		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		2 856	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
European Union		2 856	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	112 562	167 766	167 766	4 675	20 091	69 902	(49 811)	-71.3%	167 766
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	372 988	398 406	398 406	8 825	113 726	166 002	(52 276)	-31.5%	398 406

Table 16: Supporting Table SC6: Transfers and grant receipts

Operational grant monies received for the month under review.

Library Grant from Department of Sports, Arts and Culture R4,150 million

No Capital grant monies were received for the month under review.

There are some mapping errors pertaining to operational and capital grants. This will be investigated by our financial system vendor, to find a solution.

Operational and Capital Grants: Expenditure

NC091 Sol Plaatje - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description		Ref	2020/21	Budget Year 2021/22							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
<u>EXPENDITURE</u>											
<u>Operating expenditure of Transfers and Grants</u>											
National Government:			111 662	101 646	101 646	8 949	42 511	42 353	158	0.4%	101 646
Equitable Share			101 154	91 134	91 134	8 572	40 501	37 973	2 529	6.7%	91 134
Expanded Public Works Programme Integrated Grant			4 170	3 362	3 362	–	–	1 401	(1 401)	-100.0%	3 362
Infrastructure Skills Development Grant			4 672	5 500	5 500	326	1 795	2 292	(497)	-21.7%	5 500
Local Government Financial Management Grant			1 666	1 650	1 650	51	215	688	(472)	-68.7%	1 650
Municipal Disaster Relief Grant			–	–	–	–	–	–	–	–	–
Provincial Government:			8 881	7 800	9 300	104	487	3 795	(3 308)	-87.2%	9 300
Capacity Building and Other Grants			5 019	7 800	7 800	30	139	3 250	(3 111)	-95.7%	7 800
Infrastructure Grant			3 862	–	1 500	74	348	545	(197)	-36.1%	1 500
Libraries; Archives and Museums			–	–	–	–	–	–	–	–	–
District Municipality:			–	–	–	–	–	–	–	–	–
			–	–	–	–	–	–	–	–	–
Road Transport			–	–	–	–	–	–	–	–	–
Other grant providers:			–	–	–	–	–	–	–	–	–
			–	–	–	–	–	–	–	–	–
European Union			–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:			120 543	109 446	110 946	9 053	42 998	46 148	(3 150)	-6.8%	110 946
<u>Capital expenditure of Transfers and Grants</u>											
National Government:			101 832	167 766	167 766	4 675	20 092	69 903	(49 811)	-71.3%	167 766
Integrated National Electrification Programme Grant			16 469	66 500	66 500	–	318	27 708	(27 391)	-98.9%	66 500
Integrated Urban Development Grant			46 175	66 266	66 266	3 987	13 708	27 611	(13 903)	-50.4%	66 266
Municipal Infrastructure Grant			–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant			19 896	10 000	10 000	–	–	4 167	(4 167)	-100.0%	10 000
Regional Bulk Infrastructure Grant			–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant			19 291	25 000	25 000	688	6 066	10 417	(4 350)	-41.8%	25 000
Provincial Government:			–	–	–	–	–	–	–	–	–
Sports and Recreation			–	–	–	–	–	–	–	–	–
District Municipality:			–	–	–	–	–	–	–	–	–
Specify (Add grant description)			–	–	–	–	–	–	–	–	–
Other grant providers:			2 483	–	–	–	–	–	–	–	–
European Union			2 483	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants			104 315	167 766	167 766	4 675	20 092	69 903	(49 811)	-71.3%	167 766
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			224 858	277 212	278 712	13 728	63 090	116 051	(52 960)	-45.6%	278 712

Table 17: Supporting Table SC7(1): Transfers and grant expenditure

The municipality is experiencing huge challenges in respect of funding for the EPWP which is not sufficient and this is putting strain on the municipality's finances. The total YTD expenditure is standing at R8,944 million. For reporting purposes to NT and the Dept of Public Works, the municipality is only expected to report up until the allocation amount. The current years' gazetted allocation for the EPWP is R3,362 million. In addition to this, the municipality budgeted R6,000 million for this programme. Management has been in a process of reviewing this programme. The YTD expenditure on operational grants is satisfactory. .

Description	Original Budget	Adjustment Budget	Monthly Actual	YTD Actual	% Spent Original	% Spent Adj Budget
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	66,500,000	66,500,000	–	317,568	0.5%	0.5%
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	66,266,000	66,266,000	3,987,139	13,708,132	20.7%	20.7%
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	10,000,000	10,000,000	–	–	0.0%	0.0%
WSIG (WATER SERVICES INFRASTRUCTURE GRANT)	25,000,000	25,000,000	688,177	6,066,206	0.0%	24.3%
Grand Total	167,766,000	167,766,000	4,675,316	20,091,906	12.0%	12.0%

Table 18: Summary of expenditure per grant

As indicated in Table 18 above, the YTD expenditure amounts to R20,092 million or 12% spent against the Original capital grant allocation of R167,766 million. Capex is usually slow for the first quarter mainly as a result of finalization of procurement processes and/or work still in progress. It should be noted that grant expenditure excludes VAT which will be recognized at year-end in the

Sol Plaatje (NC091): Monthly Budget Statement: November 2021

Statement of Financial performance, when all conditions of the grant have been met. Please refer to Section 4.3 in the Executive Summary which highlights some of the factors that negatively influences the delay in grant expenditure.

Rollover Grants: Expenditure

A rollover request was submitted to NT on 30 August 2021 as directed by NT. Final outcome was received on 20 October 2021 and the rollover was rejected. Indicated below is an extract from the approval letter received from NT.

“Your request to roll over the unspent amount of R5 million into the 2021/22 financial year by your municipality is not approved in terms of 22(2) of the 2020 Division of Revenue Second Amendment Act, (Act No. 20 of 2020) (DoRSAA). The rejection is with respect to the Neighbourhood Development Partnership Grant (NDPG).

The National Treasury in assessing your roll over request used the criteria set out in Circular No. 108 of the Municipal Finance Management Act, 2003 (Act No.56 of 2003) as a guide for the consideration of the roll over submission by your municipality.

The decision to reject your roll over request is based on the following reason:

The rollover request for NDPG is not recommended by the NDP Unit within the National Treasury. According to the Transferring Officer, the municipality has sufficient allocation in the 2021/22 financial year to continue with the project.”

The municipality lodged an objection to this outcome and it was disapproved.

Table 19: Supporting Table SC7(2) - Expenditure against approved rollovers

Table 19 is excluded because the rollover request was not approved. .

9. Councillor and board member allowances and employee benefits

NC091 Sol Plaatje - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councillor remuneration	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	-	-	-	-	-	-		-
Pension and UIF Contributions		827	-	-	-	269	-	269	#DIV/0!	-
Medical Aid Contributions		339	-	-	2	101	-	101	#DIV/0!	-
Motor Vehicle Allowance		-	-	-	-	-	-	-		-
Cellphone Allowance		2 862	3 243	3 243	60	991	1 351	(360)	-27%	3 243
Housing Allowances		-	-	-	1	16	-	16	#DIV/0!	-
Other benefits and allowances		26 231	31 305	31 305	588	9 303	13 044	(3 741)	-29%	31 305
Sub Total - Councillors		30 260	34 547	34 547	651	10 680	14 395	(3 715)	-26%	34 547
% increase	4		14.2%	14.2%						14.2%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		9 434	8 600	8 600	834	3 677	3 583	94	3%	8 600
Pension and UIF Contributions		984	1 108	1 108	89	445	461	(16)	-4%	1 108
Medical Aid Contributions		215	252	252	18	91	105	(14)	-13%	252
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		2 042	1 961	1 961	155	774	817	(43)	-5%	1 961
Cellphone Allowance		168	202	202	14	70	84	(14)	-17%	202
Housing Allowances		36	39	39	2	11	16	(5)	-32%	39
Other benefits and allowances		15	105	105	1	7	44	(37)	-85%	105
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		56	62	62	5	24	26	(2)	-8%	62
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		12 951	12 329	12 329	1 118	5 099	5 137	(38)	-1%	12 329
% increase	4		-4.8%	-4.8%						-4.8%
Other Municipal Staff										
Basic Salaries and Wages		395 579	450 593	448 403	33 428	168 939	187 205	(18 266)	-10%	448 403
Pension and UIF Contributions		63 864	76 857	76 857	5 387	27 066	32 024	(4 958)	-15%	76 857
Medical Aid Contributions		48 766	58 592	58 592	4 373	22 761	24 414	(1 652)	-7%	58 592
Overtime		5 493	4 146	4 146	380	2 211	1 727	484	28%	4 146
Performance Bonus		28 489	35 421	35 421	1 990	6 634	14 759	(8 125)	-55%	35 421
Motor Vehicle Allowance		38 306	51 621	51 621	3 500	17 483	21 509	(4 026)	-19%	51 621
Cellphone Allowance		1 296	1 499	1 499	109	597	625	(28)	-5%	1 499
Housing Allowances		2 696	3 158	3 158	222	1 110	1 316	(206)	-16%	3 158
Other benefits and allowances		63 958	63 880	66 069	6 807	32 031	27 159	4 872	18%	66 069
Payments in lieu of leave		29 135	14 000	14 000	650	7 002	5 833	1 169	20%	14 000
Long service awards		23 136	22 791	22 791	2 004	9 653	9 497	157	2%	22 791
Post-retirement benefit obligations	2	12 550	41 500	41 500	336	1 021	17 292	(16 270)	-94%	41 500
Sub Total - Other Municipal Staff		713 268	824 059	824 059	59 187	296 508	343 359	(46 851)	-14%	824 059
% increase	4		15.5%	15.5%						15.5%
Total Parent Municipality		756 479	870 935	870 935	60 957	312 287	362 891	(50 604)	-14%	870 935
TOTAL SALARY, ALLOWANCES & BENEFITS		756 479	870 935	870 935	60 957	312 287	362 891	(50 604)	-14%	870 935
% increase	4		15.1%	15.1%						15.1%
TOTAL MANAGERS AND STAFF		726 219	836 388	836 388	60 306	301 607	348 497	(46 889)	-13%	836 388

Table 20: Supporting Table SC8: Councillor and staff benefits

As depicted in Table 19 above, Employee related costs is underspent and showing a variance of minus 13%. This is attributable to Post-retirement benefit obligations that will be finalized as part of the year-end procedures and the softlock on the filling of vacancies. It should be noted that the disclosure under Performance bonus, is the annual bonuses or 13th cheques that is budgeted for and paid out to employees. This is not subject to any performance appraisal.

Councillors Remuneration is slightly under-performing at minus 26%. This is attributable to the local elections. The annual increase has not been factored in, as the gazette on the Determination of Upper limits of salaries, allowances and benefits of different members of municipal councils is normally issued in December of each year. Management started to address the issues on Overtime which is higher than the ideal IYM percentage of 41.67%, at 56.5% spent. Backpay was paid to firemen at Emergency Services backdated from December 2019. The total amount paid out during the first quarter of the financial year was R1,923 million.

There is possibly a mapping error because as per SC(8) the budgeted Overtime is reflecting an amount of R4,146 million for Night-shift allowance and the two line items (Overtime Structured and Non-structured) in the ledger amounts to R31,021 million. after a consultation with BCX, our financial system administrator, it was established that is how the mapping was done by NT. The matter was formally lodged with NT and the municipality is awaiting feedback from them in this regard.

There are early indicators that the Overtime controls is no longer as effective and the desired outcome to remain within budget, will not be achieved at year-end. The lack of capacity in certain departments, like Water services and the severe service delivery challenges is negatively impacting on the management of Overtime expenditure. Overtime hours are limited to 30 hours per month within most departments. The Overtime policy was developed and approved by Council.

And indated in Table 21 below, is the YTD Overtime expenditure excluding Night-shift allowance per line item and also per Directorate as at end of November 2021.

Description per line item (Amount in Rand)	Sum of Original Budget	Sum of YTD Movement	% Spent Original Budget
MS: OVERTIME - NON STRUCTURED	18,783,000	13,961,035	74.3%
MS: OVERTIME - STRUCTURED	12,237,841	3,553,110	29.0%
Overtime as at 30 November 2021	31,020,841	17,514,145	56.5%
Directorate (Amount in Rand)	Sum of Original Budget	Sum of YTD Movement	% Spent Original Budget
20-EXECUTIVE AND COUNCIL	205,000	47,927	23.4%
21-MUNICIPAL AND GENERAL	-	-	
22-MUNICIPAL MANAGER	-	10,286	
23-CORPORATE SERVICES	1,760,000	681,784	38.7%
24-COMMUNITY SERVICES	11,741,441	7,827,663	66.7%
26-FINANCIAL SERVICES	453,000	607,793	134.2%
27-STRATEGY, ECONOMIC DEVELOPMENT & PLANNING	259,000	423,162	163.4%
28-INFRASTRUCTURE SERVICES	16,602,400	7,915,531	47.7%
Overtime as at 30 November 2021	31,020,841	17,514,145	56.5%

Table 21: Current YTD Overtime expenditure excl Night-shift allowance

Overtime has been capped at 30 hours across most units within the municipality. The YTD Overtime expenditure is R17,514 million and 56.5% spent, resulting in a negative variance of 14.79%.

The BTO office recommended the following precautionary measures.

- The monitoring of daily tasks/assignments. This means that work that can be done during normal working hours should be monitored closely. Ideally, put emphasis on performance and especially the quality of work done.
- Finding means to actually verify work performed, even if this means that for the first few questionable overtime work that managers/supervisors actually go out to the site, if possible.
- Using the vehicle tracking reports to ascertain the timespan at a particular site.
- Making sure that the hours claimed are legitimate and is actually consistent and correlates to the normal estimated time to complete a job of a similar nature.
- Request a detailed description of the nature of work done and insist on the exact site where work was performed being specified.
- Ensure that managers remain vigilant and question hours claimed and not just sign Overtime forms. We believe that this will make workers more aware that they cannot just claim hours like they did in the past.

- Stopping planned Overtime, unless it is to avoid major shutdowns or service interruptions.
- The adherence to the Overtime Policy stipulations, is imperative in order to address the issues on overtime.

Listed below are the challenges with regard to Overtime which was identified during the 2012/13 MTREF

- Ensuring accountability across all directorates and ensuring that Executive directors, Line Managers and Supervisors take full responsibility
- Identify and investigate possible abuse and alleged fraudulent allegations and taking disciplinary action, where applicable
- Ensuring the compliance and adherence to applicable laws and regulations and internal policies
- Approval of Overtime prior to it being incurred
- Inability to manage overtime proactively
- To remain within the budgeted Overtime
- Curbing / Limiting / Curtailing expenditure on Overtime
- Monitoring expenditure on Overtime
- Utilizing the available workforce optimally
- Unduly compromising or hampering service delivery, which basically means that work that could have been done during normal hours is deliberately delayed so that work can be finalized after hours
- Implementing an alternative method of compensation
- Addressing the immediate infrastructure maintenance requirements, specifically addressing preventative maintenance
- Ensuring and enhancing the lifespan of Property, plant and equipment
- Improve both the personal productivity of individual employees and the overall productivity of departments and the entire municipal system
- Difficult to track departmental overtime on more than a monthly or even quarterly basis, by then it's too late to take meaningful action to minimize overtime costs

10. Material variances to the service delivery and budget implementation plan

Material variances are primarily addressed in the Executive summary under Sections 4.1 to 4.3 or emphasised elsewhere in this Monthly Budget Statement. Any other material variances to the SDBIP will be included in the quarterly Section 52 (d) report for the period ending 31 December 2021.

11. Capital programme performance

Please refer to notes on Capital Expenditure in the Executive Summary. Section 4.3.

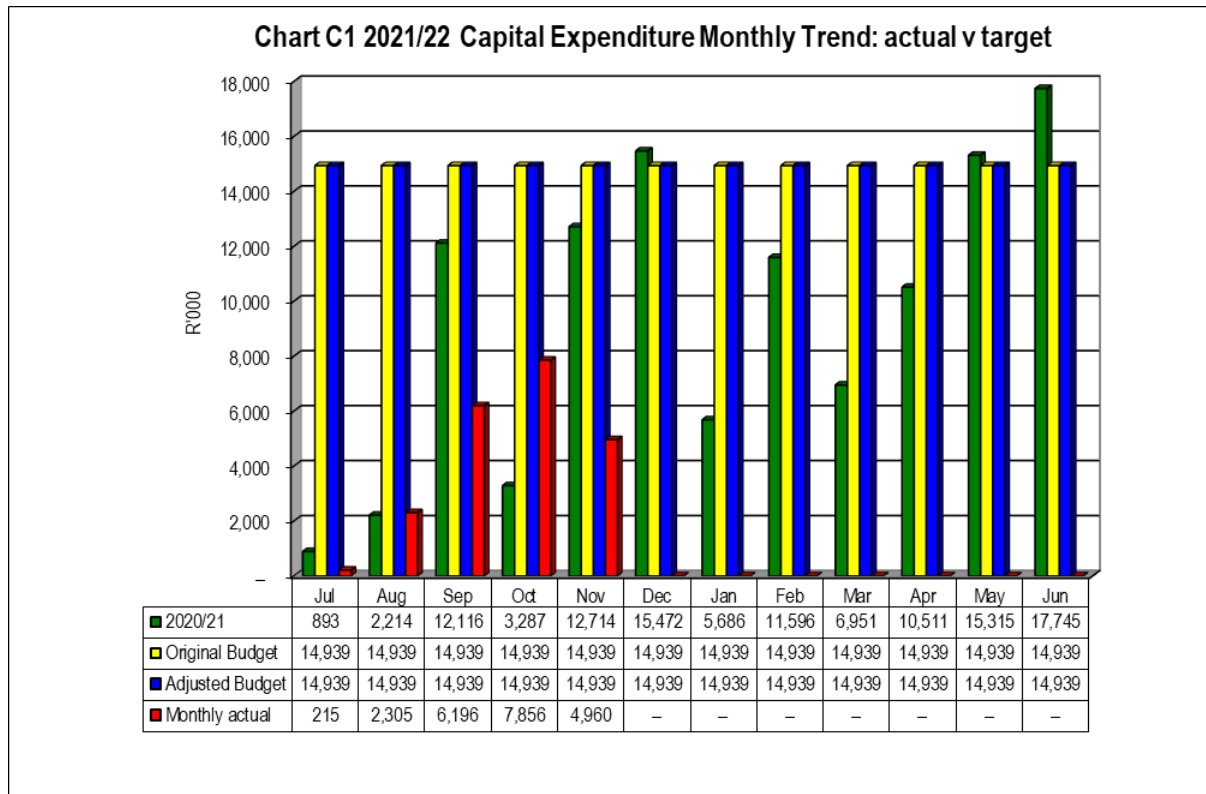


Chart 14: Capital Expenditure Monthly Trend: actual v target

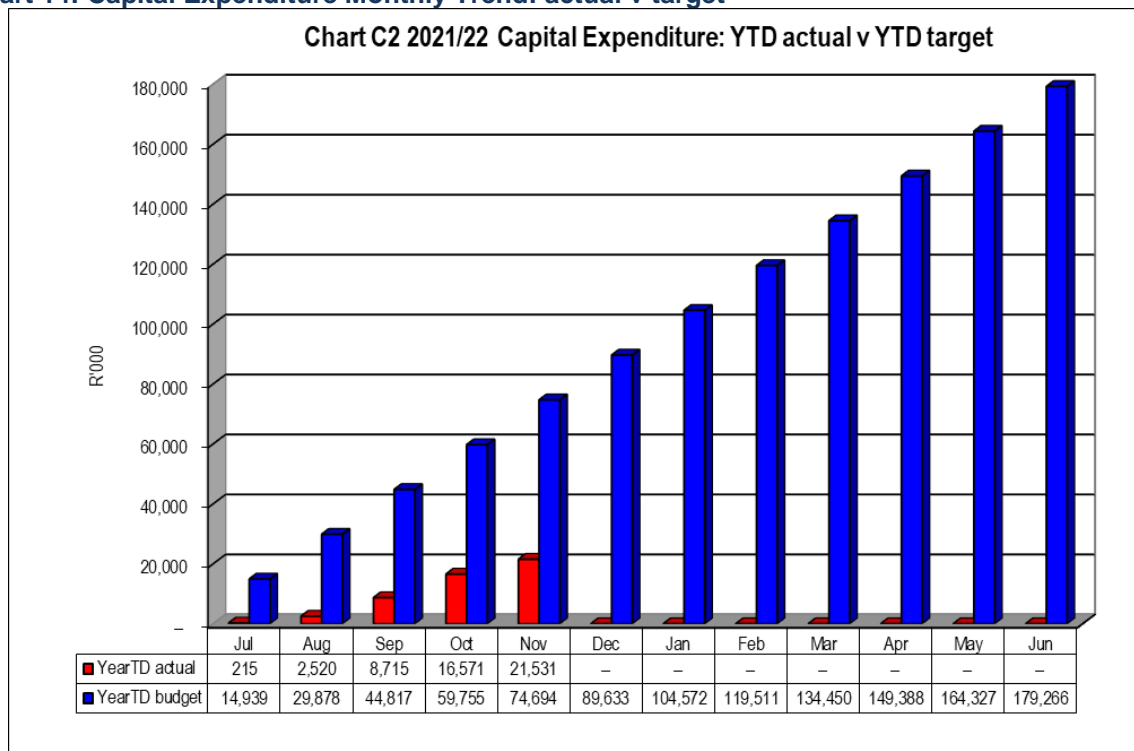


Chart 15: Capital Expenditure: YTD actual vs YTD target

Indicated in Table 22 below, is a list of projects with the applicable funding source. The total capex is normally slow during the start of the financial year. However, capital expenditure is extremely poor compared to prior years for the same period. Urgent intervention from management is required remedy the situation. The actual monthly expenditure for November 2021 amounted to R4,960 million. The total YTD Capex amounts to R21,531 million. Total commitments amounts to R3,506 million. Construction of the sink toilets is a rollover from internal funds and will be addressed during the Adjustment budget. Please note that commitments are excluded from the YTD movement. Capital expenditure is also exclusive of VAT.

Description	Original Budget	Prelim Adj Budget	Curr Mth Exp	Commitment	YTD Movement	Unspend Budget	% Original	% Adj Budget	Funding source
UPGRADE HADISON PARK 66/11 KV SUBSTATION	1,500,000	1,500,000	-	-	-	1,500,000	0.0%	0.0%	INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)
NETWORKS ACQ - ELECTR MATHIBE	33,000,000	33,000,000	-	-	291,215	32,708,785	0.9%	0.9%	INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)
ELECTRIFICATION LETABO PARK	20,000,000	20,000,000	-	-	-	20,000,000	0.0%	0.0%	INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)
ELECTRIFIC LERATO PARK LINK SERV NETWORK	12,000,000	12,000,000	-	-	26,353	11,973,647	0.2%	0.2%	INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)
ACQ-FLEET REPLACEMENT	4,000,000	4,000,000	-	-	-	4,000,000	0.0%	0.0%	INTERNALLY GENERATED FUNDS
ACQ-FURNITURE AND OFFICE EQUIP REPLACEM	2,000,000	2,000,000	-	-	-	2,000,000	0.0%	0.0%	INTERNALLY GENERATED FUNDS
ACQ-COMPUTER EQUIPMENT REPLACEMENT	3,500,000	3,500,000	15,543	448,236	214,911	3,285,089	6.1%	6.1%	INTERNALLY GENERATED FUNDS
RECONSTRUCTION OLD SINK TOILETS PHASE 1	-	-	213,721	-	213,721	-213,721			INTERNALLY GENERATED FUNDS
DSITRBUION-ACQ-WAT METER REPLACEME	1,000,000	1,000,000	55,443	24,825	275,925	724,075	27.6%	27.6%	INTERNALLY GENERATED FUNDS
CAPITAL SPARES-ACQ-PREPAID METERS	1,000,000	1,000,000	-	-	734,974	265,026	73.5%	73.5%	INTERNALLY GENERATED FUNDS
TOWNSHIP ESTABLISHMENT VARIOUS WARDS	3,000,000	3,000,000	531,250	-	850,000	2,150,000	28.3%	28.3%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
RESEALING OF ROADS VARIOUS WARDS	13,000,000	10,000,000	2,469,661	435,067	9,135,739	864,261	70.3%	91.4%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
STORMWAT PROJ-SW CHANNEL GALASH IUDG	10,000,000	9,000,000	362,392	889,730	414,887	8,585,113	4.1%	4.6%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
UPGRADE GRAVEL ROADS WARDS VARIOUS	10,000,000	9,000,000	385,288	1,707,992	1,332,153	7,667,847	13.3%	14.8%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
P-CNIN COM F FIRE/AMBUL	-	4,000,000	-	-	1,736,804	2,263,196	-	43.4%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
CRAVEN STREET TRADE CENTRE	8,000,000	8,000,000	-	-	-	8,000,000	0.0%	0.0%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
LERATOPARK SEWER UPGRAD DOWNSTREAM INFRA	22,266,000	22,266,000	238,549	-	238,549	22,027,451	1.1%	1.1%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
ELEVATED WATER TANKS DISTRIBUTION	-	1,000,000	-	-	-	1,000,000	-	0.0%	IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)
ACQ STORMWAT PROJ-STORWAT CHANNEL GALASH	10,000,000	10,000,000	-	-	-	10,000,000	0.0%	0.0%	NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT
ACQ - CARTERS GLEN SEWER PUMP STATION	25,000,000	25,000,000	688,177	-	6,066,206	18,933,794	24.3%	24.3%	WSIG (WATER SERVICES INFRASTRUCTURE GRANT)
TOTAL	179,266,000	179,266,000	4,960,023	3,505,850	21,531,437	157,734,563	12.0%	12.0%	

Table 22: Detailed capital expenditure report

Description	Original Budget	Adjustment Budget	Monthly Actual	YTD Actual	% Spent Original Budget	% Spent Adj Budget
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	66,500,000	66,500,000	-	317,568	0.5%	0.5%
INTERNALLY GENERATED FUNDS	11,500,000	11,500,000	284,707	1,439,531	12.5%	12.5%
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	66,266,000	66,266,000	3,987,139	13,708,132	20.7%	20.7%
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	10,000,000	10,000,000	-	-	0.0%	0.0%
WSIG (WATER SERVICES INFRASTRUCTURE GRANT)	25,000,000	25,000,000	688,177	6,066,206	24.3%	24.3%
Grand Total	179,266,000	179,266,000	4,960,023	21,531,437	12.0%	12.0%

Table 23: Summary of capital expenditure per funding source

Indicated in Table 23 above, is a summary of the capital expenditure per funding source compared to the Original and preliminary Adjustment budget. Overall spending on grants is extremely slow. The expenditure on IUDG (20.7%), NDPG (0%), INEP (0.5%) and WSIG (24.3%). Spending on Internally generated funds is 12.5% spent. Implementation of projects is possibly delayed by the finalization of procurement processes. Payment certificates are settled once work is completed.

12. Other supporting documents

There is no additional information or supporting documentation for November 2021.

13. Conclusion

This report meets the MFMA requirement for the Executive Julyor to receive the Section 71 'Monthly Budget Statement' within 10 working days after the end of the month.

Communication

In compliance to legislative requirements (Section 71 of the MFMA), this document is provided to all stakeholders by placing it on the Sol Plaatje municipal website: www.solplaatje.org.za or can be viewed or downloaded from the following link: <http://www.solplaatje.org.za/Aboutus/Pages/Documents.aspx>

14. Annexures

Annexure A – Prescribed Tables in terms of GG 32141 of 17 July 2009

NC091 Sol Plaatje - Table C1 Monthly Budget Statement Summary - M05 November

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Financial Performance</u>									
Property rates	571 075	603 707	603 707	43 768	304 657	251 544	53 112	21%	603 707
Service charges	1 053 050	1 291 383	1 291 383	95 231	514 449	538 076	(23 627)	-4%	1 291 383
Investment revenue	2 835	9 000	9 000	863	435	3 750	(3 315)	-88%	9 000
Transfers and subsidies	260 426	230 640	230 640	4 150	93 635	96 100	(2 465)	-3%	230 640
Other own revenue	176 950	230 981	230 981	17 761	72 037	96 242	(24 205)	-25%	230 981
Total Revenue (excluding capital transfers and contributions)	2 064 336	2 365 711	2 365 711	161 772	985 213	985 713	(500)	-0%	2 365 711
Employee costs	726 219	836 388	836 388	60 306	301 607	348 497	(46 889)	-13%	836 388
Remuneration of Councillors	30 260	34 547	34 547	651	10 680	14 395	(3 715)	-26%	34 547
Depreciation & asset impairment	63 881	79 150	79 150	–	–	32 979	(32 979)	-100%	79 150
Finance charges	36 467	22 261	22 261	–	–	9 275	(9 275)	-100%	22 261
Inventory consumed and bulk purchases	819 353	926 331	926 331	107 863	355 645	385 972	(30 327)	-8%	926 331
Transfers and subsidies	2 528	4 850	4 850	20	874	2 021	(1 147)	-57%	4 850
Other expenditure	487 650	441 457	441 457	19 134	148 810	183 942	(35 132)	-19%	441 457
Total Expenditure	2 166 359	2 344 984	2 344 984	187 975	817 616	977 081	(159 465)	-16%	2 344 984
Surplus/(Deficit)	(102 023)	20 727	20 727	(26 203)	167 597	8 632	158 965	1842%	20 727
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	109 706	167 766	167 766	4 675	20 091	69 902	###	-71%	167 766
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	2 856	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	10 539	188 493	188 493	(21 527)	187 688	78 535	109 154	139%	188 493
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	10 539	188 493	188 493	(21 527)	187 688	78 535	109 154	139%	188 493
<u>Capital expenditure & funds sources</u>									
Capital expenditure	119 502	179 266	179 266	4 960	21 531	74 694	(53 163)	-71%	179 266
Capital transfers recognised	104 315	167 766	167 766	4 675	20 092	69 903	(49 811)	-71%	167 766
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	15 186	11 500	11 500	285	1 440	4 792	(3 352)	-70%	11 500
Total sources of capital funds	119 502	179 266	179 266	4 960	21 531	74 694	(53 163)	-71%	179 266
<u>Financial position</u>									
Total current assets	2 622 936	2 242 830	2 242 830		2 204 967				2 242 830
Total non current assets	2 097 228	2 225 894	2 225 894		2 118 759				2 225 894
Total current liabilities	1 037 922	725 335	725 335		827 087				725 335
Total non current liabilities	436 934	417 829	417 829		427 015				417 829
Community wealth/Equity	2 881 935	3 325 560	3 325 560		3 069 624				3 325 560
<u>Cash flows</u>									
Net cash from (used) operating	53 113	265 277	265 277	67 690	475 803	110 532	(365 271)	-330%	265 277
Net cash from (used) investing	(116 394)	(142 399)	(179 266)	(4 960)	(21 531)	(59 333)	(37 801)	64%	(142 399)
Net cash from (used) financing	(2 980)	(16 583)	(10 734)	(161)	(40 121)	(23 482)	16 639	-71%	(56 357)
Cash/cash equivalents at the month/year end	30 272	200 186	169 168	–	457 158	27 717	(429 441)	-1549%	66 521
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
<u>Debtors Age Analysis</u>									
Total By Income Source	216 308	72 992	70 549	2 393 321	–	–	–	–	2 753 169
<u>Creditors Age Analysis</u>									
Total Creditors	77 121	36 363	68 823	93 047	104 400	59 903	45 636	1 080	486 373

NC091 Sol Plaatje - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		1 020 773	1 109 592	1 109 592	57 634	445 867	462 330	(16 463)	-4%	1 109 592
Executive and council		419 084	478 759	478 759	12 459	137 426	199 483	(62 056)	-31%	478 759
Finance and administration		601 689	630 833	630 833	45 175	308 441	262 847	45 594	17%	630 833
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		24 102	27 556	27 556	5 602	11 476	11 482	(5)	0%	27 556
Community and social services		10 785	10 980	10 980	4 362	5 531	4 575	956	21%	10 980
Sport and recreation		1 131	3 315	3 315	232	525	1 381	(856)	-62%	3 315
Public safety		150	760	760	4	365	317	49	15%	760
Housing		11 967	12 401	12 401	1 005	5 032	5 167	(135)	-3%	12 401
Health		69	100	100	-	23	42	(19)	-45%	100
<i>Economic and environmental services</i>		17 700	23 286	23 286	468	2 540	9 702	(7 163)	-74%	23 286
Planning and development		7 783	5 166	5 166	304	1 669	2 152	(483)	-22%	5 166
Road transport		9 917	18 120	18 120	164	870	7 550	(6 680)	-88%	18 120
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 106 680	1 363 208	1 363 208	102 019	541 472	568 003	(26 531)	-5%	1 363 208
Energy sources		671 706	877 157	877 157	58 753	334 076	365 482	(31 406)	-9%	877 157
Water management		286 254	328 612	328 612	28 901	138 331	136 922	1 410	1%	328 612
Waste water management		86 142	86 848	86 848	8 216	39 643	36 187	3 457	10%	86 848
Waste management		62 577	70 592	70 592	6 149	29 421	29 413	8	0%	70 592
<i>Other</i>	4	7 644	9 835	9 835	725	3 949	4 098	(149)	-4%	9 835
Total Revenue - Functional	2	2 176 898	2 533 477	2 533 477	166 447	1 005 304	1 055 615	(50 311)	-5%	2 533 477
Expenditure - Functional										
<i>Governance and administration</i>		640 979	683 100	683 100	37 629	221 814	284 627	(62 812)	-22%	683 100
Executive and council		400 365	405 549	405 549	14 612	121 924	168 979	(47 055)	-28%	405 549
Finance and administration		234 323	270 570	270 570	22 483	97 291	112 739	(15 448)	-14%	270 570
Internal audit		6 291	6 982	6 982	534	2 600	2 909	(309)	-11%	6 982
<i>Community and public safety</i>		166 029	183 469	183 469	15 114	69 278	76 446	(7 168)	-9%	183 469
Community and social services		40 133	42 230	42 230	3 617	17 367	17 596	(229)	-1%	42 230
Sport and recreation		47 702	55 822	55 822	4 662	20 083	23 260	(3 177)	-14%	55 822
Public safety		38 887	43 502	43 502	3 230	18 143	18 126	17	0%	43 502
Housing		21 940	23 480	23 480	2 065	9 044	9 783	(740)	-8%	23 480
Health		17 367	18 435	18 435	1 540	4 642	7 681	(3 039)	-40%	18 435
<i>Economic and environmental services</i>		123 036	139 819	139 819	11 040	50 515	58 259	(7 744)	-13%	139 819
Planning and development		39 994	48 172	48 172	3 047	15 923	20 072	(4 150)	-21%	48 172
Road transport		82 378	90 936	90 936	7 939	34 321	37 890	(3 569)	-9%	90 936
Environmental protection		665	711	711	55	271	296	(26)	-9%	711
<i>Trading services</i>		1 214 239	1 313 216	1 313 216	122 243	466 786	547 174	(80 388)	-15%	1 313 216
Energy sources		749 833	857 928	857 928	102 610	340 457	357 470	(17 013)	-5%	857 928
Water management		314 140	296 663	296 663	9 319	72 458	123 610	(51 151)	-41%	296 663
Waste water management		91 753	88 033	88 033	5 593	29 291	36 680	(7 389)	-20%	88 033
Waste management		58 513	70 592	70 592	4 720	24 578	29 413	(4 835)	-16%	70 592
<i>Other</i>		22 076	25 380	25 380	1 948	9 223	10 575	(1 352)	-13%	25 380
Total Expenditure - Functional	3	2 166 359	2 344 984	2 344 984	187 975	817 616	977 081	(159 465)	-16%	2 344 984
Surplus/ (Deficit) for the year		10 539	188 493	188 493	(21 527)	187 688	78 535	109 154	139%	188 493

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		419 084	478 759	478 759	12 459	137 426	199 483	(62 056)	-31.1%	478 759
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		6 247	6 804	6 804	676	1 115	2 835	(1 720)	-60.7%	6 804
Vote 05 - Community Services		90 521	110 627	110 627	11 557	40 305	46 095	(5 789)	-12.6%	110 627
Vote 06 - Financial Services		594 906	623 229	623 229	44 563	307 105	259 679	47 427	18.3%	623 229
Vote 07 - Strategy Econ Development And Planning		9 357	9 041	9 041	248	1 926	3 767	(1 841)	-48.9%	9 041
Vote 08 - Infrastructure And Services		1 056 784	1 305 018	1 305 018	96 944	517 426	543 757	(26 331)	-4.8%	1 305 018
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2 176 898	2 533 477	2 533 477	166 447	1 005 304	1 055 615	(50 311)	-4.8%	2 533 477
Expenditure by Vote	1									
Vote 01 - Executive & Council		53 090	57 883	57 883	2 406	20 148	24 118	(3 970)	-16.5%	57 883
Vote 02 - Municipal And General		335 678	335 456	335 456	11 517	97 716	139 773	(42 058)	-30.1%	335 456
Vote 03 - Municipal Manager		22 272	25 025	25 025	1 435	8 183	10 427	(2 244)	-21.5%	25 025
Vote 04 - Corporate Services		63 012	73 211	73 211	5 721	26 753	30 505	(3 752)	-12.3%	73 211
Vote 05 - Community Services		259 526	297 403	297 403	22 688	107 668	123 919	(16 250)	-13.1%	297 403
Vote 06 - Financial Services		126 380	152 611	152 611	12 878	53 086	63 589	(10 502)	-16.5%	152 611
Vote 07 - Strategy Econ Development And Planning		53 419	59 374	59 374	4 729	22 358	24 740	(2 382)	-9.6%	59 374
Vote 08 - Infrastructure And Services		1 252 983	1 344 020	1 344 020	126 600	481 703	560 009	(78 306)	-14.0%	1 344 020
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2 166 359	2 344 984	2 344 984	187 975	817 616	977 081	(159 465)	-16.3%	2 344 984
Surplus/ (Deficit) for the year	2	10 539	188 493	188 493	(21 527)	187 688	78 535	109 154	139.0%	188 493

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

R2021/22 Page - Table 04 Monthly Budget Statement - Financial Performance (Revenue and expenditure) - 100 November										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		571 075	603 707	603 707	43 768	304 657	251 544	53 112	21%	603 707
Service charges - electricity revenue		659 307	861 157	861 157	57 285	328 701	358 815	(30 114)	-8%	861 157
Service charges - water revenue		259 156	294 012	294 012	25 449	124 098	122 505	1 593	1%	294 012
Service charges - sanitation revenue		78 186	76 648	76 648	7 162	35 462	31 937	3 525	11%	76 648
Service charges - refuse revenue		56 401	59 567	59 567	5 335	26 189	24 820	1 369	6%	59 567
Rental of facilities and equipment		12 018	13 145	13 145	1 019	5 088	5 477	(389)	-7%	13 145
Interest earned - external investments		2 835	9 000	9 000	863	435	3 750	(3 315)	-88%	9 000
Interest earned - outstanding debtors		105 983	157 200	157 200	13 676	52 876	65 500	(12 624)	-19%	157 200
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		29 477	34 725	34 725	817	2 613	14 469	(11 855)	-82%	34 725
Licences and permits		6 383	6 500	6 500	704	3 828	2 708	1 120	41%	6 500
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		260 426	230 640	230 640	4 150	93 635	96 100	(2 465)	-3%	230 640
Other revenue		17 354	19 411	19 411	1 522	6 657	8 088	(1 431)	-18%	19 411
Gains		5 736	-	-	22	974	-	974	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		2 064 336	2 365 711	2 365 711	161 772	985 213	985 713	(500)	0%	2 365 711
Expenditure By Type										
Employee related costs		726 219	836 388	836 388	60 306	301 607	348 497	(46 889)	-13%	836 388
Remuneration of councillors		30 260	34 547	34 547	651	10 680	14 395	(3 715)	-26%	34 547
Debt impairment		344 346	275 000	275 000	0	68 754	114 583	(45 829)	-40%	275 000
Depreciation & asset impairment		63 881	79 150	79 150	-	-	32 979	(32 979)	-100%	79 150
Finance charges		36 467	22 261	22 261	-	-	9 275	(9 275)	-100%	22 261
Bulk purchases - electricity		540 953	647 000	647 000	92 249	278 750	269 583	9 167	3%	647 000
Inventory consumed		278 400	279 331	279 331	15 615	76 895	116 389	(39 493)	-34%	279 331
Contracted services		40 651	46 687	46 687	2 608	11 325	19 453	(8 128)	-42%	46 687
Transfers and subsidies		2 528	4 850	4 850	20	874	2 021	(1 147)	-57%	4 850
Other expenditure		102 187	119 770	119 770	16 525	68 731	49 906	18 825	38%	119 770
Losses		467	-	-	-	-	-	-	-	-
Total Expenditure		2 166 359	2 344 984	2 344 984	187 975	817 616	977 081	(159 465)	-16%	2 344 984
Surplus/(Deficit)		(102 023)	20 727	20 727	(26 203)	167 597	8 632	158 965	0	20 727
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		109 706	167 766	167 766	4 675	20 091	69 902	(49 811)	(0)	167 766
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		2 856	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		10 539	188 493	188 493	(21 527)	187 688	78 535			188 493
Taxation								-		
Surplus/(Deficit) after taxation		10 539	188 493	188 493	(21 527)	187 688	78 535			188 493
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		10 539	188 493	188 493	(21 527)	187 688	78 535			188 493
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		10 539	188 493	188 493	(21 527)	187 688	78 535			188 493

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal And General		26 692	33 000	32 000	3 217	12 620	13 386	(767)	-6%	32 000
Vote 03 - Municipal Manager		-	-	-	-	-	-	-		-
Vote 04 - Corporate Services		-	-	-	-	-	-	-		-
Vote 05 - Community Services		-	-	-	-	-	-	-		-
Vote 06 - Financial Services		-	-	-	-	-	-	-		-
Vote 07 - Strategy Econ Development And Planning		3 126	8 000	8 000	-	-	3 333	(3 333)	-100%	8 000
Vote 08 - Infrastructure And Services		64 887	81 266	81 266	1 196	7 556	33 861	(26 305)	-78%	81 266
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	94 705	122 266	121 266	4 413	20 175	50 581	(30 405)	-60%	121 266
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal And General		23 485	22 500	22 500	547	1 065	9 375	(8 310)	-89%	22 500
Vote 03 - Municipal Manager		-	-	-	-	-	-	-		-
Vote 04 - Corporate Services		-	-	-	-	-	-	-		-
Vote 05 - Community Services		-	-	-	-	-	-	-		-
Vote 06 - Financial Services		-	-	-	-	-	-	-		-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	-	-	-		-
Vote 08 - Infrastructure And Services		1 312	34 500	35 500	-	291	14 739	(14 447)	-98%	35 500
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	24 797	57 000	58 000	547	1 356	24 114	(22 758)	-94%	58 000
Total Capital Expenditure		119 502	179 266	179 266	4 960	21 531	74 694	(53 163)	-71%	179 266
Capital Expenditure - Functional Classification										
Governance and administration		50 177	55 500	54 500	3 764	13 684	22 761	(9 077)	-40%	54 500
Executive and council		50 177	55 500	54 500	3 764	13 684	22 761	(9 077)	-40%	54 500
Finance and administration		-	-	-	-	-	-	-		-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		3 126	8 000	8 000	-	-	3 333	(3 333)	-100%	8 000
Planning and development		3 126	8 000	8 000	-	-	3 333	(3 333)	-100%	8 000
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		66 199	115 766	116 766	1 196	7 847	48 599	(40 753)	-84%	116 766
Energy sources		16 469	67 500	67 500	-	1 053	28 125	(27 072)	-96%	67 500
Water management		1 312	1 000	2 000	55	276	780	(504)	-65%	2 000
Waste water management		48 418	47 266	47 266	1 140	6 518	19 694	(13 176)	-67%	47 266
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	119 502	179 266	179 266	4 960	21 531	74 694	(53 163)	-71%	179 266
Funded by:										
National Government		101 832	167 766	167 766	4 675	20 092	69 903	(49 811)	-71%	167 766
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		2 483	-	-	-	-	-	-		-
Transfers recognised - capital		104 315	167 766	167 766	4 675	20 092	69 903	(49 811)	-71%	167 766
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		15 186	11 500	11 500	285	1 440	4 792	(3 352)	-70%	11 500
Total Capital Funding		119 502	179 266	179 266	4 960	21 531	74 694	(53 163)	-71%	179 266

Sol-Plaatje (NC091): Monthly Budget Statement - November 2021

NC091 Sol Plaatje - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		772 920	172 968	172 968	93 084	172 968
Call investment deposits		–	–	–	–	–
Consumer debtors		1 712 601	1 475 363	1 475 363	1 943 605	1 475 363
Other debtors		98 092	547 474	547 474	113 686	547 474
Current portion of long-term receivables		–	–	–	–	–
Inventory		39 323	47 025	47 025	54 593	47 025
Total current assets		2 622 936	2 242 830	2 242 830	2 204 967	2 242 830
Non current assets						
Long-term receivables		–	36 867	36 867	–	36 867
Investments						
Investment property		209 057	205 486	205 486	209 907	205 486
Investments in Associate						
Property, plant and equipment		1 865 761	1 964 370	1 964 370	1 886 442	1 964 370
Biological						
Intangible		10 339	7 307	7 307	10 339	7 307
Other non-current assets		12 071	11 864	11 864	12 071	11 864
Total non current assets		2 097 228	2 225 894	2 225 894	2 118 759	2 225 894
TOTAL ASSETS		4 720 164	4 468 724	4 468 724	4 323 726	4 468 724
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		39 774	45 623	45 623	40 121	45 623
Trade and other payables		998 149	590 399	590 399	786 966	590 399
Provisions		–	89 313	89 313	–	89 313
Total current liabilities		1 037 922	725 335	725 335	827 087	725 335
Non current liabilities						
Borrowing		182 267	172 829	172 829	182 267	172 829
Provisions		254 667	245 000	245 000	244 748	245 000
Total non current liabilities		436 934	417 829	417 829	427 015	417 829
TOTAL LIABILITIES		1 474 856	1 143 164	1 143 164	1 254 102	1 143 164
NET ASSETS	2	3 245 308	3 325 560	3 325 560	3 069 624	3 325 560
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		2 824 731	3 246 167	3 246 167	3 012 419	3 246 167
Reserves		57 205	79 393	79 393	57 205	79 393
TOTAL COMMUNITY WEALTH/EQUITY	2	2 881 935	3 325 560	3 325 560	3 069 624	3 325 560

C6 is not balancing. Total community wealth/equity is either under or overstated by R8,625 million. This was taken with BCX and they will investigate the matter.

NC091 Sol Plaatje - Table C7 Monthly Budget Statement - Cash Flow - M05 November

RCOUST 2021 Page 1 - Table C7 Monthly Budget Statement - Cash Flow - M03 November										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		561 377	537 299	537 299	38 672	174 560	223 875	(49 314)	-22%	537 299
Service charges		1 857 261	901 622	901 622	89 272	511 178	375 676	135 502	36%	901 622
Other revenue		(872 756)	339 839	339 839	9 313	140 088	141 600	(1 511)	-1%	339 839
Transfers and Subsidies - Operational		23 639	230 640	230 640	2 539	7 189	96 100	(88 911)	-93%	230 640
Transfers and Subsidies - Capital		33 560	149 809	149 809	–	20 753	62 420	(41 667)	-67%	149 809
Interest		3 829	9 000	9 000	–	–	3 750	(3 750)	-100%	9 000
Dividends								–		
Payments										
Suppliers and employees		(1 553 798)	(1 875 821)	(1 875 821)	(72 106)	(377 965)	(781 592)	(403 627)	52%	(1 875 821)
Finance charges		–	(22 261)	(22 261)	–	–	(9 275)	(9 275)	100%	(22 261)
Transfers and Grants		–	(4 850)	(4 850)	–	–	(2 021)	(2 021)	100%	(4 850)
NET CASH FROM/(USED) OPERATING ACTIVITIES		53 113	265 277	265 277	67 690	475 803	110 532	(365 271)	-330%	265 277
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables		–	36 867	–	–	–	15 361	(15 361)	-100%	36 867
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(116 394)	(179 266)	(179 266)	(4 960)	(21 531)	(74 694)	(53 163)	71%	(179 266)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(116 394)	(142 399)	(179 266)	(4 960)	(21 531)	(59 333)	(37 801)	64%	(142 399)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits		(2 980)	(5 849)	–	(161)	(40 121)	(19 009)	(21 112)	111%	(45 623)
Payments										
Repayment of borrowing		–	(10 734)	(10 734)	–	–	(4 473)	(4 473)	100%	(10 734)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2 980)	(16 583)	(10 734)	(161)	(40 121)	(23 482)	16 639	-71%	(56 357)
NET INCREASE/ (DECREASE) IN CASH HELD		(66 262)	106 295	75 277	62 569	414 150	27 717			66 521
Cash/cash equivalents at beginning:		96 534	93 891	93 891	–	43 007				
Cash/cash equivalents at month/year end:		30 272	200 186	169 168		457 158	27 717			66 521

System error to be resolved so that Adjusted budget, monthly and YTD actuals populate correctly. The Cash and Cash equivalents is also overstated. Serious intervention is required to correct these discrepancies.

15. Municipal Manager's quality certification

Quality Certificate

I, G Akharwaray, the Municipal Manager of Sol Plaatje Local Municipality, hereby certify that
(mark as appropriate)

☒

the Monthly Budget Statement

☐

Quarterly Report on the implementation of the budget and financial state affairs
of the municipality

☐

Mid-year Budget and Performance Assessment

For the month of **November 2021** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr. G Akharwaray

Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature: 

Date: 13/12/2021