



***MONTHLY BUDGET STATEMENT:
S71 MONTHLY REPORT: MAY 2024***

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.

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Due date: 14 June 2024

Table of Contents

PART 1: IN-YEAR REPORT

- 1. Purpose..... 2
- 2. Background..... 3
- 3. Executive summary 4
- 4. Budget performance overview 5
 - 4.1 Operating Revenue by Source 8
 - 4.2 Operating Expenditure by Type 11
 - 4.3 Capital expenditure 23
 - 4.4 Cash flows..... 24
- 5. In-year budget statement tables 26

PART 2 - SUPPORTING DOCUMENTATION

- 6. Debtors’ Analysis 27
- 7. Creditors’ Analysis..... 40
- 8. Investment portfolio analysis 41
- 9. Allocation and grant receipts and expenditure 43
- 10. Councillor and board member allowances and employee benefits 46
- 11. Material variances to the service delivery and budget implementation plan 50
- 12. Capital programme performance 50
- 13. Other supporting documents 52
- 14. Conclusion 52
- 15. Annexure A: C-schedules..... 53
- 16. Annexure B: Compliance with the conditions for Municipal Debt Relief 60
 - 16.1 MFMA Circular 124 – Municipality Compliance Self-Assessment 60
 - 16.2 Municipal Debt Relief Performance across the period of debt relief participation 62
 - 16.3 The National Treasury Debt Relief Compliance Assessment..... 63
 - 16.4 MFMA Circular 124 – Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7 (Maintain a minimum average quarterly collection of property rates and services charges). 63
 - 16.5 MFMA Circular 124 – Condition 6.8 (Completeness of the revenue base) 68
 - 16.6 MFMA Circular 124 – Condition 6.3 (Maintaining the Eskom bulk current account) and Condition 6.12 (Proper Management of Resources)..... 71
 - 16.7 Municipal Debt Relief Monitoring Plan – Progress report..... 81
- 17. Recommendations 88
- 18. Municipal Manager’s quality certification 89

List of Tables

Table 1: Consolidated summary: Statement of Financial Performance: YTD Budget.....	4
Table 2: Consolidated summary: Statement of Financial Performance: Adjusted Budget.....	4
Table 3: Table C4 Financial Performance (Revenue)	8
Table 4: Table C4 Financial Performance (Expenditure)	11
Table 4.1 R&M Expenditure per Directorate per inventory type	12
Table 4.2 R&M Expenditure per Service per inventory type.....	13
Table 5.1: Summary of YTD Bulk Electricity expenditure.....	15
Table 5.2: Summary of YTD Bulk Water expenditure	16
Table 6.1: Summary of outstanding ESKOM debt	16
Table 6.2: Summary of outstanding DWS debt.....	18
Table 6.3: Summary of payments per payment date	21
Table 7: High level summary: Capital Expenditure	23
Table 8: Supporting Table SC3: Aged Debtors	27
Table 9: Monthly collection rate	35
Table 10: Revised Average collection rate	35
Table 11: Supporting Table SC4: Aged Creditors	40
Table 12: Supporting Table SC5: Investment portfolio.....	41
Table 13: Supporting Table SC6: Transfers and grant receipts	43
Table 14: Supporting Table SC7(1): Transfers and grant expenditure	44
Table 15: Summary of expenditure per grant.....	44
Table 16: Supporting Table SC7(2) - Expenditure against approved rollovers.....	45
Table 17: Supporting Table SC8: Councillor and staff benefits.....	46
Table 18: Current YTD Overtime expenditure excl Night-shift allowance.....	47
Table 19: Detailed capital expenditure report	51

List of Charts

Chart 1: Revenue by Source: YTD Actual as a percentage of Total Revenue	10
Chart 2: Expenditure by Type: YTD Actual as a percentage of Total Expenditure	15
Chart 2.1: Monthly payments to DWS & ESKOM	20
Chart 2.2: Monthly & YTD comparison – Bulk Electricity & Water debt.....	22
Chart 3: Total Capital expenditure	23
Chart 4: Call investment deposits and Cash & cash equivalents at year-end.....	24
Chart 5: Cash & cash equivalents and Cost coverage ratio	25
Chart 6.1: Debtor's age analysis by Income Source	28
Chart 6.2: Debtor's age analysis by Customer Group.....	29
Chart 7: Debt over 90 days as a percentage of Total O/S Debt	32
Chart 8: Aged Consumer Debtor Analysis	33
Chart 9: Consumer Debtors (total by Debtor Customer Category).....	33
Chart 10: Comparative trend: Monthly and Revised average collection rate.....	36
Chart 11.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity	37
Chart 11.2: Monthly billing receipts per revenue source and % contribution	38
Chart 12: Billing receipts per Customer Group	39
Chart 13: Aged Creditors Analysis.....	40
Chart 14: Call investment deposits at month-end	42
Chart 14.1: Overtime Actual vs Budget.....	48
Chart 14.2: Monthly and Annual Overtime Comparison.....	48
Chart 15: Capital Expenditure Monthly Trend: actual v target.....	50
Chart 16: Capital Expenditure: YTD actual vs YTD target.....	50

List of Abbreviations and Acronyms used in the Monthly Budget Statement

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
SPCA - Society For The Prevention Of Cruelty To Animals
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: S71 MONTHLY REPORT FOR THE PERIOD ENDING 31 MAY 2024

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 municipality realises, the critical importance of having a minimum 3 month's 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. Serious actions will have to be taken to realise this target and Council's buy-in be secured, to the turn the municipality around is critically important. The municipality's main goal is to remain positive and committed in stabilising the municipality, improving its cash position and improving on quality service being rendered.

Currently, the total debtor's book is standing at R3,824,481,357 billion, of which 90% of the debt is owed in excess of 90 days. Of the total debt, R747,180 million is owed by government, R639,166 million by business and R2,356,253 billion by households. The municipality is urging government, businesses and households to meet their obligation to the municipality or make payment arrangements with the municipality. The cash collection is not at a desired level, and this does not bode well for the municipality's financial position. *There needs to be a major paradigm shift in the payment culture across all customer groups. This can only be achieved when the Credit Control and Debt Collection Policy is strictly, consistently and fairly applied to all customer groups.* Consumers that are not paying for services, must remember that no municipality will remain sustainable and functional if it expected to provide "services for free". And in the same breath, the municipality must employ all measures to ensure that customers receive quality and reliable services. The value of providing these services, should never be underestimated by the municipality, as there is a direct correlation between providing quality services and consumers' willingness to pay.

Tough decisions have to be taken to have a meaningful impact and produce positive results. This action is long overdue, especially in light of the municipality's financial crisis and major threat to its financial viability and sustainability. In order for the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced which must be complimented by strict consequence management. 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, consistently and fairly. 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 is 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.

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 those 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 **31 May 2024**, the ten working day reporting limit expires on **14 June 2024**. 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 June 2024**, (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	YTD Budget May 2024	YTD Actual May 2024	Variance Favourable (Unfavourable)	% YTD Actual vs YTD Budget	% Variance Favourable (Unfavourable)
Total Revenue (excluding capital transfers and contributions)	2,556,219	2,530,020	(26,199)	99.0%	-1.0%
Total Revenue (including capital transfers and contributions)	2,717,565	2,642,465	(75,100)	97.2%	-2.8%
Total Operational Expenditure	2,540,698	2,344,192	(196,506)	92.3%	-7.7%

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

As indicated in Table 1 above, as at 31 May 2024, the billed revenue excluding capital grants amounted to R2,530,020 billion which resulted in a satisfactory variance of minus 1.0% when compared to the YTD Budget of R2,556,219 billion. The billed revenue including capital grants amounted to R2,642,465 billion, resulting in a satisfactory variance of minus 2.8% when compared to the YTD budget of R2,717,565 billion. Capital grants are recognised in the Statement of Financial Performance, monthly as soon as the conditions of the grant have been met. Reasons for the variances are articulated in Section 4.1 below. The Total Operational Expenditure amounted to R2,344,192 billion versus the YTD Budget of R2,540,698 billion, resulting in an unsatisfactory variance of minus 7.7%. Reasons for the variance are articulated in Section 4.2 below.

Summary Statement of Financial Performance: Adjusted Budget					
Description R thousand	Adjusted Budget	YTD Actual May 2024	Variance Favourable (Unfavourable)	% YTD Actual vs Adjusted Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 91.67%
Total Revenue (excluding capital transfers and contributions)	2,798,666	2,530,020	2,296,798	90.4%	-1.3%
Total Revenue (including capital transfers and contributions)	2,960,015	2,642,465	2,395,797	89.3%	-2.4%
Total Operational Expenditure	2,782,911	2,344,192	2,112,283	84.2%	-7.4%

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

Indicated in Table 2 above is the YTD actual compared to the Adjusted Budget. When calculating the ideal In-Year-Monitoring percentage of 91.67% [calculated as follow: (100/12 months x 11 months of the year)] as at the end of May 2024, the Total operational revenue excluding capital grants versus the Adjusted Budget resulted in a satisfactory variance of minus 1.3%. The Total operational revenue including capital grants versus the Adjusted Budget resulted in a satisfactory variance of minus 2.4%. The Total Operational Expenditure resulted in a fairly satisfactory variance of minus 7.4%.

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. For the Adjusted budgets, these were all divided by the remaining 5 months of the year. This is distorting some of the variances. The capital projections were also done in the same fashion. Please note that variances within a 5 to 10 percent range, as prescribed by National Treasury are acceptable and need not necessarily be explained.

4. Budget performance overview

The municipality is implementing the 2nd Adjustments budget for 2023/24 financial year. The original budget for 2023/24 was assessed as funded with a firm recommendation from NT that the collection rate must improve. After the approval of the main adjustments budget the municipality received the final adjusted DoRA with various adjustments on grants. This necessitated the municipality to submit the 2nd Adjustments budget and adjusted SDBIP to Council which was approved on 31 May 2024. Articulated in the table below are the adjustments.

	23/24 Original Allocation	DoRAA Adjustments (Main Adjustments budget)	Initial Adjusted allocation	Additional Adjustments Increase (Decrease)	Total adjustments on Conditional grants	Final 23/24 Adjusted Allocation
Capital grants (R'000)						
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	48,026	(12,189)	35,837	(8,733)	(20,922)	27,104
NDPG (NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT)	2,000	–	2,000	(2,000)	(2,000)	–
RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)	86,000	(11,000)	75,000	(35,000)	(46,000)	40,000
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	74,207	–	74,207	(10,812)	(10,812)	63,395
EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)	4,000	–	4,000	2,000	2,000	6,000
Total DoRAA capital allocations	214,233	(23,189)	191,044	(54,545)	(77,734)	136,499
EUROPEAN UNION (BEAR)		18,850	18,850			18,850
FRANCES BAARD DM		6,000	6,000			6,000
Total other capital grants	–	24,850	24,850	–	–	24,850
TOTAL	214,233	1,661	215,894	(54,545)	(77,734)	161,349

As per the tables above overall Operational revenue is performing satisfactorily, with the actual achieved versus the Adjusted budget standing at 90.4% spent versus the ideal percentage of 91.67%. Operational expenditure is 84.2% spent which is slightly under-spent with the contributing factors being Depreciation which is not provided for and the bi-annual payment of the long-term borrowing. Performance on the capital is extremely poor at 58.3% spent as at the end of May 2024.

The municipality's Debt Relief application to National Treasury was approved, effective 1 October 2023. The municipality had an engagement with ESKOM on 29 November 2023, to settle the debt accrued after March 2023, amounting to R163 million. A repayment proposal was submitted to ESKOM for approval. The municipality received the payment arrangement agreement and duly submitted the signed arrangement on 12 June 2024. It is imperative that the municipality abides with the conditions as non-compliance may have serious repercussions for the municipality and its electricity business. As per MFMA Circular 124, Section 5, articulated below are the consequence for failure to comply with the conditions of the Municipal Debt Relief and related initiatives:

“Municipalities are urged to maintain their behavioral change post the support. If a municipality fails to perform during the duration of the Municipal Debt Relief:

- a. The benefits of the Relief to that municipality will immediately cease;
- b. This means that Eskom will be obliged to implement its credit control and debt management policy on the defaulting municipality and the municipality must immediately start repaying its Eskom arrears, interest and penalties;
- c. Eskom may resume any legal proceedings (relating to the municipality's arrear debt, interest and penalties as of 31 March 2023), including attaching the municipal bank account; and
- d. The normal penalties applicable to the wider local government will also apply.

It is important to note that the work to resolve non-payment by municipalities is progressive and that the National Treasury intends to enforce the existing penalties available in the legislative framework and add additional penalties, including exploring but not limited to –

- A take-over of a defaulting municipality's electricity business;
- NERSA strengthening of license conditions;
- A National Treasury dispute resolution process;
- Strengthening and adding consequences and related consequence management

- processes as part of the ongoing review of the MFMA, including to facilitate the upfront resolve of budget issues and to instill a payment culture; and
- A wider special mechanism/ ombud system to facilitate organs of state payment and related disputes, including instituting consequences for organs of state failure to pay; etc.

In terms of the National Treasury's local government revenue improvement programme, all municipalities that benefit from the Municipal Debt Relief will continue to receive support towards strengthening their revenue value chains. Municipalities are cautioned that the National Treasury considers the conditions set out in paragraph 6.1 to 6.14 as critical financial management minimum best practice and confirms that if a municipality fails to meet any and/ or a combination of the conditions set out in this Municipal Debt Relief framework, it could (over-and-above the consequences set out in 5.1 above) constitute a serious breach of its financial management fiduciary responsibilities and may also constitute financial misconduct as envisaged in the MFMA and Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014. The National Treasury reserves the right to immediately invoke section 216 of the Constitution and/ or any other remedies available to government in terms of the prevailing legislative framework in such a situation (including instituting individual financial misconduct and/ or criminal proceedings).

Municipalities are reminded of MFMA s.173 to the effect that the accounting officer of a municipality is guilty of an offence if that accounting officer, deliberately or in a gross negligent way contravenes or fails to comply with MFMA s. 65(2)(f). Moreover, MFMA s.174 provides for penalties, to the extent where a person is liable on conviction of an offence in terms of section 173 to imprisonment for a period not exceeding five years or to an appropriate fine determined in terms of applicable legislation."

Monitor and report on implementation –

As per MFMA Circular 124, section 6.9.1. **MFMA section 71 reporting** – the municipal council and senior management team must closely monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant;

6.9.2 Where progress is slow in terms of paragraph 6.9.1, the **active intervention must be evident** from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the *mSCOA* data string.

The municipality has made significant strides to settle the monthly current accounts for Eskom and Waterboard. The arrear debt owed to Waterboard has also been reduced significantly. Both ESKOM and DWS is satisfied with the progress the municipality has made and the municipality has an amicable and good working relationship with both institutions. The ring-fencing of cash received for Electricity and Water is accounted for on a daily basis. This has however put pressure on the municipality to settle order creditors. The biggest concern is the settling of the accounts for the high months for Eskom (Jun to Aug). The municipality settled an amount of R59,696 million on current account for April 2024 excluding interest amounting to R1,739 million on 28 May 2024. Total invoice amount was R61,435 million. On the 24 May 2024 two instalments of the debt proposal payment agreement was paid which amounted to R13,400 million and this was allocated to the July 2023 account. Due to the debt agreement with DWS and the Incentive scheme initiated by the Department, the municipality has made significant strides in reducing the arrear debt owed to the Department and settled all invoices raised for the 2022/23 financial year in full. The municipality is working towards being up to date for the current year. The outstanding balance of R11,070 million on the November 2023 invoice was settled on 14 May 2024. The municipality was not in a position to settle the February 2024 account of R36,046 million on 1 April 2024, as per the due date. DWS overbilled the Municipality and this has been corrected on the April 2024 account, amounting to R5,194 million. The April 2024 account was settled on the 29 April 2024. Our servitude period commenced on the 1st of April, which is the free water quota allocated to the **Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: May 2024**

municipality. This means that no billing will be raised until our servitude is exhausted. The municipality will sincerely endeavour to settle the R36 million outstanding for the current year on or before 30 June 2024. A bit on the downside, the municipality had insufficient cash to settle the debt instalment for Waterboard amounting to R6,000 million on or before the 5th of June 2024.

A cost containment memorandum has been sent out to reduce new orders, curb non-essential expenditure, reduce Overtime and manage fuel consumption of municipal vehicles. The policy for smart prepaid meters was submitted to Council with the Draft budget in March and was approved on 31 March 2024. The municipality finalized the item to Council for the smart prepaid meters grant offered by National Treasury and this was resolved by Council on 31 May 2024. The municipality has been making follow-ups with NT for the final award of the smart prepaid meter transversal tender in order for the municipality to partake in the transversal tender. The transversal tender has been awarded by the municipality. Urgent intervention is required on the restricting or interrupting of water supply for defaulting consumers. The collection rate for Water, Sanitation and Refuse is poor and urgent intervention is required. The municipality introduced an incentive scheme to consumers from December 2023 to March 2024 with a 50% discount if the account is settled in full, with 100% write-off of interest on the account. This initiative yielded some positive results but not at the level that the municipality would have hoped. Departments are engaged on a regularly basis to recoup outstanding debt owed by Organs of State. The non-buying prepaid consumers must be urgently addressed, and the municipality is confident that the smart prepaid metering solution will assist the municipality tremendously in improving on its billing accuracy and ensuring cash inflows from prepaid sales.

Further interventions implemented in collecting outstanding debt.

- Disconnections were focused more on business and Government Departments.
- We are aiming to implement full credit control processes in the coming months in order to improve our cashflow and collection rate.
- This includes disconnection/blocking of electricity of all owing Customers groups, putting formal arrangements for Customers in place.
- Implementation of partial blocking (to take effect from Monday, 1 July 2024), where a portion of prepaid purchases is allocated against the arrear account and
- Finalization of the Provision of Debt Collection Services tender.
- We are working on an effective follow up system with regards to Customers that have made monthly arrangements on their accounts and are not honouring same.
- Customers are called on a weekly basis until they come in to make payment, this is additional to the disconnection notices and smses that are sent to the Customers on a monthly basis.
- We continue to monitor the payment habits of the Customers whose accounts were cleared during the Debt Relief Payment to ensure that they make monthly payments on their accounts.
- All Customers are encouraged to make monthly payments and make arrangements, through the public campaigns.
- Macrocomm is currently in the process of correcting the accounts of a number of our large power users, Customers are making payments on reconstructed amounts.
- We are meeting with the top 100 Debtors of the Municipality, dealing with their disputes, negotiating settlement amounts that will benefit the Municipality.
- The Provision of Debt Collection Services Tender has been advertised on 26 April 2024 and closes on 27 May 2024. The introduction of legal collections will greatly assist with the collection of the monies owed to the Municipality.
- We are receiving monthly payments from our Government Customers and are holding meetings with the Departments in order to obtain the monies that are owed to the Municipality. The receipts for May 2024 were R23,273,850.43 as compared to the R24,060,235.76 that was paid for the month of April 2024. The Department of Public Works have not made their payments as they usually do, we have followed up with them and they will make payment shortly. The Department of Transport has been disconnected due to non-payment, we have given the Department several opportunities to make the required payment.

4.1 Operating Revenue by Source

Table C4 Monthly Budget Statement - Financial Performance (Revenue) - May 2024										
Description	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	Achieved YTD Budget	YTD variance	YTD variance	Achieved Adjusted Budget	Adjusted Budget Variance	Adjusted Budget Variance IYM % -
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Revenue										
Exchange Revenue										
Service charges - Electricity	995,202	74,375	731,271	916,896	79.8%	(185,625)	-20.2%	73.5%	(180,997)	-18.2%
Service charges - Water	300,114	16,536	263,508	278,254	94.7%	(14,746)	-5.3%	87.8%	(11,596)	-3.9%
Service charges - Waste Water Managem	89,858	8,025	88,615	82,370	107.6%	6,244	7.6%	98.6%	6,244	6.9%
Service charges - Waste management	65,412	6,547	70,882	59,961	118.2%	10,921	18.2%	108.4%	10,921	16.7%
Sale of Goods and Rendering of Services	17,379	525	15,972	15,721	101.6%	251	1.6%	91.9%	41	0.2%
Agency services	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	250,400	22,276	235,514	220,023	107.0%	15,492	7.0%	94.1%	5,981	2.4%
Interest from Current and Non Current Ass	9,500	1,441	11,327	8,417	134.6%	2,911	34.6%	119.2%	2,619	27.6%
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	28,130	2,511	26,371	25,646	102.8%	725	2.8%	93.7%	585	2.1%
Licence and permits	1,200	74	613	1,100	55.7%	(487)	-44.3%	51.1%	(487)	-40.6%
Operational Revenue	3,134	455	4,875	2,873	169.7%	2,002	69.7%	155.5%	2,002	63.9%
Non-Exchange Revenue										
Property rates	660,893	44,633	635,801	605,819	104.9%	29,982	4.9%	96.2%	29,982	4.5%
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	37,910	986	30,109	33,905	88.8%	(3,796)	-11.2%	79.4%	(4,642)	-12.2%
Licence and permits	6,150	363	6,443	5,637	114.3%	806	14.3%	104.8%	806	13.1%
Transfers and subsidies - Operational	287,603	1,268	274,647	262,973	104.4%	11,674	4.4%	95.5%	11,011	3.8%
Interest	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	44,680	4,498	130,934	35,744	366.3%	95,190	266.3%	293.0%	89,977	201.4%
Gains on disposal of Assets	1,100	2,067	3,126	880	355.3%	2,246	255.3%	284.2%	2,118	192.5%
Other Gains	-	-	11	-	-	11	-	-	11	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	2,798,666	186,580	2,530,020	2,556,219	99.0%	(26,199)	-1.0%	90.4%	(35,424)	-1.3%
Transfers and subsidies - capital	161,349	23,620	112,445	161,346	69.7%	(48,901)	-30.3%	69.7%	(35,458)	-22.0%
Total Revenue (including capital transfers and contributions)	2,960,015	210,200	2,642,465	2,717,565	97.2%	(75,100)	-2.8%	89.3%	(70,882)	-2.4%

Table 3: Table C4 Financial Performance (Revenue)

Comparison against the YTD Budget

Exchange Revenue

- ❖ Service charges - Electricity is showing an unsatisfactory variance of minus 20.2%. After an investigation, it was established that a billing error network access charges that was credited to Non-exchange Revenue: Operational revenue was erroneously reversed against Service charges. The impact of this error was R86m, which will be corrected during June 2024. This will address the understatement of Service charges Electricity and the overstatement of Non-exchange Revenue: Operational revenue. This understatement of Service charges Electricity is also attributable to the non-implementation of the basic and capacity charges for households, which has not been resolved. Service charges Water is showing a slight under-recovery of minus 5.3%. The downward adjustment during the Adjustment budget is only factored in for remaining 5 months of the year, resulting in a slightly distorted variance. It is imperative that the Billing section does a proper investigation to ensure that all properties have functional meters installed and are billed accurately. The same applies to all Service charges., Sanitation and Refuse is showing an over-recovery when compared to the YTD budget.
- ❖ Sale of Goods and Rendering of Services is performing satisfactorily with a positive variance of 1.6%.

- ❖ Interest earned from Receivables is showing a positive variance of 7% due to the increase in specifically debt over 90 days, high level of debt over 90 days and the higher interest rate. This was adjusted upwards, but the same applies in respect of the phase in over the last 5 months of the year for the adjusted budget figures.
- ❖ Interest from Current and Non-current Assets shows a positive variance of 34.6%. The municipality is improving on its cash and investment management and regularly invest funds not immediately needed for operations. The municipality is also investing capital grants already received, whilst keeping the unspent portion in the investment account. If the cash position allows, grant funds already spent remain within the investment account until such time that it is needed for operational requirements. The bulk of the interest earned will be recognised as part of the year-end procedures.
- ❖ Licences and permits are showing a negative variance of 44.3%, as a result of the receipts on Road & Trsp: Operator & Pub Driv Permits being lower than anticipated.
- ❖ Operational Revenue is showing a positive variance of 69.7%, as a result of an over-recovery on Incidental Cash Surpluses and Commission: Transaction Handling Fees. After an investigation, it was established that Incidental Cash Surpluses is overstated as a result of erroneous allocation of meter tampering fees because the tariff code was linked to the incorrect vote. The discrepancy was communicated to our financial system's manager for correction. A corrective journal will be processed to rectify the misallocation.

Non-Exchange Revenue

- ❖ Property Rates is showing a satisfactory variance of 4.9%.
- ❖ Fines, penalties and forfeits is showing a satisfactory variance of minus 11.2%, as a result on an over-recovery on Penalties: Disconnection Fees, whilst Fines: Law Enforcement is showing an under-recovery.
- ❖ Transfers and subsidies - Operational is showing a satisfactory variance of 4.4%.
- ❖ Operational Revenue is showing a positive variance of 266.3%. The budget was corrected during the Adjustment budget, however this is only projected for the remaining 5 months of the year, thus resulting in the distorted percentage. The YTD actual is overstated and this is a result of a billing error that erroneously allocated to Service charges. The error of approximately R86m will be journalised during June 2024.
- ❖ Gains on disposal of assets, predominantly pertains to the sale of land. The budget was corrected during the Adjustment budget however, this is only projected for the remaining 5 months of the year, thus resulting in the distorted percentage. The YTD actual is also higher than anticipated. Other Gains must be investigated.
- ❖ Transfers and subsidies - Capital is showing a negative variance of minus 30.3% when compared to the YTD budget. Capital grants remains lower than anticipated due to poor capital grant expenditure. Serious intervention will have to be taken by management to improve on monthly capital grant expenditure and capital expenditure overall. Capital grants are recognised in the Statement of Financial Performance, on a monthly basis as soon as the conditions of the grant have been met.

Comparison against Adjusted Budget

Based on the IYM percentage of 91.67%, the majority of revenue sources are performing satisfactorily.

Exchange Revenue

- ❖ Service charges for Water against the Adjusted budget is satisfactory, whilst Service charges Electricity is showing a negative variance of 18.2%. Same factors are applicable as described in the paragraph above. Service charges Waste water management and Waste management is showing an over-recovery.
- ❖ Sale of Goods and Rendering of Services is showing a positive variance of 0.2%.
- ❖ Interest earned from Receivables is showing a positive variance of 2.4%.

- ❖ Interest from Current and Non-current Assets shows a positive variance of 27.6%. Same factors are applicable as described in the paragraph above.
- ❖ Licences and permits are showing an unsatisfactory variance of minus 40.6%. Same factors are applicable as described in the paragraph above.
- ❖ Operational Revenue is showing a satisfactory variance of 63.9%. Same factors are applicable as described in the paragraph above.

Non-Exchange Revenue

- ❖ Property Rates is showing a positive variance of 4.5%, due to the annual billing on Property rates.
- ❖ Fines, penalties and forfeits is showing a fairly satisfactory variance of minus 12.2%. Same factors are applicable as described in the paragraph above.
- ❖ Transfers and subsidies - Operational is showing a positive variance of 3.8%.
- ❖ Operational Revenue is showing a positive variance of 201.4%. Same factors are applicable as described in the paragraph above.
- ❖ Gains on disposal of assets, predominantly pertains to the sale of land, whilst Other Gains will be investigated.
- ❖ Transfers and subsidies - Capital is showing a negative variance of minus 22%. Capital grants remains lower than anticipated due to poor capital grant expenditure. Serious intervention will have to be taken by Management to improve on monthly capital grant expenditure and capital expenditure overall. Capital grants are recognised in the Statement of Financial Performance, on a monthly basis as soon as the conditions of the grant have been met.

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 31 May 2024. The main contributors of the municipality's revenue are Service Charges (45.6%), Property Rates (25.1%) and Transfers and subsidies (10.9%). The contribution per Revenue source is still slightly distorted, as a result of the annual billing of Property rates and the receipt of the third tranche of the Equitable Share.

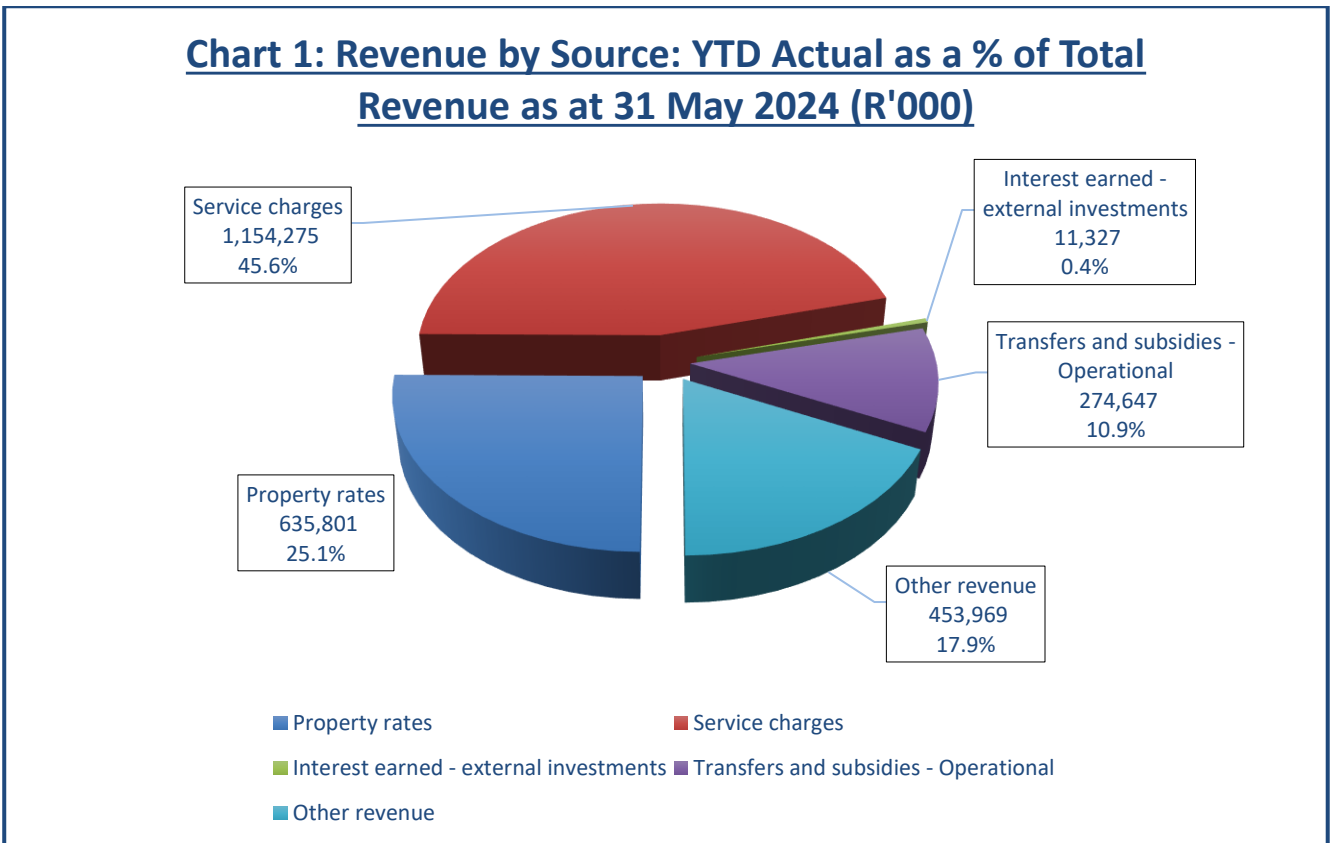


Chart 1: Revenue by Source: YTD Actual as a percentage of Total Revenue

4.2 Operating Expenditure by Type

Table C4 Monthly Budget Statement - Financial Performance (Expenditure) - May 2024										
Description	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance	Achieved Adjusted Budget	Adjusted Budget Variance	Adjusted Budget Variance IYM
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Expenditure By Type										
Employee related costs	910,366	67,174	793,785	831,154	95.5%	(37,369)	-4.5%	87.2%	(40,717)	-4.5%
Remuneration of councillors	35,559	2,768	32,117	32,596	98.5%	(479)	-1.5%	90.3%	(479)	-1.3%
Bulk purchases - electricity	790,100	63,704	662,674	723,663	91.6%	(60,989)	-8.4%	83.9%	(61,584)	-7.8%
Inventory consumed	336,955	29,368	267,759	305,635	87.6%	(37,876)	-12.4%	79.5%	(41,117)	-12.2%
Debt impairment	317,500	79,375	317,500	291,042	109.1%	26,458	9.1%	100.0%	26,458	8.3%
Depreciation and amortisation	86,650	-	-	79,429	0.0%	(79,429)	-100.0%	0.0%	(79,429)	-91.7%
Interest	20,055	0	10,009	18,318	54.6%	(8,310)	-45.4%	49.9%	(8,375)	-41.8%
Contracted services	56,913	2,700	37,501	51,144	73.3%	(13,642)	-26.7%	65.9%	(14,669)	-25.8%
Transfers and subsidies	3,560	45	2,469	3,380	73.0%	(911)	-27.0%	69.3%	(795)	-22.3%
Irrecoverable debts written off	-	0	0	-		0			0	
Operational costs	159,253	14,816	155,580	144,397	107.7%	11,183	7.7%	97.7%	9,598	6.0%
Losses on Disposal of Assets	-	-	-	-		-			-	
Other Losses	66,000	-	64,799	59,940	108.1%	4,859	8.1%	98.2%	4,299	6.5%
Total Expenditure	2,782,911	259,951	2,344,192	2,540,698	92.3%	(196,506)	-7.7%	84.2%	(206,810)	-7.4%

Table 4: Table C4 Financial Performance (Expenditure)

Comparison against YTD Budget

As indicated in the Table 4 above, as at 31 May 2024 current YTD expenditure shows an unsatisfactory variance of minus 7.7%. The YTD actual amounted to R2,344,192 billion against the YTD Budget of R2,540,698 million.

- ❖ Employee related costs shows a satisfactory variance of minus 4.5%. Post-retirement benefit obligations are not factored in and will only be finalised as part of year-end procedures.
- ❖ Remuneration of councillors is showing a satisfactory variance of minus 1.5%.
- ❖ Bulk purchases – Electricity is showing a satisfactory variance of minus 8.4%. It should be noted that currently Interest on overdue accounts is included in this line item. The actual will be corrected, however the municipality did not budget for Interest on overdue accounts for bulk electricity due to municipal debt relief. An amount of R43 million has been reversed for the current year.
- ❖ The expenditure on Inventory consumed is showing an unsatisfactory variance of minus 12.4%. Expenditure for the first month of the year is normally low, due later re-opening of the financial year after year-end closure. Various commitments are raised on the system, awaiting delivery of goods and services. 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 that funds will be fully spent at year-end. The major backlog and deterioration of infrastructure and high-level of crisis management is negatively influencing this expenditure line items and sound financial management of budgets is not adequately exercised. Deviations and re-directing of funds to manage crisis's is severely and rapidly depleting the R&M budget, impeding on the funds required for day-to-day maintenance. Lack of maintenance plans and planned maintenance is impeding on the municipality's ability to maintain assets optimally. There are limited resources available with severe budgetary constraints with the current cash flow position putting major strain on the municipality's finances to actually address service delivery challenges. The municipality is obligated to ensure that tariffs are cost-reflective whilst ensuring that tariff increases are inflationary related as prescribed by NT's annual MFMA Budget circulars. This is a major impediment for the municipality to increase the R&M budget to a desired level to actually address backlogs, whilst employee costs, provision for bad debts and other expenditure is putting further strain on the budgets each year.

Table 4.1 R&M Expenditure per Directorate per inventory type							
R&M Expenditure per Directorate per Inventory type as at 31 May 2024 (Amounts in Rand)	Sum of Original Budget	Sum of Adjustment Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Original	Sum of % Spent Adj budget	% Spent compared against ideal IYM % of 91.67%
VOTE 1 - COUNCILLORS AND ADMIN	286,000	286,000	-	116,830	40.85%	40.85%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	118,000	124,000	-	62,602	53.05%	50.49%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	2,000	2,000	-	-	0.00%	0.00%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	166,000	160,000	-	54,228	32.67%	33.89%	UNSATISFACTORY
VOTE 2 - MUNICIPAL AND GENERAL	30,576,000	24,092,000	2,525,185	30,597,926	100.07%	127.00%	OVERSPENT
2320601 (INV-CONSUMABLE-SR/STATIONERY)	670,000	770,000	73,521	551,701	82.34%	71.65%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	250,000	244,000	22,503	220,111	88.04%	90.21%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	-	6,000	-	5,102	-	85.03%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	29,656,000	23,072,000	2,429,161	29,821,012	100.56%	129.25%	OVERSPENT
VOTE 3 - MUNICIPAL MANAGER	138,000	138,000	10,585	103,576	75.06%	75.06%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	120,000	122,000	10,585	91,906	76.59%	75.33%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	18,000	16,000	-	11,671	64.84%	72.94%	UNSATISFACTORY
VOTE 4 - CORPORATE SERVICES	10,645,730	2,645,730	154,419	1,898,410	17.83%	71.75%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	867,000	921,000	10,221	728,344	84.01%	79.08%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	260,000	272,000	24,054	254,785	97.99%	93.67%	SATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	340,730	595,230	45,931	559,265	164.14%	93.96%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	9,178,000	857,500	74,212	356,016	3.88%	41.52%	UNSATISFACTORY
VOTE 5 - COMMUNITY SERVICES	34,528,500	44,290,115	3,063,601	25,655,038	74.30%	57.92%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	1,008,500	1,167,800	92,341	796,435	78.97%	68.20%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	58,000	58,000	-	1,555	2.68%	2.68%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	195,000	225,000	731	194,296	99.64%	86.35%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	965,000	1,036,000	88,894	846,490	87.72%	81.71%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	7,457,000	8,443,000	724,121	7,549,306	101.24%	89.41%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	953,000	313,000	46,357	281,194	29.51%	89.84%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	23,892,000	33,047,315	2,111,158	15,985,762	66.91%	48.37%	UNSATISFACTORY
VOTE 6 - FINANCIAL SERVICES	2,399,000	2,354,000	174,307	1,647,592	68.68%	69.99%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	1,270,000	1,304,600	104,978	995,696	78.40%	76.32%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	159,000	180,650	13,142	138,879	87.35%	76.88%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	172,000	179,000	18,159	141,471	82.25%	79.03%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	798,000	689,750	38,028	371,547	46.56%	53.87%	UNSATISFACTORY
VOTE 7 - STRATEGY & ECONOMIC DEVELOPMENT	6,430,000	8,930,000	437,665	6,217,879	96.70%	69.63%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	464,000	489,820	14,629	216,602	46.68%	44.22%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	61,000	74,000	7,102	42,089	69.00%	56.88%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	362,000	367,180	39,355	340,070	93.94%	92.62%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	6,000	25,000	3,100	11,539	192.32%	46.16%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	5,537,000	7,974,000	373,479	5,607,579	101.27%	70.32%	UNSATISFACTORY
VOTE 8 - INFRASTRUCTURE SERVICES	220,896,654	254,219,654	23,002,648	201,521,703	91.23%	79.27%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	677,000	639,000	63,194	463,162	68.41%	72.48%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	2,000	2,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	13,660,000	26,650,000	1,994,722	16,767,504	122.75%	62.92%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	721,000	817,000	26,622	758,390	105.19%	92.83%	SATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	6,650,000	9,037,000	735,292	8,609,436	129.47%	95.27%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	360,000	608,000	23,301	477,417	132.62%	78.52%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	137,626,654	152,066,654	13,648,423	104,042,036	75.60%	68.42%	UNSATISFACTORY
2326600 (INVENTORY - WATER)	61,200,000	64,400,000	6,511,094	70,403,759	115.04%	109.32%	OVERSPENT
Grand Total	305,899,884	336,955,499	29,368,410	267,758,956	87.53%	79.46%	UNSATISFACTORY

Table 4.1 R&M Expenditure per Directorate per inventory type

Table 4.2 R&M Expenditure per Service per inventory type							
R&M Expenditure per Service per Inventory Type as at 31 May 2024 (Amounts in Rand)	Sum of Original Budget	Sum of Adjustment Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Original Budget	Sum of % Spent Adj Budget	% Spent compared against ideal IVM % of 91.67%
2480 - REFUSE	20,731,000	19,751,000	1,276,552	13,481,545	65.03%	68.26%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	71,000	111,000	5,067	48,882	68.85%	44.04%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	210,000	120,000	-	13,640	6.50%	11.37%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	5,000,000	5,750,000	498,828	5,304,691	106.09%	92.26%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	750,000	-	-	-	0.00%	-	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	14,700,000	13,770,000	772,656	8,114,332	55.20%	58.93%	UNSATISFACTORY
2830 - ROADS	46,038,000	42,438,000	5,070,011	39,994,845	86.87%	94.24%	SATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	50,000	60,000	3,813	59,168	118.34%	98.61%	OVERSPENT
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	54,000	64,000	281	59,958	111.03%	93.68%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	45,934,000	42,314,000	5,065,917	39,875,718	86.81%	94.24%	SATISFACTORY
2840 - HOUSING	3,497,000	3,497,000	364,897	2,405,905	68.80%	68.80%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	98,000	128,000	33,750	138,309	141.13%	108.05%	OVERSPENT
2320602 (INV-CONSUMABLE-SR/FIRST AID)	1,000	1,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	125,000	125,000	-	124,211	99.37%	99.37%	OVERSPENT
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	150,000	150,000	5,971	80,030	53.35%	53.35%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	3,123,000	3,093,000	325,176	2,063,355	66.07%	66.71%	UNSATISFACTORY
2850 - SEWERAGE	20,739,000	30,039,000	2,199,447	16,385,336	79.01%	54.55%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	45,000	45,000	8,401	26,439	58.75%	58.75%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	150,000	140,000	7,137	115,942	77.29%	82.82%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	239,000	284,000	5,809	271,659	113.66%	95.65%	SATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	1,700,000	2,654,000	187,076	2,492,124	146.60%	93.90%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	100,000	70,000	6,526	65,856	65.86%	94.08%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	18,505,000	26,846,000	1,984,497	13,413,317	72.48%	49.96%	UNSATISFACTORY
2860 - WATER	105,314,000	130,737,000	12,642,789	117,390,141	111.47%	89.79%	SATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	95,000	80,000	6,956	55,284	58.19%	69.10%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	13,510,000	26,510,000	1,987,585	16,651,562	123.25%	62.81%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	105,000	142,000	13,511	120,577	114.84%	84.91%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	1,600,000	2,228,000	215,225	2,148,421	134.28%	96.43%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	260,000	538,000	16,775	411,561	158.29%	76.50%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	28,544,000	36,839,000	3,891,643	27,598,977	96.69%	74.92%	UNSATISFACTORY
2326600 (INVENTORY - WATER)	61,200,000	64,400,000	6,511,094	70,403,759	115.04%	109.32%	OVERSPENT
2880 - ELECTRICITY	49,461,000	50,941,000	2,471,537	25,148,865	50.85%	49.37%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	194,000	184,000	4,187	81,751	42.14%	44.43%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	1,000	1,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	71,000	81,000	563	78,926	111.16%	97.44%	OVERSPENT
2323600 (INVENTORY - MATERIALS & SUPPLIES)	49,195,000	50,675,000	2,466,787	24,988,188	50.79%	49.31%	UNSATISFACTORY
Grand Total	245,780,000	277,403,000	24,025,232	214,806,637	87.40%	77.43%	UNSATISFACTORY

Table 4.2 R&M Expenditure per Service per inventory type

- ❖ Debt impairment will be provided for on a quarterly basis. The journal for the fourth quarter was processed on the financial system during May 2024.
- ❖ Depreciation was projected for on a straight-line basis but is only be provided for, as part of year-end procedures. The municipality is currently engaging our service provider to make use of the available Asset module on the financial system. A demonstration meeting was held by our service provider. This is something that will be resolved as soon as possible based on the strict recommendation from National Treasury during the 2023/24 Mid-year Engagement.
- ❖ Interest is showing an unsatisfactory variance of minus 45.4%, due to the Interest on External borrowing being paid bi-annually and the first instalment for the current financial year was paid during December 2023. The next instalment is due at end of June 2024. The interest on overdue accounts for the ESKOM bulk account is being captured on the system under Bulk purchases electricity, as there is no provision for Interest on overdue accounts. This is attributable to the fact that the municipality could not factor this cost into the electricity tariffs and expect the community to fund this and secondly, the municipality intended to apply for the municipal debt relief. Interest on overdue accounts for ESKOM was not factored into the Adjustment budget, due to the municipal debt relief. A corrective journal will be processed. Minor interest charges on overdue accounts was handled through a budget virement on the system, until it was corrected during the Adjustment budget. A formal communique must be distributed to warn users on the late submission of payments which is incurring unnecessary charges and which they may be held liable for in future. All Interest paid on overdue accounts must be recognized as Fruitless and Wasteful expenditure in the Annual Financial Statements.
- ❖ Expenditure on Contracted services is showing an unsatisfactory variance of minus 26.7%. The sub-item OS: B&A Project Management is showing an under-expenditure, possibly due to outstanding invoices. Contr: Prepaid Electricity Vendors is also showing a projected saving at year-end.
- ❖ Transfers and subsidies showing negative variance of minus 27%, due to Other grants showing minimal movement due to cash flow constraints.

- ❖ Operational cost is showing an unsatisfactory variance of 7.7% as a result of the following line items under Operational Cost (OC)
 - The municipality is offering a 10% discount on the early settlement of a consumer's municipal bill. This discount is reflected as an expense under OC: Cash Discount of R36,339 million with a zero budget, but these costs will be transferred and debited against Revenue at year-end because it is considered Revenue foregone. The prorata split is done manually between Property rates and service charges, excluding Electricity Revenue because the system cannot handle the automated split per Revenue source. This will be discussed again with our service provider.
 - Costs incurred of R10,703 million on OC: Ext Com Serv Prov - S/Ware Licences, for predominantly annual software license fees.
 - Cost incurred of R9,511 million on OC: Professional Bodies M/Ship & Subs, for predominantly annual SALGA membership fees.
 - OC: Audit Cost: External incurred of R7,831 million.
- ❖ Other Losses is showing a variance of 8.1%. Bulk purchases Water is treated in line with GRAP 12. The invoices are captured on the balance sheet under Water: Input Vol: Bulk Purchases and then journalized to the Income Statement and is simultaneously split between Water Inventory and Water losses. The corrective journal to recognise Water inventory and losses portion for the actuals for the year is fully provided for, as the billing from the Waterboard is from July to March each year. Our servitude (free water) commences from April each year.

Operating Expenditure by Type: Comparison against Adjusted Budget

Indicated in Table 4 above, is the YTD actual compared to the Adjusted Budget. The ideal In-Year-Monitoring percentage as at the end of May 2024 is 91.67%. The total operational expenditure against the Adjusted budget is 84.2% spent, resulting in an unsatisfactory variance of minus 7.4%.

- ❖ Employee related costs shows a satisfactory variance of minus 4.5%. Same factors are applicable as explained above.
- ❖ Remuneration of councillors is showing a satisfactory variance of minus 1.3%. Same factors are applicable as explained above.
- ❖ Bulk purchases – Electricity is showing a satisfactory variance of minus 7.8%. Same factors are applicable as explained above.
- ❖ The expenditure on Inventory consumed is showing a satisfactory variance of minus 12.2%. Same factors are applicable as explained above.
- ❖ Debt impairment is showing a variance of 8.3%. Debt impairment will be provided for on a quarterly basis and the journal for the fourth quarter was processed on the system during May 2024.
- ❖ Depreciation was projected for on a straight-line basis but will only be provided for, as part of year-end procedures. Same factors are applicable as explained above.
- ❖ Interest is showing an unsatisfactory variance of minus 41.8%. Same factors are applicable as explained above.
- ❖ Expenditure on Contracted services is unsatisfactory at minus 25.8%, when compared to the Adjusted budget.
- ❖ Transfers and subsidies show a satisfactory variance of minus 22.3%. Same factors are applicable as explained above.
- ❖ Operational cost is showing a satisfactory variance of 6%. Same factors are applicable as explained above.
- ❖ Other Losses is showing an unsatisfactory variance of minus 6.5%. Same factors are applicable as explained above.

Chart 2: Expenditure by Type : YTD Actual as a % of Total Expenditure as at 31 May 2024 (R'000)

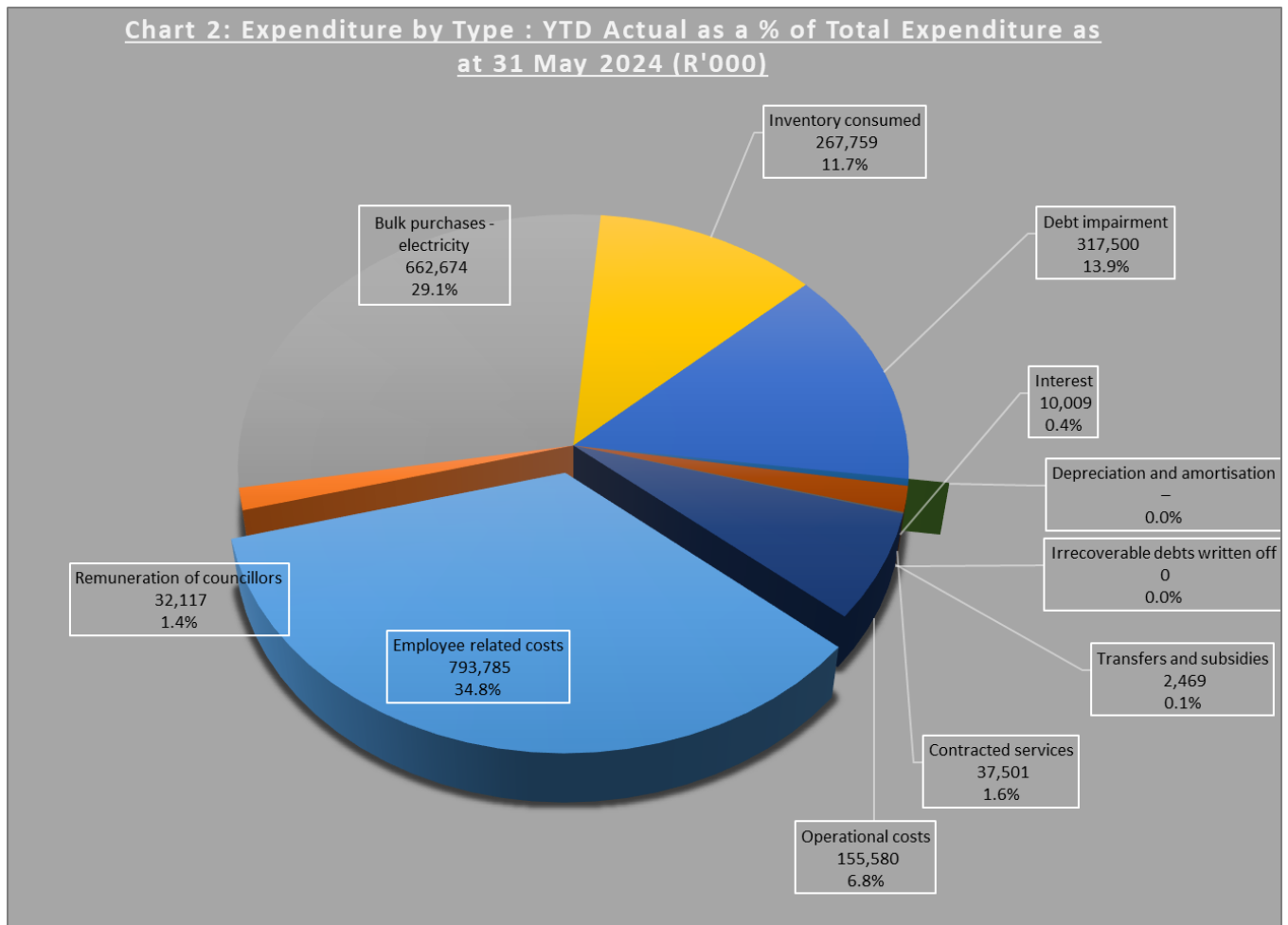


Chart 2: Expenditure by Type: YTD Actual as a percentage of Total Expenditure

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 31 May 2024. The main cost drivers of the municipality are Employee Related Costs (34.8%), Bulk Purchases – Electricity (29.1%) and Debt Impairment (13.9%) and Inventory consumed (11.7%).

It should be noted that the weighting per Expenditure type is satisfactory. percentages are slightly distorted as a result of the following:

- ❖ Employee costs, the Post-retirement benefit obligations under Employee related costs will be finalized as part of the year-end procedures.
- ❖ Depreciation is not provided for and will only be finalized at year-end.
- ❖ Interest on the long-term borrowing is paid bi-annually in December and June of each year.

Bulk Purchases: Electricity, Water inventory and Water losses

❖ Indicated in Table 5.1 below, is the YTD expenditure on Bulk Purchases: Electricity. When compared to the IYM percentage of 91.67% as at end of May 2024, Bulk Purchases Electricity is showing a fairly satisfactory variance of minus 7.79%. It should be noted that for the interim interest on overdue accounts is included under this line item, no provision was made for Interest on overdue accounts during the Adjustment budget, due to the municipality partaking in the municipal debt relief.

Description	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Adjustments Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 91.67%
BULK PURCHASES: ELECTRICITY	790,100,000	63,704,032	662,674,109	83.87%	-7.79%
Total	790,100,000	63,704,032	662,674,109	83.87%	-7.79%

Table 5.1: Summary of YTD Bulk Electricity expenditure

- ❖ Indicated in Table 5.2 below, is the Water inventory and Water losses which is showing an unsatisfactory variance of 12%, when compared to the ideal percentage of 91.67%. This will have to be investigated. During the Adjustment budget for 2021/22 and advised by NT, Bulk purchases Water was split between Inventory Water and Water losses in the Statement of Financial Performance aligned to GRAP 12. A corrective journal for the actuals pertaining to Water inventory and losses was processed on the system. The actuals were corrected, so that it aligns to the actual bulk water purchased.

Description	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Adjustments Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 91.67%
INVENTORY - WATER	64,400,000	6,511,094	70,403,759	109.32%	17.66%
NON-REVENUE WATER LOSSES	66,000,000	-	64,787,558	98.16%	6.50%
Total	130,400,000	6,511,094	135,191,316	103.7%	12.0%

Table 5.2: Summary of YTD Bulk Water expenditure

Outstanding debt: ESKOM and DWS

ESKOM - Outstanding debt (R'000)	Sum of Invoice amount	Sum of Payments (2023/24)	Sum of Interest written-off	Sum of Outstanding Balance	Sum of Arrear Debt	Sum of Interest Charges 2023/24
2021/22	523,811	-		523,811	523,811	-
Oct-21	51,028	-		51,028	51,028	-
Nov-21	50,813	-		50,813	50,813	-
Dec-21	51,379	-		51,379	51,379	-
Jan-22	53,401	-		53,401	53,401	-
Feb-22	51,445	-		51,445	51,445	-
Mar-22	54,652	-		54,652	54,652	-
Apr-22	51,835	-		51,835	51,835	-
May-22	57,826	-		57,826	57,826	-
Jun-22	101,431	-		101,431	101,431	-
2022/23	389,602	103,242	(37,482)	248,878	248,878	-
Dec-22	48,088	-		48,088	48,088	-
Jan-23	59,491	-		59,491	59,491	-
Feb-23	56,821	-	(9,504)	47,317	47,317	-
Apr-23	45,106	-	(7,923)	37,183	37,183	-
May-23	65,831	-	(9,033)	56,798	56,798	-
Jun-23	114,264	103,242	(11,022)	-	-	-
2023/24	861,435	624,527	(57,745)	179,164	112,837	67,893
Jul-23	131,032	90,062	(8,736)	32,234	32,234	8,736
Aug-23	123,594	70,000	(10,784)	42,810	42,810	10,784
Sep-23	71,421	30,000	(10,598)	30,823	30,823	10,598
Oct-23	76,317	62,679	(13,638)	-	-	13,638
Nov-23	70,580	62,348	(8,232)	(0)	(0)	8,232
Dec-23	64,311	61,246	(3,065)	-	-	3,065
Jan-24	65,735	63,044	(2,691)	0	0	2,691
Feb-24	64,371	62,479	-	1,893	1,893	1,893
Mar-24	66,311	62,973	-	3,338	3,338	3,338
Apr-24	61,436	59,697	-	1,739	1,739	1,739
May-24	66,327	-	-	66,327	-	3,178
Grand Total	1,774,848	727,769	(95,227)	951,852	885,525	67,893

Table 6.1: Summary of outstanding ESKOM debt

Indicated in Table 6.1 above, is the total outstanding debt owed to Eskom amounting to R951,852 million. It should be noted that R95,227 million interest charges were reversed, for interest charges from March 2023 to January 2024, as part of the municipal debt relief programme. The accounting treatment of this must still be done on the system. The municipality settled an amount of R59,697 million on current account excluding interest amounting to R61,436 million on 28 May 2024. The amounts paid excludes interest charges of R1,739 million that is unpaid, in line with the MFMA Circular 124, the municipality must settle billed charges including VAT. On the 24 May 2024 two instalments of the debt proposal payment agreement was paid which amounted to R13,400 million and this was allocated to the July 2023 account. The total arrear debt amounts to R885,525 million summarized as follow 2021/22 (R523,811m), 2022/23 (R248,878m) and 2023/24 (R112,837m). The total interest charged on overdue accounts from July 2023 to May 2024 amounts to R67,893 million which must be disclosed as Fruitless and Wasteful Expenditure for the year under review. The interest charges that were reversed for the 2023/24 financial year amounts to R57,745 million.

The total billed amount for the 2023/24 financial year amounts to R861,435 million. Total payments for the 2023/24 financial year amounts to R727,769 million of which R103,242 million relates to 2022/23 financial year and R624,527 million was paid for invoices for 2023/24 financial year. The current arrangement with Eskom is that the municipality must at least settle the monthly current account. There was no formal payment arrangement in place for 2022/23 financial year and the payment arrangement for the debt incurred after March 2023 was concluded on 12 June 2024, for 2023/24 financial year. The municipality has been doing well in settling the monthly current account and going forward will endeavour to pay over actual receipts from Electricity sales for the same period. The municipality especially struggles during the high months, when the Eskom bill is double that of the low months.

DWS - Outstanding debt (R'000)	Sum of Invoice amount	Sum of Payments (2023/24)	Sum of Outstanding Balance	Sum of Arrear Debt
2021/22	126,431	66,667	59,764	59,764
INTEREST (APR-JUN 2022)	6,191	–	6,191	6,191
Aug-21	15,075	15,075	–	–
Sep-21	15,795	15,795	–	–
Oct-21	15,275	15,275	–	–
Nov-21	14,523	14,523	–	–
Dec-21	11,108	6,000	5,108	5,108
Jan-22	17,098	–	17,098	17,098
Feb-22	16,437	–	16,437	16,437
Mar-22	14,930	–	14,930	14,930
2022/23	82	82	–	–
WRM LEVIES JUN 2023	82	82	–	–
2023/24	150,730	114,034	36,696	36,619
Jul-23	15,303	15,303	–	–
Aug-23	13,588	13,588	–	–
Sep-23	18,332	18,332	–	–
Oct-23	17,633	17,633	–	–
45231	17,070	17,070	–	–
45261	13,333	13,333	–	–
45292	13,333	13,333	–	–
Feb-24	36,046	–	36,046	36,046
Mar-24	5,194	5,194	–	–
202307_WRM LEVIES JUL 2023	82	82	–	–
202308_WRM LEVIES AUG 2023	82	82	–	–
202309_WRM LEVIES SEP 2023	82	82	–	–
202310_WRM LEVIES OCT 2023	82	–	82	82
202311_WRM LEVIES NOV 2023	82	–	82	82
202312_WRM LEVIES DEC 2023	82	–	82	82
202401_WRM LEVIES JAN 2024	82	–	82	82
202402_WRM LEVIES FEB 2024	82	–	82	82
202403_WRM LEVIES MAR 2024	82	–	82	82
202404_WRM LEVIES APR 2024	78	–	78	78
202405_WRM LEVIES MAY 2024	78	–	78	–
Grand Total	277,244	180,783	96,460	96,383

Table 6.2: Summary of outstanding DWS debt

Indicated in Table 6.2 above, is the total outstanding debt owed to DWS which amounts to R96,460 million. No billing was raised for April 2024, due to the servitude (free water quota) that commences from 1 April each year. The total debt also has to be concurred with the Department. The total arrear debt amounts to R96,383 million which pertains to outstanding invoices for 2021/22 financial year (R59,764m). This amount includes interest of R14,704 million which must still be written off by the Department, once all the arrear debt has been settled. All the invoices for the 2022/23 financial year, has been settled in full and for the 2023/24 financial year an amount of R36,696m is still unpaid. It should be noted that the invoices for the WRM levies for October 2023 to March 2024, was billed and backdated during March 2024 and the invoices were received on 16 May 2024.

The municipality opted to partake in the Department's Debt Incentive Scheme which constitutes of the following conditions:

- Settling 10% of the arrear debt (municipality complied)
- Settling the current account each month (municipality complied since inception of Incentive scheme but has defaulted on some months. All invoices for 2022/23 financial year have been settled in full. The biggest concern for the municipality is to settle the outstanding invoices for November 2023 and February 2024 as a matter of urgency.
- Settling the monthly debt instalment (municipality complied, but defaulted for March to June 2024, due to insufficient cash available from operations). However the municipality successfully managed to settle the July and November 2023 accounts which were in arrears for the current year.
- Repayment of debt over 12 months (municipality requested 24-month repayment period, which was approved by the Department)
- Also included in the Incentive scheme, is the writing-off of all accrued interest and suppression of interest going forward, hence no interest was charged for the prior and current financial year. The repayment proposal was approved by the Department.

Chart 2.1: Monthly payments: DWS & ESKOM: 2022/23 and 2023/24

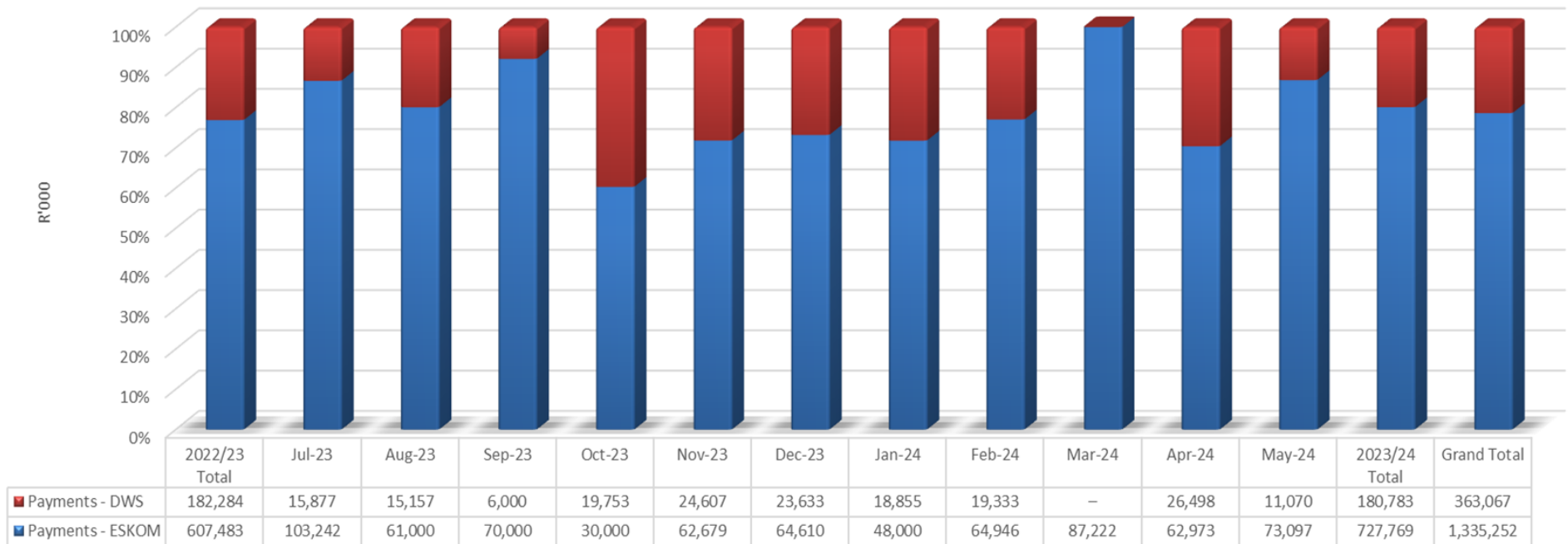


Chart 2.1: Monthly payments to DWS & ESKOM

Indicated in Chart 2.1 above, are the monthly payments made to DWS and ESKOM for 2022/23 and 2023/24 fin year as at 31 May 2024.

The total amount paid to DWS for May 2024 amounted to R11,070 million. The municipality had insufficient cash available to settle the July and November 2023 accounts, however the municipality managed to settle the July and November 2023 invoices in full. The invoice for February 2024 also remains unpaid and must be resolved as a matter of urgency. Payments for 2022/23 amounts to R182,284 million and payments for 2023/24 amounts to R180,783 million. The total payments amount to R363,067 million. The municipality has shown significant improvement over the financial year in terms of payments to DWS, with the average amount paid per month amounting to approximately R18,000 million.

The municipality settled an amount of R59,696 million on April 2024 account excluding interest amounting to R1,739 million on 28 May 2024 and on the 24 May 2024, the municipality paid two instalments of the debt proposal payment agreement which amounted to R13,400 million and this was allocated to the July 2023 account. This resulted in the total paid for May 2024 amounting to R73,097 million. The total payments made for the 2022/23 financial year amounts to R607,483 million and for 2023/24 financial year the payments amount to R727,769 million, resulting in the total payments for both periods amounting to R1,335,252 billion. The municipality has been improving on payments made to Eskom from November 2023 to date. The high months remains a major concern.

FIN YEAR PER PAYMENT DATE	Sum of VOTE AMOUNT
2022/23	R 607,483,087.93
2023/24	R 727,768,534.19
20230801	R 103,241,512.23
20230830	R 61,000,000.00
20230928	R 35,000,000.00
20230929	R 35,000,000.00
20231031	R 30,000,000.00
20231130	R 62,678,528.38
20231220	R 2,262,000.00
20231228	R 62,347,938.72
20240130	R 48,000,000.00
20240209	R 13,246,492.61
20240219	R 6,700,000.00
20240228	R 45,000,000.00
20240304	R 18,043,546.82
20240319	R 6,700,000.00
20240328	R 62,478,598.42
20240426	R 62,972,969.32
20240524	R 13,400,000.00
20240528	R 59,696,947.69
Grand Total ESKOM	R 1,335,251,622.12

FIN YEAR PER PAYMENT DATE	Sum of VOTE AMOUNT
2022/23	R 182,284,059.00
2023/24	R 180,783,406.00
20230727	R 82,471.24
20230712	R 15,794,682.80
20230804	R 15,074,754.70
20230830	R 82,471.24
20230914	R 6,000,000.00
20231003	R 13,588,064.81
20231005	R 82,471.24
20231027	R 82,471.24
20231018	R 6,000,000.00
20231106	R 6,275,086.61
20231114	R 18,331,770.78
20231208	R 6,000,000.00
20231212	R 17,633,270.36
20240105	R 5,522,530.48
20240130	R 13,332,894.88
20240212	R 6,000,000.00
20240301	R 13,332,894.88
20240412	R 21,303,350.74
20240429	R 5,194,304.19
20240514	R 11,069,915.81
Grand Total DWS	R 363,067,465.00

Table 6.3: Summary of payments per payment date

Indicated in tables 6.3 above, are the payments to ESKOM and DWS per financial year and per payment date, which corresponds to Chart 2.1 above. On 28 May 2024, the municipality settled an amount of R59,696 million to ESKOM for the April 2024 account. On the 24 May 2024 two instalments of the debt payment was paid which amounted to R13,400 million and this was allocated to the July 2023 account. On 14 May 2024 the municipality settled an amount of R11,070 million to DWS, as final payment on the November 2023 account.

Chart 2.2: Monthly & YTD comparison of Bulk Electricity and Water debt - Jun 2023 to May 2024

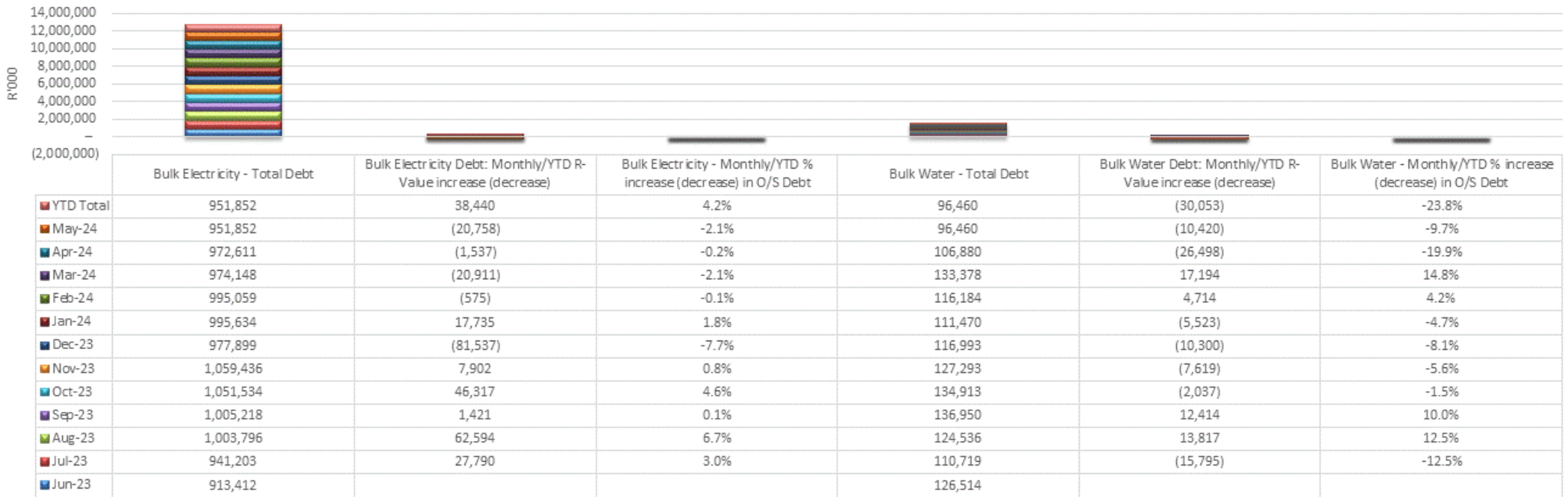


Chart 2.2: Monthly & YTD comparison – Bulk Electricity & Water debt

Indicated in Chart 2.1 above, is the monthly and YTD comparison of Bulk electricity and Water debt.

ESKOM - From April to May 2024, debt owed to ESKOM decreased by R20,758 million or minus 2.1%, from R972,611 million to R951,852 million. When comparing the total outstanding debt to June 2023, the outstanding debt increased by R38,440 million or 4.2%, from R913,412 million to R951,852 million. The total amount that was subject to the payment arrangement was R163,062 million for debt that accrued after March 2023. To date the municipality settled an amount of R29,062 million with the total current outstanding balance amounting to R134,000 million.

DWS - From April to May 2024, debt owed to DWS decreased by R10,420 million or minus 9.7%, from R106,880 million to R96,460 million. When comparing the total outstanding debt to June 2023, the outstanding debt decreased by R30,053 million or minus 23.8% from R126,514 million to R96,460 million. The municipality has made significant strides in reducing the debt owed to DWS. The total debt amounted to R174,076 million, whilst the municipality settled an amount of R114,327 million resulting in an outstanding balance of R59,764 million. An amount of R14,704 million for interest incurred must still be written-off, resulting in a net outstanding balance of R45,061 million on the payment arrangement.

4.3 Capital expenditure

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure - May 2024										
Capital expenditure	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjusted Budget Variance	Adjusted Budget Variance IYM % - 91.67%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Capital expenditure	216,739	26,340	126,389	209,769	60.25%	(83,381)	-39.7%	58.3%	(72,289)	-33.4%
Funded by										
Capital transfers recognised	161,349	23,643	111,942	161,346	69.38%	(49,404)	-30.6%	69.4%	(35,962)	-22.3%
Internally generated funds	55,390	2,697	14,447	48,423	29.8%	(33,976)	-70.2%	26.1%	(36,327)	-65.6%
Weighting Capital transfer recognised	74.4%	89.8%	88.6%	76.9%						
Weighting Internally generated funds	25.6%	10.2%	11.4%	23.1%						

Table 7: High level summary: Capital Expenditure

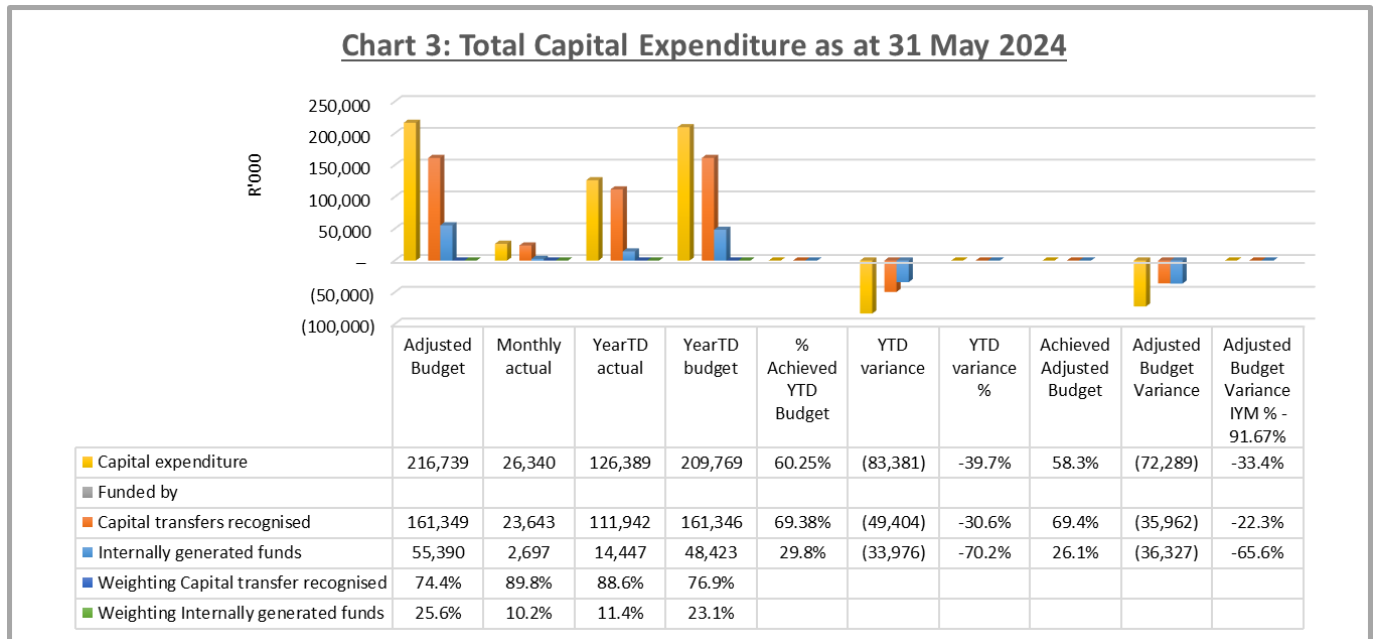


Chart 3: Total Capital expenditure

As indicated in the Table 7 and Chart 3 above, the YTD Actual on capital expenditure as at end of May 2024 amounted to R126,389 million and 60.25% spent when compared to the YTD budget of R209,769 million and 58.3% spent when compared to the Adjusted Budget of R216,739 million. The total YTD capex is funded from Capital grants R111,942 million (88.6%) and Internally generated funds R14,447 million (11.4%). Capex is extremely low and major intervention is required for the financial year. 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.

4.4 Cash flows

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

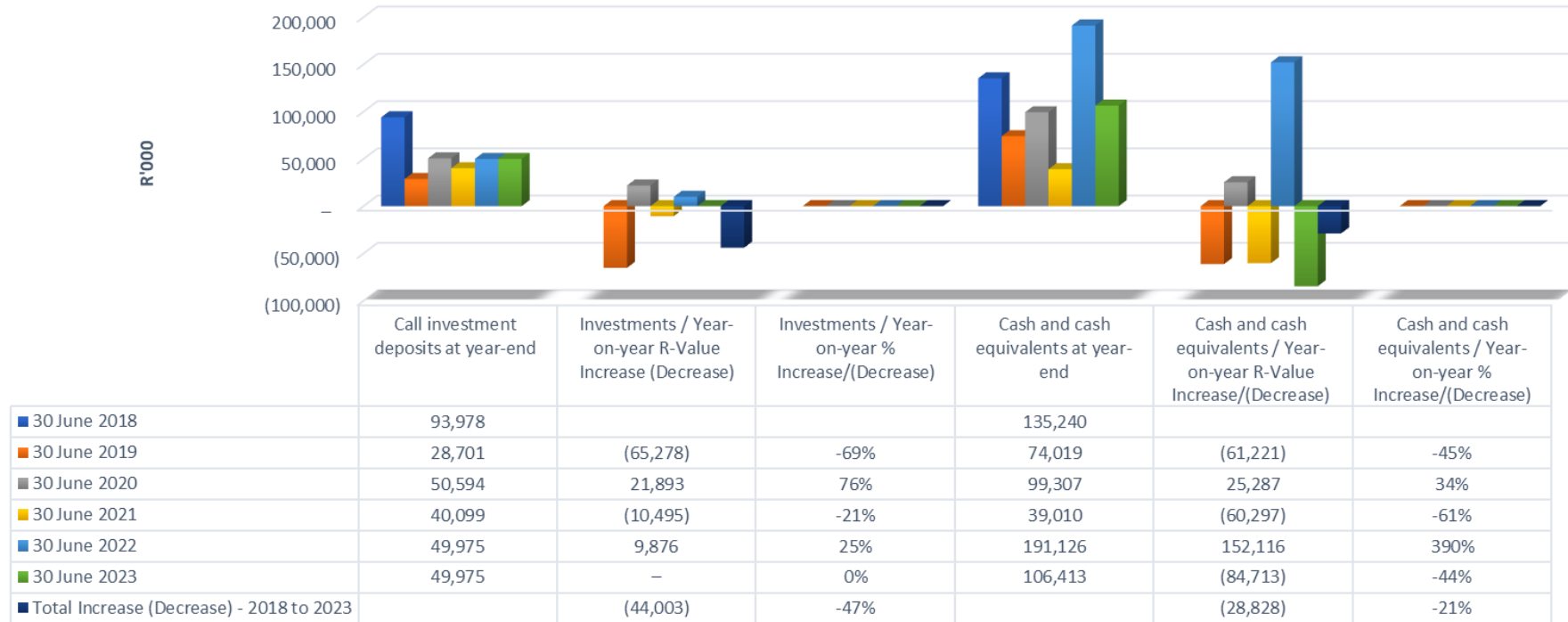


Chart 4: Call investment deposits and Cash & cash equivalents at year-end

Investments decreased by 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. Investments increased by R9,876 million or 25% from 2021 to 2022. The total investment remained the same from 2022 to 2023. From 2018 to 2023, the total investments decreased by R44,003 million or 47%. The same trend can be seen year-on-year, as indicated in the chart above in respect of the Cash and cash equivalents. There has been a substantial increase in the Cash and Cash equivalents for the year ended 30 June 2022, due to portion of the Equitable Share that was held as reserve, to avert a crisis situation, where the municipality cannot pay salaries. 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.

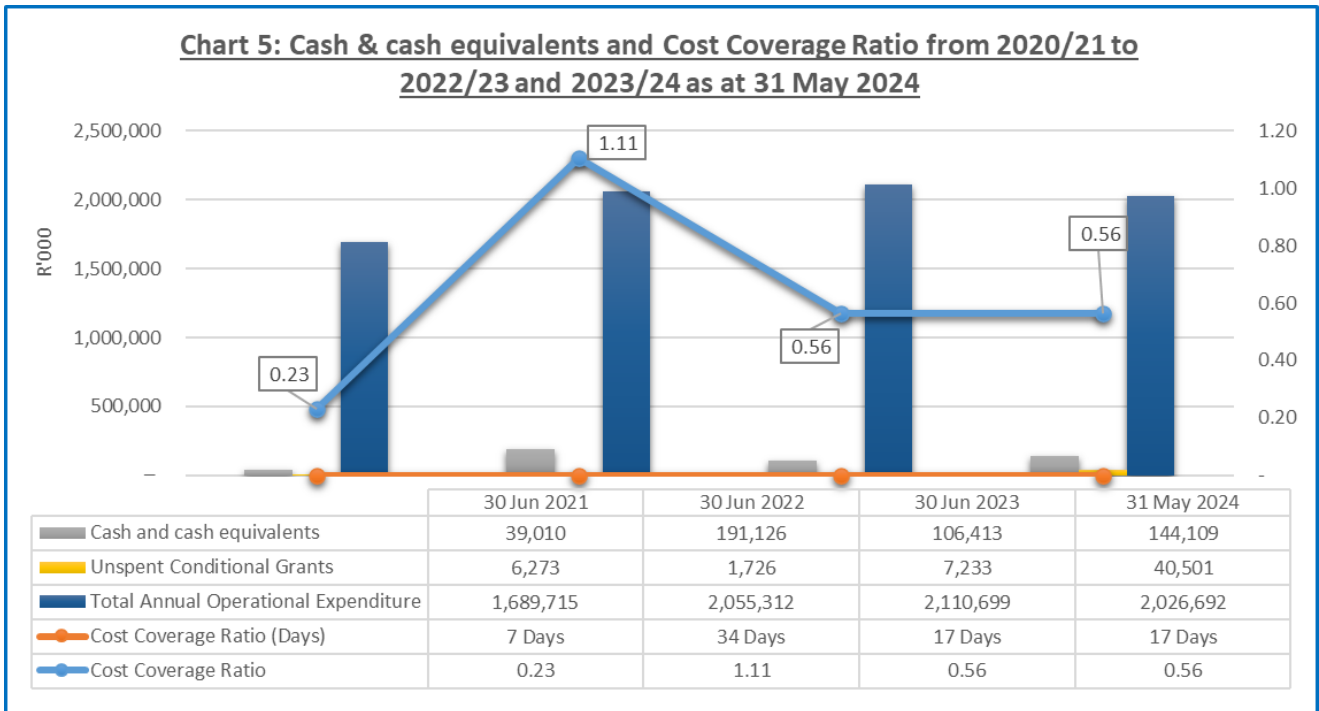


Chart 5: Cash & cash equivalents and Cost coverage ratio

Indicated in Chart 5 above, is the Cost coverage ratio, number of days coverage and the Cash and cash equivalents for the year. The required NT norm is 3 months Cost coverage. The audited outcome for the year ended 30 June 2021 is (0.23; 7 days; R39,010m). There was a marginal improvement for the year ended 30 June 2022 (1.11; 34 days; R191,126m), but this was as a result of increased Cash and cash equivalents, which was predominantly Equitable share funds that the municipality was saving to build up some kind of reserve. The audited outcomes for the year ended 30 June 2023 is (0.56; 17 days; R106,413m). The Cost coverage ratio as at 31 May 2024 is calculated at (0.56; 17 days; R144,109m).

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. This is also evident by the escalation in debt owed to Eskom and DWS. However, as a result of the debt agreement with DWS and the Incentive initiated by the Department, the municipality has made significant strides in reducing the arrear debt and settling all invoices for the 2022/23 financial year in full.

The only way to address these issues, is to work as a collective team, enforce accountability within all departments and to collect outstanding debt and improve the collection rate. Therefore, the municipality must apply the Credit Control Policy diligently, consistently and fairly to ensure the credibility of the municipality. During the 2022/23 Mid-year engagement, National Treasury recommended that the Credit Control and Debt Collection Policy must be 100% applied. Generally, the payment culture of all consumers and stakeholders must improve. The municipality also needs to spend funds effectively and efficiently with good value for money. Cost containment measures must be stringently applied.

5. In-year budget statement tables

The financial results for the period under review is included in Annexure A, consisting of the following C-schedule tables.

- (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

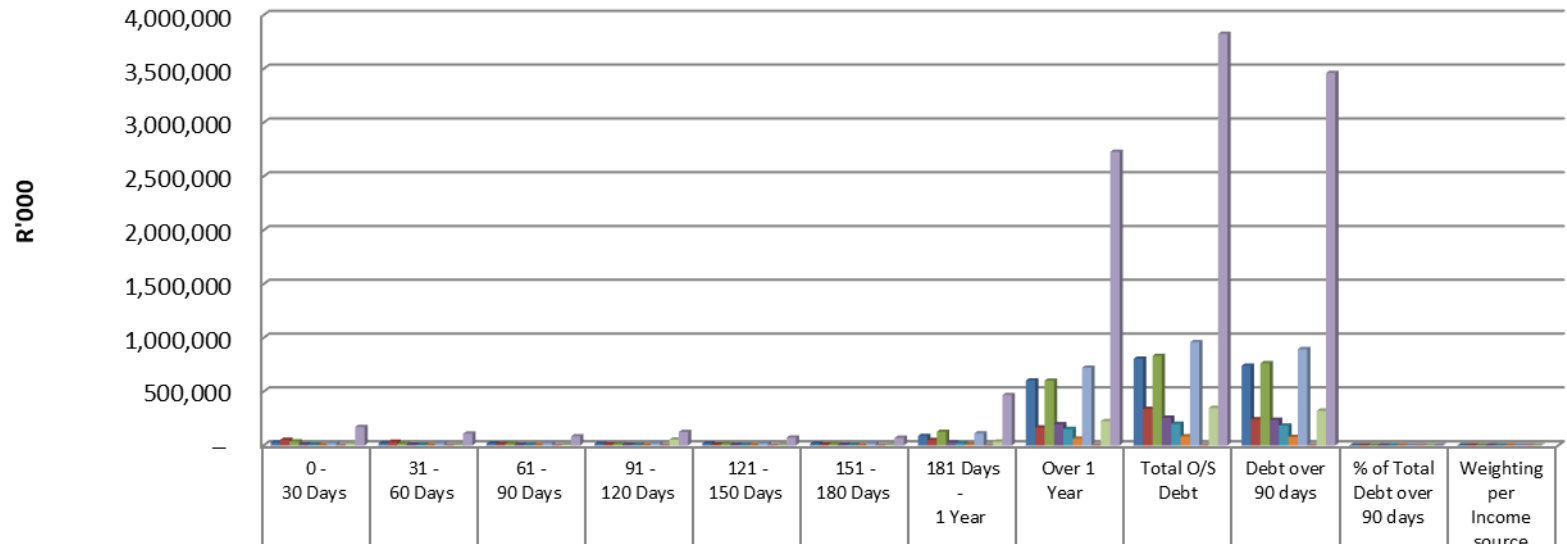
6. Debtors' Analysis

NC091 Sol Plaatje - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description	NT Code	Budget Year 2023/24										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	27,367	20,707	17,963	15,664	18,212	16,196	87,109	602,453	805,671	739,634	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	51,115	33,205	13,330	10,162	8,158	7,609	49,705	166,177	339,460	241,811	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	36,536	16,141	14,830	12,666	12,124	11,339	126,094	601,550	831,280	763,774	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	8,396	5,835	5,437	5,112	4,970	4,860	26,944	195,997	257,552	237,884	-	-	
Receivables from Exchange Transactions - Waste Management	1600	6,979	4,616	4,209	3,960	3,846	3,921	20,757	151,961	200,249	184,446	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	1,909	2,317	1,718	1,713	1,713	1,712	10,010	62,273	83,364	77,420	-	-	
Interest on Arrear Debtor Accounts	1810	21,760	21,781	21,035	20,689	20,684	20,304	111,044	721,233	958,529	893,954	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-	-	-	
Other	1900	16,182	4,596	5,670	53,947	2,829	4,003	35,123	226,023	348,375	321,926	-	-	
Total By Income Source	2000	170,243	109,199	84,191	123,914	72,536	69,944	466,786	2,727,668	3,824,481	3,460,849	-	-	
2022/23 - totals only		#####	83128792	73199346	63775129	63105466	70854304	#####	#####	3,345,625	2,931,878	0	0	
Debtors Age Analysis By Customer Group														
Organs of State	2200	28,650	17,490	11,260	8,883	8,417	7,923	106,316	558,240	747,180	689,780	-	-	
Commercial	2300	62,612	33,239	19,727	16,034	13,872	13,293	74,257	406,132	639,166	523,588	-	-	
Households	2400	76,704	56,602	51,632	96,724	48,707	46,968	277,857	1,701,058	2,356,253	2,171,315	-	-	
Other	2500	2,276	1,868	1,573	2,272	1,540	1,761	8,355	62,238	81,882	76,166	-	-	
Total By Customer Group	2600	170,243	109,199	84,191	123,914	72,536	69,944	466,786	2,727,668	3,824,481	3,460,849	-	-	

Table 8: Supporting Table SC3: Aged Debtors

Chart 6.1: Debtor's Age Analysis by Income Source as at 31 May 2024



	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 O/S Debt	Debt over 90 days	% of Total Debt over 90 days	Weighting per Income source
Trade and Other Receivables from Exchange Transactions - Water	27,367	20,707	17,963	15,664	18,212	16,196	87,109	602,453	805,671	739,634	92%	21%
Trade and Other Receivables from Exchange Transactions - Electricity	51,115	33,205	13,330	10,162	8,158	7,609	49,705	166,177	339,460	241,811	71%	9%
Receivables from Non-exchange Transactions - Property Rates	36,536	16,141	14,830	12,666	12,124	11,339	126,094	601,550	831,280	763,774	92%	22%
Receivables from Exchange Transactions - Waste Water Management	8,396	5,835	5,437	5,112	4,970	4,860	26,944	195,997	257,552	237,884	92%	7%
Receivables from Exchange Transactions - Waste Management	6,979	4,616	4,209	3,960	3,846	3,921	20,757	151,961	200,249	184,446	92%	5%
Receivables from Exchange Transactions - Property Rental Debtors	1,909	2,317	1,718	1,713	1,713	1,712	10,010	62,273	83,364	77,420	93%	2%
Interest on Arrear Debtor Accounts	21,760	21,781	21,035	20,689	20,684	20,304	111,044	721,233	958,529	893,954	93%	25%
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	–	–	–	–	–	–	–	–	–	–	0%	0%
Other	16,182	4,596	5,670	53,947	2,829	4,003	35,123	226,023	348,375	321,926	92%	9%
Total By Income Source	170,243	109,199	84,191	123,914	72,536	69,944	466,786	2,727,668	3,824,481	3,460,849	90%	

Chart 6.1: Debtor's age analysis by Income Source

Indicated in Table 8 and Chart 6.1 above is the total outstanding debt by Income Source, including the debt over 90 days, the percentage of total Debt over 90 days and percentage weighting. The total O/S Debt amounts to R3,824,481 billion as at the end of May 2024 with the bulk of SPM's debt is aged over 90 days with an overall weighting of 90%.

The highest percentage weighting of debt owed by Income Source, over 90 days is attributable to:

- ❖ Interest on Arrear Debtor Accounts at 93%
- ❖ Receivables from Exchange Transactions - Property Rental Debtors at 93%
- ❖ Receivables from Non-Exchange Transactions – Property Rates at 92%
- ❖ Receivables from Exchange Transactions - Waste Water Management and Waste Management at 92%, respectively.

The highest percentage weighting of debt owed by Income Source is attributable to:

- ❖ Receivables from Non-exchange Transactions - Property Rates at 22%
- ❖ Interest on Arrear Debtor Accounts 25%, and
- ❖ Trade and Other Receivables from Exchange Transactions – Water at 21%

Chart 6.2: Debtor's Age Analysis per Customer Group as at 31 May 2024

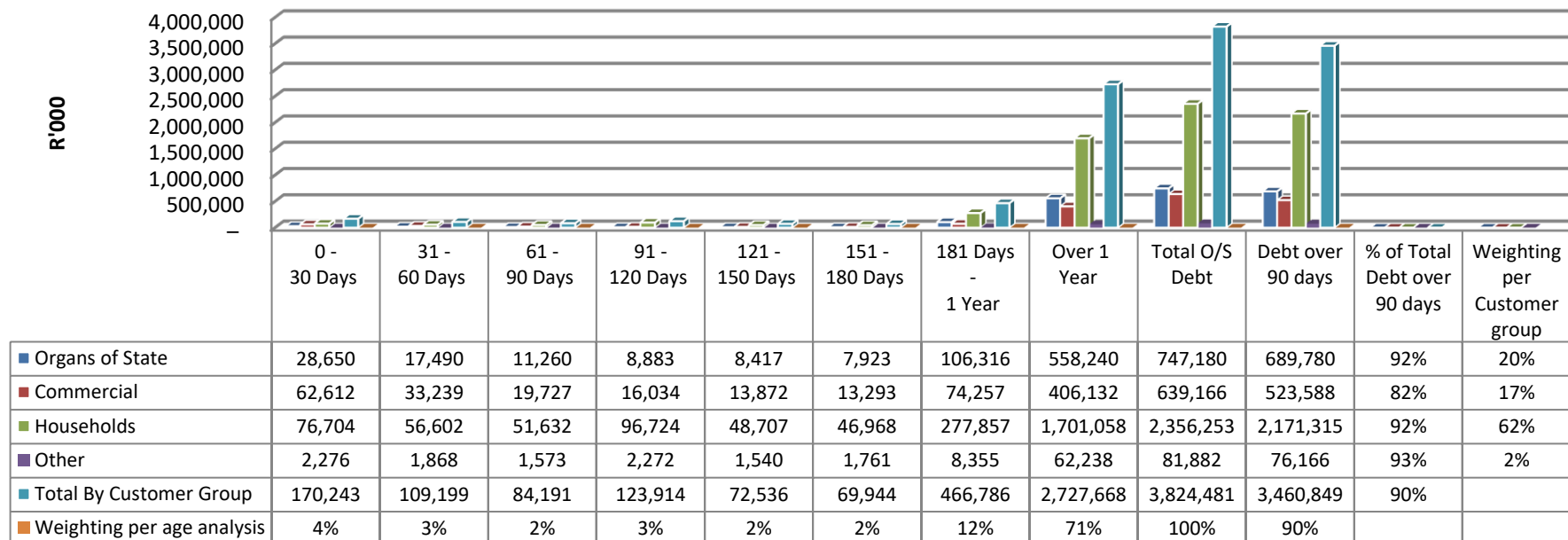


Chart 6.2: Debtor's age analysis by Customer Group

Indicated in Table 8 and Chart 6.2 above is the total outstanding debt by Customer Group, including the debt over 90 days, the percentage of total Debt over 90 days and percentage weighting.

The percentage weighting of debt owed by Customer Group, over 90 days is:

- ❖ Organs of State at 92%; Commercial at 82%; Households at 92% and Other at 93%.

The percentage weighting of debt owed by Customer Group is attributable to:

- ❖ Organs of state at 20%, total debt outstanding is R747,180 million
- ❖ Businesses at 17%, total debt outstanding is R639,166 million
- ❖ Households at 62%, total debt outstanding is R2,356,253 billion
- ❖ Other at 2%, total debt outstanding is R81,882 million.

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. 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 payment culture of consumers needs to improve across all areas. Articulated in the paragraph below under "Revenue Management" is a detailed plan with interventions and improvements.

Revenue Management: Activities for the month of April 2024

The previous month was relatively difficult with regards to meeting our collection targets as we had to balance between providing services to our Customers and effecting credit control process, due to the upcoming elections. Disconnections were focused more on business and Government Departments.

We are aiming to implement full credit control processes in the coming months in order to improve our cashflow and collection rate. This includes disconnection/blocking of electricity of all owing Customers groups, putting formal arrangements for Customers in place, implementation of partial blocking (to take effect from Monday, 1 July 2024) and finalization of the Provision of Debt Collection Services tender.

We are working on an effective follow up system with regards to Customers that have made monthly arrangements on their accounts and are not honouring same. Customers are called on a weekly basis until they come in to make payment, this is additional to the disconnection notices and smses that are sent to the Customers on a monthly basis. We continue to monitor the payment habits of the Customers whose accounts were cleared during the Debt Relief Payment to ensure that they make monthly payments on their accounts. All Customers are encouraged to make monthly payments and make arrangements, through the public campaigns.

Macrocomm is currently in the process of correcting the accounts of a number of our large power users, Customers are making payments on reconstructed amounts.

We are meeting with the top 100 Debtors of the Municipality, dealing with their disputes, negotiating settlement amounts that will benefit the Municipality. The Provision of Debt Collection Services Tender has been advertised on 26 April 2024 and closes on 27 May 2024. The introduction of legal collections will greatly assist with the collection of the monies owed to the Municipality.

We are receiving monthly payments from our Government Customers and are holding meetings with the Departments in order to obtain the monies that are owed to the Municipality. The receipts for May 2024 were R23,273,850.43 as compared to the R24,060,235.76 that was paid for the

month of April 2024. The Department of Public Works have not made their payments as they usually do, we have followed up with them and they will make payment shortly. The Department of Transport has been disconnected due to non-payment, we have given the Department several opportunities to make the required payment.

GOVERNMENT DEBT	
DEPARTMENTS	RECEIPTS MAY 2024
NATIONAL PUBLIC WORKS	R5,475,215.22
PROVINCIAL PUBLIC WORKS	FOLLOW UP
DEPARTMENTS OF HEALTH	R5,382,969.95
SOCIAL DEVELOPMENT	R572,337.78
ECONOMIC DEV & TOURISM	R423,518.82
COGHSTA/ HOUSING	R142,143.71
PROVINCIAL LEGISLATURE	R36,095.88
CORRECTIONAL SERVICE	R3,929,181.71
NATIONAL DEFENCE FORCE	R3,636,077.13
AGRICULTURE	R67,667.30
EDUCATION	R254,543.90
SPORTS, ARTS & CULTURE	R182,448.43
TRANSPORT	DISCONNECTED
DE BEERS	R1,178,631.27
TELKOM	R820,499.12
ESKOM	R34,078.83
TRANSNET	R5,268.67
SCHOOLS	R1,133,172.71
TOTAL	R23,273,850.43

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 89% to 90% for the month under review. Debt over 90 days increased by R60,704 million in respect of the month-to-month comparison. The month-to-month increase on Total debt amounted to R6,998 million. It is concerning that total debt over 90 days is hovering at an average of 89 percent. During the 2023/24 MTREF Budget Benchmark exercise NT also encouraged the municipality, to explore all avenues to recoup long outstanding debt, to improve on financial liquidity and to improve the collection rate to at least 89% to be realistically funded from a cash perspective.

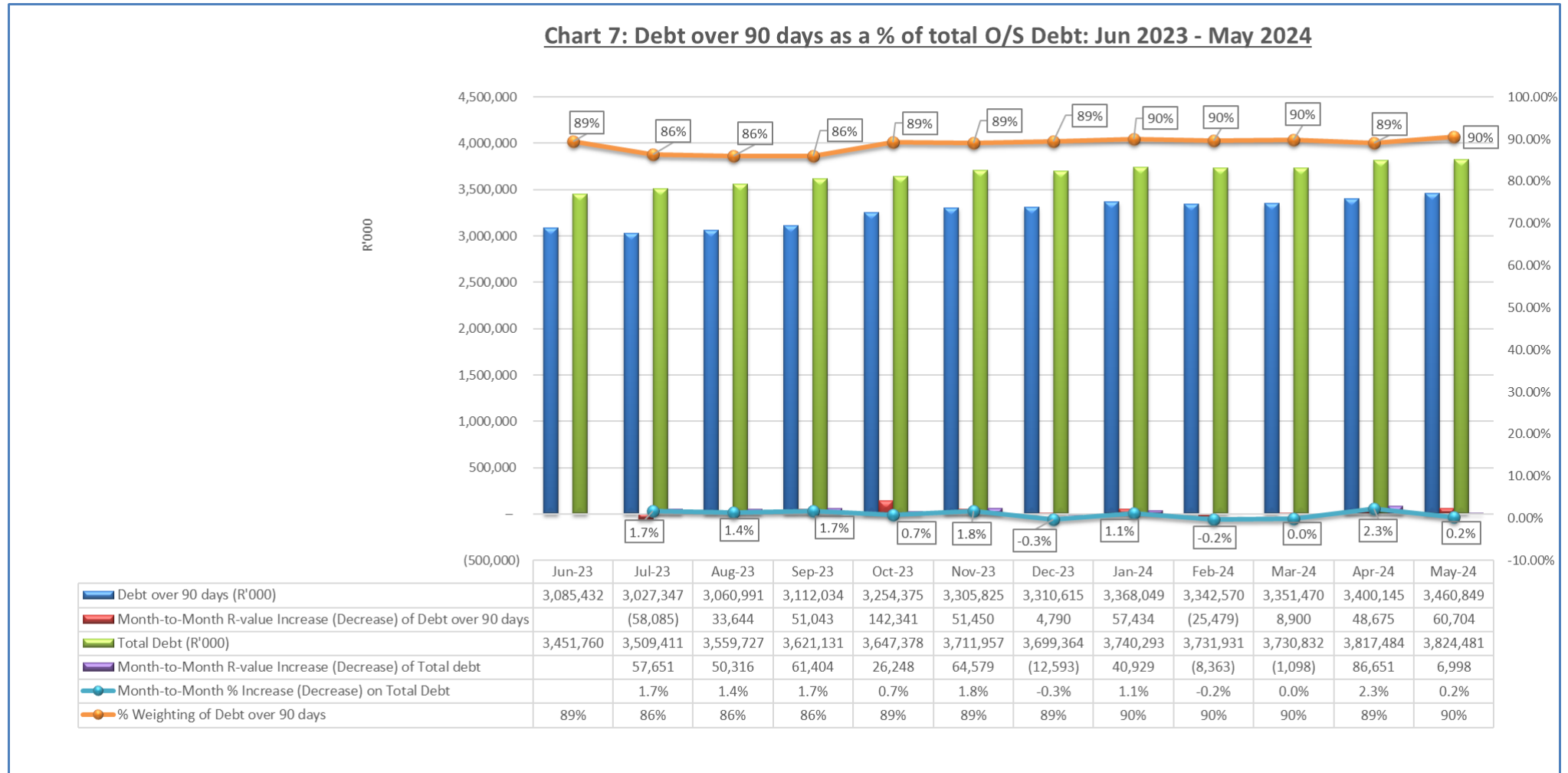


Chart 7: Debt over 90 days as a percentage of Total O/S Debt

- There is an error on the C-schedules, supporting schedule SC3 – Aged Debtors for the audited outcome for 2022/23. This error affected Chart C3 Aged Consumer Debtors Analysis. The problem has been resolved by our financial system provider (BCX). However, the totals are for April 2023, this will have to be confirmed with NT, if it for the same period of the prior year or the audited outcomes that are required. The error on Chart C4 Consumer Debtors (total by Debtor Customer Category) must be communicated to NT as the 2022/23 audited actuals is not aligned to the AFS and is based on an erroneous formula which the municipality is strictly prohibited from fixing manually. The C-schedule for this reason, is completely password protected. The corrected charts are indicated below.

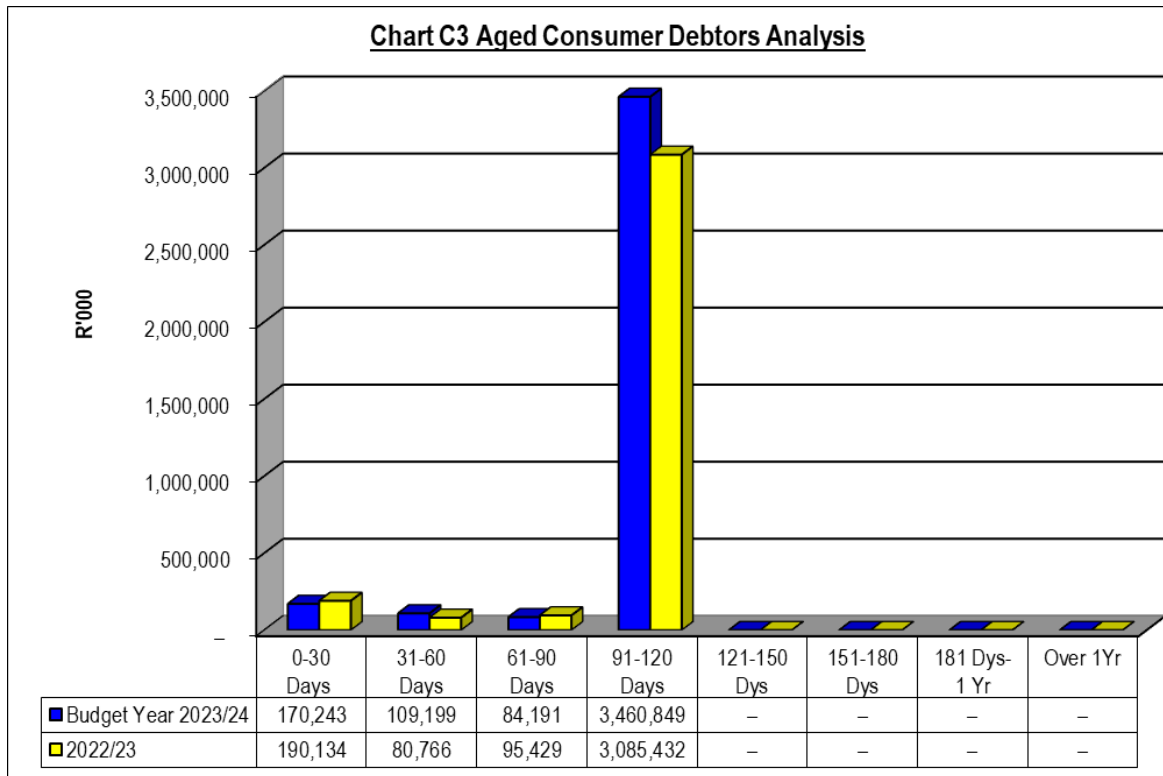


Chart 8: Aged Consumer Debtor Analysis

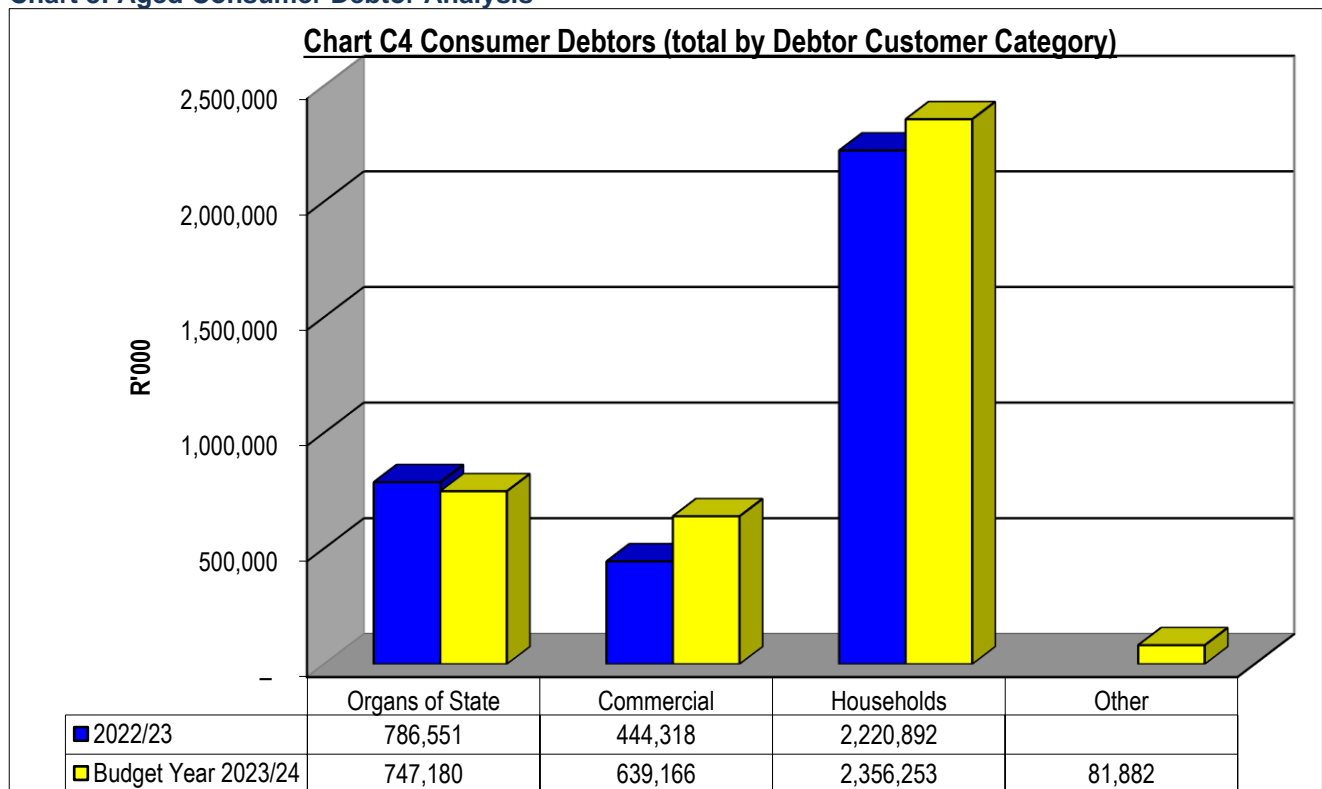


Chart 9: Consumer Debtors (total by Debtor Customer Category)

Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: May 2024

During the Mid-year Budget Assessment for the 2021/22 financial year and indicated below are the Revenue enhancement strategies that can be implemented to ensure the completeness of Revenue, improve the collection rate, enhance customer relations and reduce losses

- Disconnection of consumers to be applied consistently and fairly in line with the Credit Control Policy
- Engagements with provincial government to collect outstanding debt.
- Data cleansing of the entire debtor's book
- Data cleansing to positively influence the reachability of consumers and assist tremendously in the electronic distribution of municipal accounts via short messaging services (sms) and e-mail.
- Improve in the accuracy of monthly billing.
- Ensure meters are read consistently and timeously.
- Significantly reduce interim readings and ultimately eliminate interim readings.
- Reduce material billing errors by thoroughly interrogating billing exception reports prior to final billing run.
- Enhance customer relations and consumer satisfaction by improving on the turnaround time when dealing with billing queries.
- Introduce electronic complaints management system/register for account queries.
- Ensure faulty and bypassed electricity meters are replaced.
- Ensure that stuck, leaking, faulty or damaged water meters are replaced.
- Do regular follow-ups on meter replacements.
- Accurately update the system with latest information
- Reduce the turnaround time for installation of replacement or new meters.
- Ensure improved synergy and improved communication between internal department like Town Planning, Infrastructure, GIS and Billing
- Interrogate billing and prepaid electricity reports on a monthly basis and take immediate remedial action to address anomalies or discrepancies.
- Ensure that all billable properties are billed for Property rates and services.
- Ensure that customers are billed at the correct approved tariff by linking each customer to the correct tariff code loaded on the system.
- Reduce Electricity and Water losses.
- Finalise the Riverton reclamation dam to reduce water losses at the Plant by at least 6%
- Introduce automated metering for bulk consumers.
- Electricity Cost of Supply Study was finalised
- Ensure qualifying indigents are registered on the system, immediately upon verification.
- Improve on indigent management in terms of consumption and ensure prepaid electricity meters are installed immediately for all approved indigents.
- Improve on service delivery and personnel performance, to enhance customer's willingness to pay.
- Reduce or curb unnecessary expenditure by diligently applying cost containment measures.
- Prioritisation of spending
- Improve on routine maintenance on particularly revenue generating assets.
- Spend funds effectively with good value for money.

Revised collection rate

As per Table 9 below, when taking into consideration what was billed in April 2024 and received in May 2024, the monthly collection rate is 105%, for Property Rates and Service charges only. When including Other billing and receipts, the monthly collection rate is 95%. It should be noted that receipts are aligned to the billing cycle which is normally from the 26th of the prior month to the 25th of the current month. The monthly collection rate is satisfactory for the month under review. Unallocated receipts amounted to R18,783 million and will be allocated during May 2024. Indicated in Table 10 below is the revised average collection rate of 85.2%, for Property rates and Service charges only. The average collection rate when taking into consideration on the annual billing on Property rates and Other was calculated at 77.3%. The lower collection rate is not an ideal situation and is having a dire impact on the cash flow of the municipality. The current status quo cannot continue, and drastic action will have to be taken to address this critical issue.

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 May to 31 May 2024. Unallocated credits are obtained from the cashbook. Government in particular and businesses/households that opt to get billed annually, had until the end of September 2023 to settle their outstanding accounts.

Monthly Collection Rate	Debits (Billed April 2024)	Credits (Received May 2024)	% Collected
PROPERTY RATES	45,010,074	48,313,077	107%
ELECTRICITY	45,338,897	65,796,334	145%
WATER	22,168,357	14,660,943	66%
SEWERAGE	9,774,094	3,977,733	41%
REFUSE	7,943,643	3,589,617	45%
PROPERTY RATES & SERVICES	130,235,065	136,337,705	105%
OTHER	25,798,768	11,226,808	44%
TOTAL	156,033,833	147,564,512	95%

Table 9: Monthly collection rate

REVENUE BY SOURCE	YTD ACTUAL MAY 2024		YTD RECEIPTS	Rate	
PROPERTY RATES	R	635,800,548	R	489,424,715	77.0%
SERVICE CHARGE ELECTRICITY	R	446,681,435	R	497,625,127	111.4%
SERVICE CHARGE ELECTRICITY - PREPAIDS	R	284,589,495	R	284,589,495	100.0%
SERVICE CHARGE WATER	R	263,508,341	R	153,011,186	58.1%
SERVICE CHARGE SANITATION	R	88,614,558	R	43,832,073	49.5%
SERVICE CHARGE REFUSE	R	70,881,593	R	37,992,240	53.6%
UNALLOCATED CREDITS			R	18,783,195	
REVISED AVERAGE COLLECTION RATE - MAY 2024	R	1,790,075,970	R	1,525,258,030	85.2%
REVISED AVERAGE COLLECTION RATE - MAY 2024		1,790,075,969.71		1,525,258,030.19	85.2%
LESS ANNUAL BILLING ON PROPERTY RATES	R	-141,456,341.14		-123,473,110.67	87.3%
INCLUDING OTHER	R	336,214,491	R	131,535,242	39.1%
REVISED AVERAGE COLLECTION RATE LESS ANNUAL BILLING AND INCLUDING OTHER	R	1,984,834,119.09	R	1,533,320,161.34	77.3%

Table 10: Revised Average collection rate

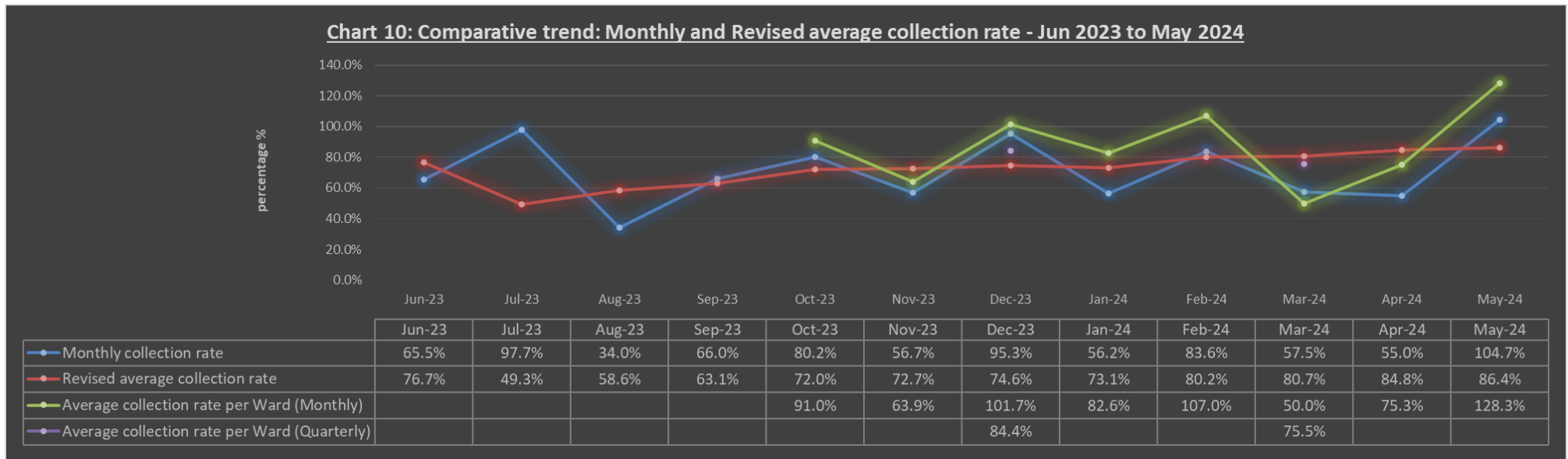


Chart 10: Comparative trend: Monthly and Revised average collection rate

Indicated in Chart 10 above, is the comparative trend between the monthly and average collection rate from June 2023 to May 2024. The monthly collection rate for August 2023 and the revised average collection for July 2023, is low due to the annual billing of Property rates. It should be noted that the monthly collection rate takes into account what was billed in the previous month and received in the current month. The receipts are also based on the billing cycle, which will normally be from 26th of the previous month to 25th of the current month. The monthly collection rate also excludes Prepaid electricity sales and Other billing. It should be noted from June 2023 to January 2024, Other was included in the calculation but from February 2024 onwards, the collection rate is based on the receipts versus billing for Property Rates and Service charges only. The lower collection levels are not ideal because on a monthly basis, the municipality is not receiving enough cash to cover its short-term commitments. For the municipal debt relief, the municipality is also expected to report the average collection rate per ward which includes receipts from Property Rates, Services and Interest. The monthly collection rate per ward was 128.3% for the month under review. The billing for Electricity was high for the month of March 2024, due to a billing correction. However this billing was reversed again during April and May, reducing the YTD billed actual and distorting the collection rate. It should be noted that an amount of R18,783 million was unallocated at month-end.

During the 2023/24 MTREF Benchmark engagement, NT advised that the municipality, “must make an effort to collect long outstanding debtors and strive to push collection rate beyond 89% so that we are able to make a surplus on the cash flow which will enable the municipality to cover all the proposed expenditures including bulk purchases for Eskom and Water Board. As things stand, if you look at the cash flow, it shows that the municipality will collect less revenue than the proposed expenditure, however, the budget on A8 remains funded because of huge outstanding debtors that the municipality is still anticipating to collect, hence our plea for the municipality to collect those long outstanding debtors not written off.”

Chart 11.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity from Jun 2023 to May 2024

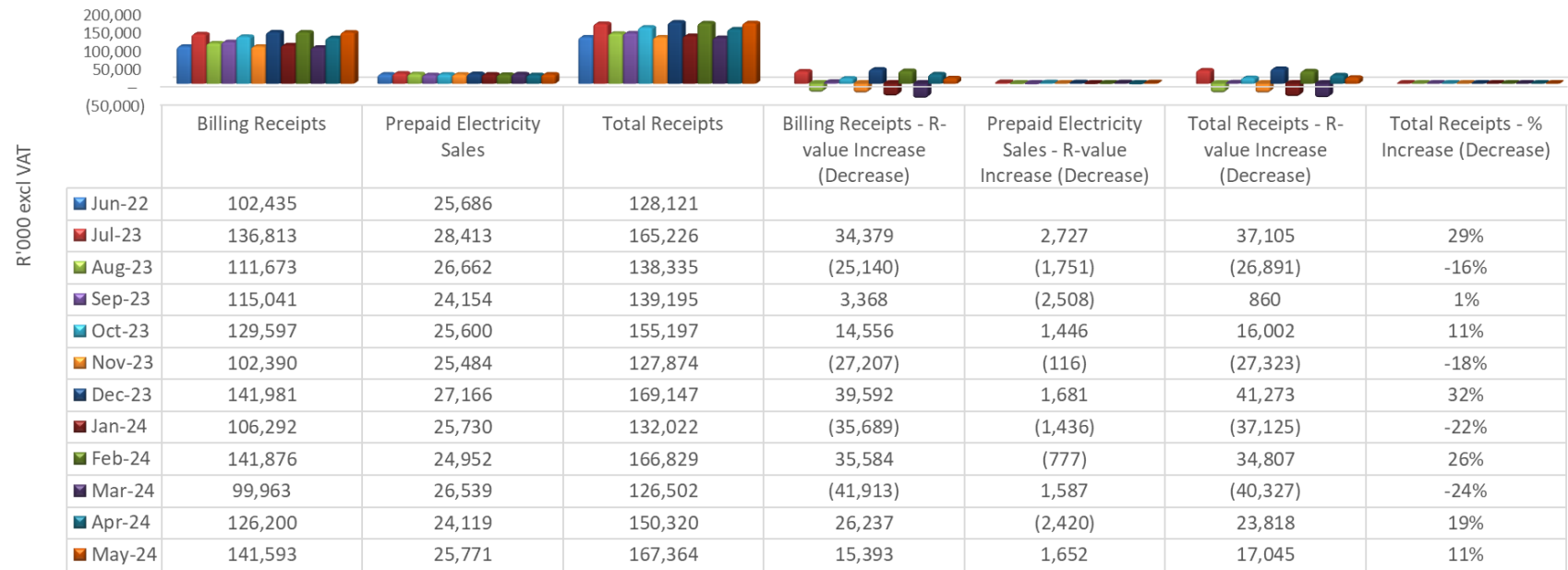


Chart 11.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity

As indicated in Chart 11.1 above, the Total Receipts amounted to R167,364 million which resulted in an increase of R17,045 million or 11% in respect of the month-to-month comparison. Billing receipts increased by R15,393 million, whilst Prepaid Electricity Sales increased by R1,652 million. The deteriorating situation for the past few months/years does not bode well for the municipality’s cash flow because on a monthly basis the municipality does not collect sufficient cash to cover its monthly commitments. Unallocated billing receipts at month end amounted to R18,873 million. Unallocated receipts are not factored into the actual receipts as per the chart above. All unallocated receipts are investigated and assistance from the bank is also requested when the municipality is unable to trace receipts so that it can be allocated timeously and accurately.

Chart 11.2: Monthly billing receipts per revenue source & % contribution from July 2023 - May 2024

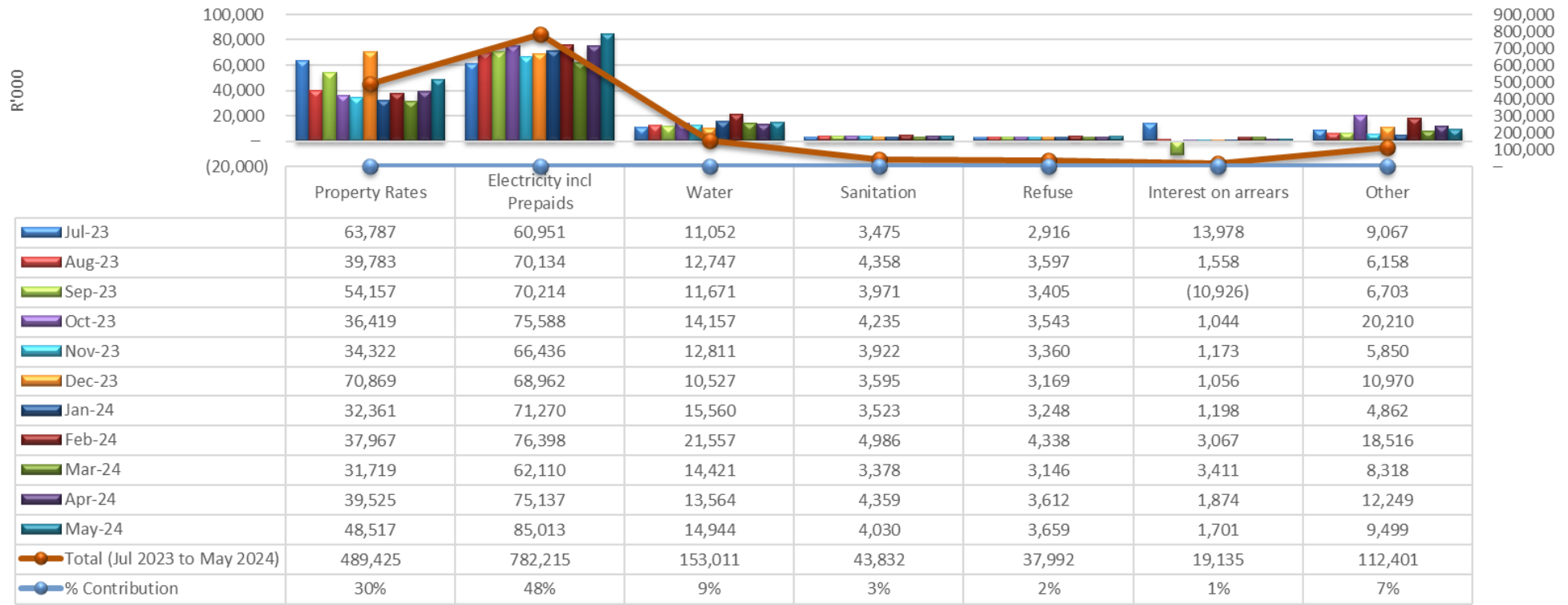


Chart 11.2: Monthly billing receipts per revenue source and % contribution

Indicated in Chart 11.2 above, is the month-to-month receipts per Revenue source and percentage contribution of receipts per revenue source as at 31 May 2024. Receipts are relatively constant based on the month-to-month comparison. The actual cash collected remains a serious concern and positive results can be achieved, provided that the Credit Control and Debt Collection Policy is strictly, consistently, and fairly applied. The majority of revenue streams that are showing improvement in relation to the monthly comparison. Data from the above chart, indicates that Electricity incl Prepays at R782,215 million (48%) is the highest contributor, followed by Property rates at R489,425 million (30%) 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. Measures should be implemented to ensure that receipts from annual Property rates billing materialises. Receipts from Water constitutes 9% and Other 7% overall.

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, has always been Interest on arrears. 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, it 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 influence the collectability of this revenue source, but positively influences the collection of other services.

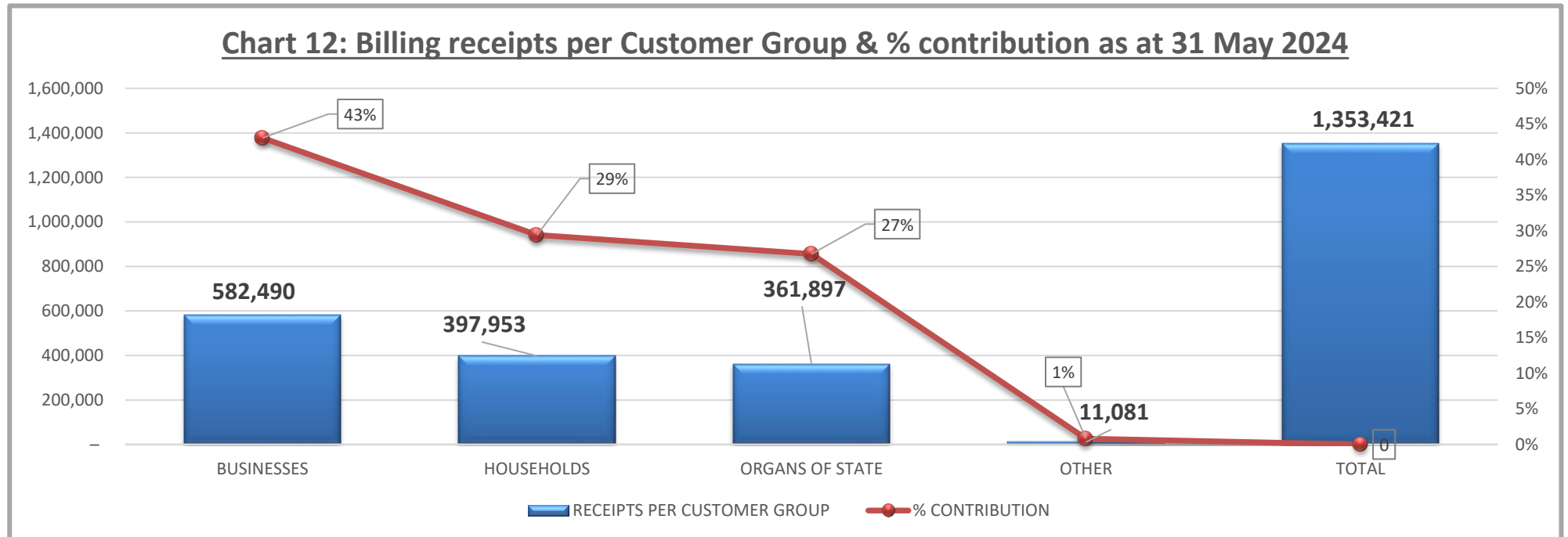


Chart 12: Billing receipts per Customer Group

Indicated in Chart 12 above, is the billing receipts and percentage contribution per major Customer group as at 31 May 2024. The municipality received R582,490 million (43%) from Businesses, Households R397,953 million (29%), Organs of State R361,897, million (27%) and Other R11,081 million (1%).

7. Creditors' Analysis

NC091 Sol Plaatje - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	NT Code	Budget Year 2023/24									Total	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			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	66,327	1,739	3,338	1,893	-	-	105,867	772,689	951,852	827,149	
Bulk Water	0200	78	78	82	36,128	82	82	165	59,764	96,460	126,596	
PAYE deductions	0300	10,478	-	-	-	-	-	-	-	10,478	9,828	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	8,238	-	-	-	-	-	-	-	8,238	7,924	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	33,409	4,605	820	232	22	-	66	-	39,155	2,354	
Auditor General	0800	178	-	-	-	-	-	-	-	178	4	
Other	0900	19,859	3,712	529	-	-	8	-	10,548	34,656	20,390	
Total By Customer Type	1000	138,567	10,134	4,770	38,253	105	91	106,098	843,001	1,141,018	994,246	

Table 11: Supporting Table SC4: Aged Creditors

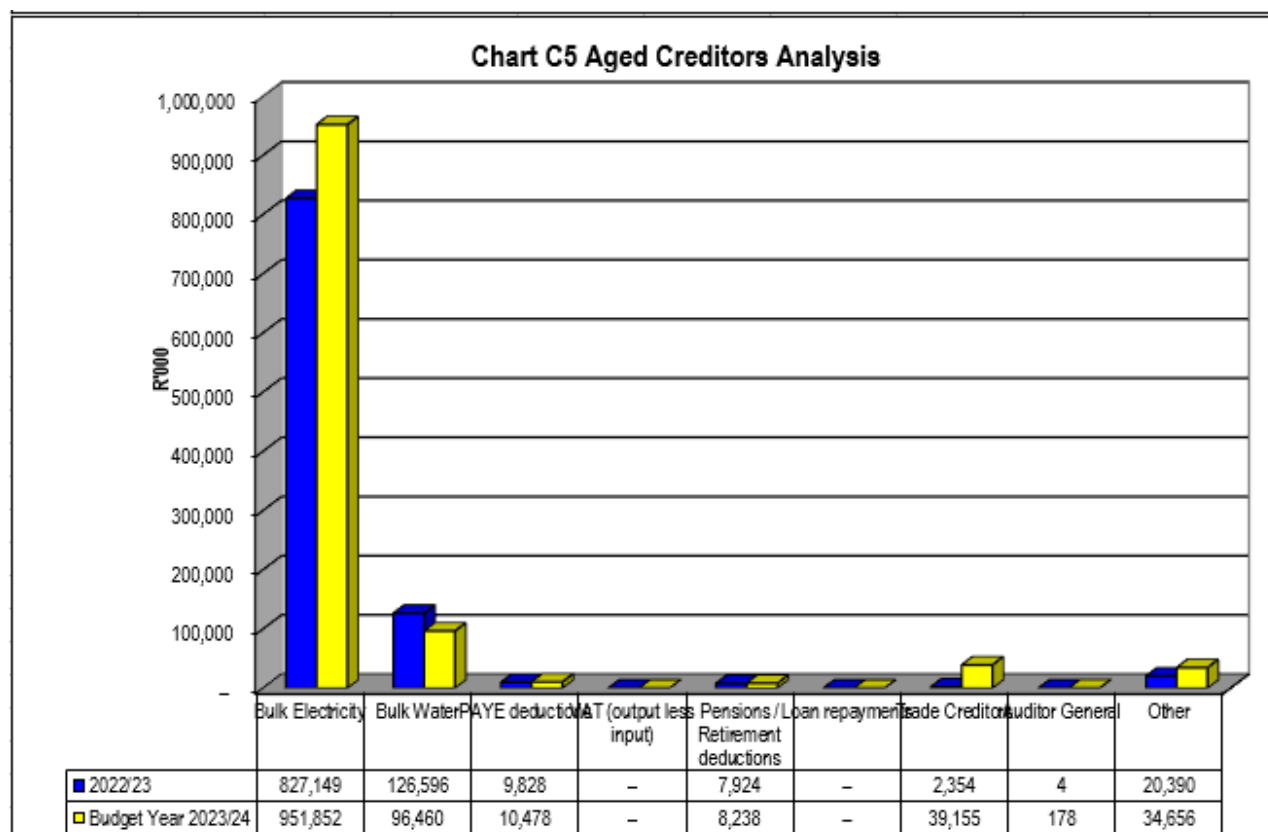


Chart 13: Aged Creditors Analysis

It should be noted that comparative figure for 2022/23 is based on the outstanding creditors as at 31 May 2023 (prior year totals for the same period).

Bulk Electricity – As at the 31 May 2024, the outstanding debt owed to Eskom amounted to R951,852 million. The current agreement with Eskom is that the municipality must settle its monthly current account. As per the Debt Relief approval, the municipality must enter into a payment arrangement with Eskom for the debt that accumulated after March 2023. The payment arrangement was concluded on 13 June 2024..

Bulk Water – As at the 31 May 2024, the outstanding debt owed to DWS amounted R96,460 million. A payment agreement with DWS for the 2022/23 financial year has been concluded for a period of 24 months and the municipality is participating in the Incentive scheme that the Department is providing to municipalities. All invoices for 2022/23 financial year were settled in full. The debt must be concurred with the Department.

PAYE and Pension statutory deductions are paid over monthly to the relevant institutions on or before seventh of the new month.

VAT – after the monthly VAT reconciliation, we claimed an amount of R9,050 million 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).

Auditor General – the current account due to the AGSA is R178 thousand.

Other creditors – includes Sundry creditors which were unpaid as at 31 May 2024 of which the biggest contributor is other third party salary payments amounting to R18,054 million which was paid by 7 June 2024.

8. Investment portfolio analysis

The market value of the investment portfolio has been utilized and for the period ending 31 May 2024, the value of total investments made was R139,033 million including interest. Partially or prematurely withdrawn investments amounted to R833 thousand. The current status quo does not bode well for the municipality and we are running into major trouble in terms of meeting commitments to pay salaries, Eskom and DWS and even other creditors. The disclosure of interest has to be discussed with NT so that the municipality can align interest received to the data strings, whilst NT must provide guidance of the YTD accrued interest that are not yet reflected in the books. This exercise is normally performed during year-end procedures. Please note that the investments are committed and/or held for the following reasons:

Purpose	R'000
• A fixed deposit that was invested and ceded to Development Bank of South Africa representing the equivalent of one instalment of the long-term loan.	22,110
• A fixed deposit that was made as a security to the Self-Insurance Workman Compensation reserve as required by the Department of Labour - Compensation Commissioner.	8,073
• Unspent Capital grant receipts that was invested for the current year.	52,039
• Own funds invested - Ring-fenced Eskom income	56,811
Total	139,033

NC091 Sol Plaatje - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

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 ^a	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
Absa Bank - 9382218821		Monthly	Call a/c	No	Fixed	8.90%	0	n/a		43,864	331	(346)	-	43,850
Standard Bank 048466271-089		6 months	Call a/c	No	Variable	6.9	0			0	-	-	-	0
Standard Bank 04 846 6271- 090		48 hours	Notice	No	Fixed	8.85%	0	n/a		30,000	225	(225)	-	30,000
Standard Bank 048466271-073		6 months	Notice	Yes	Fixed	8.50%	0		2019/05/07	-	-	-	-	-
Absa Bank 20-6295-4443		12 months	Notice	Yes	Fixed	7.40%	0		2023/06/28	8,010	63	-	-	8,073
Standard Bank - 048466271-087		48 hours	Notice	No	Variable	0.088	0		2023/08/31	35,000	262	(262)	-	35,000
Standard Bank 048466271-088		12 months	Notice	No	Fixed	970.00%	0		2024/11/10	21,943	167	-	-	22,110
Municipality sub-total										138,817		(833)	-	139,033

Table 12: Supporting Table SC5: Investment portfolio

**Chart 14: Call investment deposits incl interest for the period ending 31 May
2024**

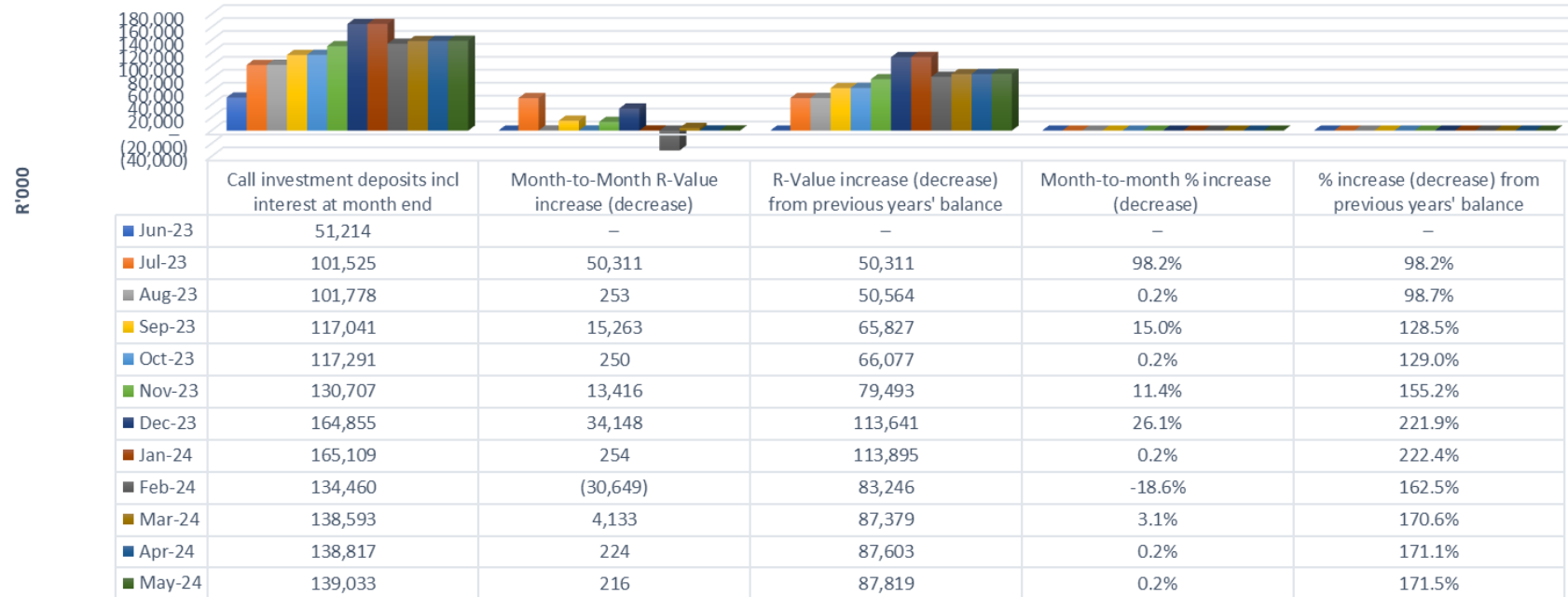


Chart 14: Call investment deposits at month-end

As indicated in the Chart 5 above from April to May 2024 investments incl interest increased by R216 thousand or 0.2%, in respect of the month-to-month comparison. Investments increased by R87,819 million or 171.5% when compared to the previous years' balance of R51,214 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, in December and June of each year. 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.

9. Allocation and grant receipts and expenditure

Operational and Capital Grants: Receipts

NC091 Sol Plaatje - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		248,673	273,621	272,937	1,268	270,214	250,272	19,942	8.0%	272,937
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		239,158	263,135	263,135	-	263,135	241,207	21,928	9.1%	263,135
Expanded Public Works Programme Integrated Grant		3,959	3,286	3,102	-	3,102	2,865	237	8.3%	3,102
Infrastructure Skills Development Grant		3,856	5,500	5,000	572	2,749	4,642	(1,893)	-40.8%	5,000
Local Government Financial Management Grant		1,700	1,700	1,700	696	1,228	1,558	(330)	-21.2%	1,700
Municipal Disaster Relief Grant	3	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		15,984	8,300	14,666	-	4,433	12,701	(8,268)	-65.1%	14,666
Capacity Building and Other Grants		9,684	8,300	9,066	-	4,433	8,221	(3,788)	-46.1%	9,066
Infrastructure Grant		6,300	-	5,600	-	-	4,480	(4,480)	-100.0%	5,600
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Higher Education SA (HESA)		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	264,657	281,921	287,603	1,268	274,647	262,973	11,674	4.4%	287,603
Capital Transfers and Grants										
National Government:		108,149	214,233	136,499	20,706	96,435	141,466	(45,031)	-31.8%	136,499
Energy Efficiency and Demand Side Management Grant		4,000	4,000	6,000	391	4,441	5,000	(559)	-11.2%	6,000
Integrated National Electrification Programme Grant		24,400	48,026	27,104	2,528	12,676	28,451	(15,774)	-55.4%	27,104
Integrated Urban Development Grant		70,390	74,207	63,395	10,684	54,267	60,815	(6,548)	-10.8%	63,395
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	2,000	-	-	-	500	(500)	-100.0%	-
Regional Bulk Infrastructure Grant		-	86,000	40,000	7,103	25,052	46,700	(21,648)	-46.4%	40,000
Water Services Infrastructure Grant		9,359	-	-	-	-	-	-	-	-
Provincial Government:		3,387	-	-	-	-	-	-	-	-
Infrastructure Grant		3,387	-	-	-	-	-	-	-	-
District Municipality:		-	-	6,000	2,914	5,914	4,800	1,114	23.2%	6,000
Specify (Add grant description)		-	-	6,000	2,914	5,914	4,800	1,114	23.2%	6,000
Other grant providers:		-	-	18,850	-	10,096	15,080	(4,984)	-33.0%	18,850
[insert description]		-	-	18,850	-	10,096	15,080	(4,984)	-33.0%	18,850
European Union		-	-	18,850	-	10,096	15,080	(4,984)	-33.0%	18,850
Total Capital Transfers and Grants	5	111,536	214,233	161,349	23,620	112,445	161,346	(48,901)	-30.3%	161,349
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	376,193	496,154	448,952	24,888	387,092	424,319	(37,226)	-8.8%	448,952

Table 13: Supporting Table SC6: Transfers and grant receipts

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

No Capital grant monies received for the month under review.

There are some mapping errors pertaining to operational and capital grants. This was brought under attention of our financial system vendor and the matter is being investigated to find a solution. Capital grants specifically is allocated to the Statement of Financial Position as receipts and is not mapped to the C-schedule. However, on a monthly basis journals are processed to recognize capital grant receipts in the Statement of Financial Performance, once all conditions of the grant have been met.

Operational and Capital Grants: Expenditure

NC091 Sol Plaatje - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		123,170	141,242	233,630	30,871	214,725	212,709	2,017	0.9%	233,630
Equitable Share		112,671	130,756	223,891	29,822	207,144	203,693	3,451	1.7%	223,891
Expanded Public Works Programme Integrated Grant		4,943	3,286	3,103	-	3,426	2,866	560	19.5%	3,103
Infrastructure Skills Development Grant		3,856	5,500	4,936	350	2,749	4,591	(1,842)	-40.1%	4,936
Local Government Financial Management Grant		1,700	1,700	1,700	699	1,406	1,559	(153)	-9.8%	1,700
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		11,438	8,300	14,610	396	9,517	12,872	(3,356)	-26.1%	14,610
Capacity Building and Other Grants		8,500	8,300	9,060	207	7,363	8,220	(857)	-10.4%	9,060
Infrastructure Grant		2,938	-	5,550	188	2,153	4,653	(2,499)	-53.7%	5,550
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		134,609	149,542	248,240	31,267	224,242	225,581	(1,339)	-0.6%	248,240
Capital expenditure of Transfers and Grants										
National Government:		96,392	214,233	136,499	20,729	95,932	141,466	(45,534)	-32.2%	136,499
Energy Efficiency and Demand Side Management Grant		4,000	4,000	6,000	391	4,384	5,000	(616)	-12.3%	6,000
Integrated National Electrification Programme Grant		22,829	48,026	27,104	2,528	13,407	28,451	(15,043)	-52.9%	27,104
Integrated Urban Development Grant		61,424	74,207	63,395	10,708	53,089	60,815	(7,726)	-12.7%	63,395
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	2,000	-	-	-	500	(500)	-100.0%	-
Regional Bulk Infrastructure Grant		-	86,000	40,000	7,103	25,052	46,700	(21,649)	-46.4%	40,000
Water Services Infrastructure Grant		8,138	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	6,000	2,914	5,914	4,800	1,114	23.2%	6,000
Specify (Add grant description)		-	-	6,000	2,914	5,914	4,800	1,114	23.2%	6,000
Other grant providers:		-	-	18,850	-	10,096	15,080	(4,984)	-33.0%	18,850
European Union		-	-	18,850	-	10,096	15,080	(4,984)	-33.0%	18,850
Total capital expenditure of Transfers and Grants		96,392	214,233	161,349	23,643	111,942	161,346	(49,404)	-30.6%	161,349
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		231,000	363,775	409,589	54,910	336,183	386,927	(50,743)	-13.1%	409,589

Table 14: 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 R26,857 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 adjusted allocation for the EPWP is R3,102 million. In addition to this, the municipality budgeted R15,000 million for this programme.

Description (R'000)	Original Budget	Increase (Decrease)	Adjustment Budget	Monthly Actual	YTD Actual	Commitments	% Spent Original	% Spent Adj Budget
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	48,026	(20,922)	27,104	2,528	13,407	1,998	27.9%	49.5%
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	74,207	(10,812)	63,395	10,708	53,089	5,502	71.5%	83.7%
EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)	4,000	2,000	6,000	391	4,384	-	109.6%	73.1%
NDPG (NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT)	2,000	(2,000)	-	-	-	-	0.0%	-
RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)	86,000	(46,000)	40,000	7,103	25,052	-	29.1%	62.6%
EUROPEAN UNION	-	18,850	18,850	-	10,096	-	-	53.6%
FRANCES BAARD DISTRICT MUNICIPALITY	-	6,000	6,000	2,914	5,914	-	-	98.6%
Grand Total	214,233	(52,884)	161,349	23,643	111,942	7,501	52.3%	69.4%

Table 15: Summary of expenditure per grant

As indicated in Table 15 above, the YTD grant expenditure amounts to R111,942 million or 69.4% spent against the Adjusted capital grant allocation of R161,349 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 remains concerning that YTD capital expenditure is so low. It should be noted that grant expenditure excludes VAT which will be recognized at year-end in the Statement of Financial performance, when all conditions of the grant have been met. Capex also excludes Commitments. 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

The rollover request for the 2022/23 financial year was declined as per the letter received from National Treasury. Below is an extract of the rollover letter.

“Your request to roll over the unspent amount of **R7.2 million** into the 2023/24 financial year by your municipality is not approved in terms of 21(2) of the 2022 Division of Revenue Amendment Act, (Act No. 15 of 2022) (DoRAA). The rejection is with respect to the Infrastructure Skills Development Grant (R1.6 million) (ISDG) and Water Services Infrastructure Grant (R5.6 million) (WSIG).

The National Treasury in assessing your roll over request used the criteria set out in Circular No. 123 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 reasons:

- The municipality did not submit supporting documents for the ISDG as outlined in the circular, i.e., copies of appointment letters of contractors and tender documents; and
- With regards to WSIG, the contractor left site as per your letter.

Your municipality is reminded that the Municipal Council does not have the legal authority to decide on the use of Conditional Grant transfers from National Government outside of the legal framework set out in the annual Division of Revenue Act and its various gazettes.”

Table 16: Supporting Table SC7(2) - Expenditure against approved rollovers

Table 16 is not populated because the municipality’s rollover request was declined.

Stopping of allocations for 2023/24 financial year

Stopping of funds due to under-performance/non-compliance

“National Treasury hereby informs you of the intention to stop grant allocations in terms of section 18 of the 2023 DoRA. This decision will not in any way affect future allocations to your municipality.”

National Treasury has rejected the request of SPM to retain grant funding. The following grants were reduced except the EEDSM grant that was increased with R2,000 million:

Sphere	Grant	23/24 Main Allocation	Adjustment	23/24 Adjust Allocation
National	ISDG	5,500,000	- 500,000	5,000,000
National	INEP	48,026,000	- 20,922,000	27,104,000
National	IUDG	74,207,000	- 10,812,000	63,395,000
National	WSIG(<i>in-kind</i>)	17,768,000	- 9,228,000	8,540,000
National	EEDSMS	4,000,000	2,000,000	6,000,000
National	EPWP	3,286,000	- 184,000	3,102,000
National	NDPG	2,000,000	- 2,000,000	-
National	RBIG	86,000,000	- 46,000,000	40,000,000
	Total	240,787,000	- 87,646,000	153,141,000

10. Councillor and board member allowances and employee benefits

NC091 Sol Plaatje - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May

Summary of Employee and Councillor remuneration	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages										
Pension and UIF Contributions		882	-	1,098	85	980	878	101	12%	1,098
Medical Aid Contributions		425	-	489	52	487	391	96	25%	489
Motor Vehicle Allowance										
Cellphone Allowance		3,040	2,938	2,954	251	2,738	2,706	32	1%	2,954
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		27,876	32,621	31,018	2,381	27,911	28,620	(709)	-2%	31,018
Sub Total - Councillors		32,224	35,559	35,559	2,768	32,117	32,596	(479)	-1%	35,559
% increase	4		10.3%	10.3%						10.3%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		6,702	8,158	8,126	342	4,535	7,457	(2,923)	-39%	8,126
Pension and UIF Contributions		969	1,558	1,558	32	402	1,428	(1,026)	-72%	1,558
Medical Aid Contributions		233	215	215	14	178	197	(19)	-10%	215
Overtime										
Performance Bonus										
Motor Vehicle Allowance		1,534	1,985	1,985	86	979	1,820	(841)	-46%	1,985
Cellphone Allowance		132	202	202	8	92	185	(92)	-50%	202
Housing Allowances		28	26	26	2	20	23	(3)	-13%	26
Other benefits and allowances										
Payments in lieu of leave										
Long service awards		44	46	46	1	13	43	(30)	-70%	46
Post-retirement benefit obligations	2									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Senior Managers of Municipality		9,643	12,190	12,158	484	6,219	11,153	(4,934)	-44%	12,158
% increase	4		26.4%	26.1%						26.1%
Other Municipal Staff										
Basic Salaries and Wages		433,826	475,973	464,937	37,201	421,822	426,431	(4,609)	-1%	464,937
Pension and UIF Contributions		79,050	91,654	91,654	6,912	76,973	84,017	(7,044)	-8%	91,654
Medical Aid Contributions		50,925	59,955	59,955	4,619	59,960	54,959	5,000	9%	59,955
Overtime		69,383	47,280	69,467	7,590	77,002	61,090	15,913	26%	69,467
Performance Bonus		30,249	36,505	36,505	1,078	29,292	33,463	(4,171)	-12%	36,505
Motor Vehicle Allowance		42,089	50,649	50,649	3,479	40,033	46,428	(6,396)	-14%	50,649
Cellphone Allowance		1,456	2,054	2,054	130	1,493	1,883	(391)	-21%	2,054
Housing Allowances		2,737	2,866	2,866	224	2,634	2,627	7	0%	2,866
Other benefits and allowances		20,261	19,589	37,200	2,535	35,825	33,091	2,734	8%	37,200
Payments in lieu of leave		14,403	15,000	15,000	469	14,144	13,750	394	3%	15,000
Long service awards		27,890	26,922	26,922	2,451	28,389	24,679	3,711	15%	26,922
Post-retirement benefit obligations	2	39,393	41,000	41,000	-	-	37,583	(37,583)	-100%	41,000
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Other Municipal Staff		811,663	869,447	898,208	66,689	787,566	820,001	(32,435)	-4%	898,208
% increase	4		7.1%	10.7%						10.7%
Total Parent Municipality		853,530	917,196	945,925	69,942	825,902	863,750	(37,848)	-4%	945,925
TOTAL SALARY, ALLOWANCES & BENEFITS		853,530	917,196	945,925	69,942	825,902	863,750	(37,848)	-4%	945,925
% increase	4		7.5%	10.8%						10.8%
TOTAL MANAGERS AND STAFF		821,306	881,637	910,366	67,174	793,785	831,154	(37,369)	-4%	910,366

Table 17: Supporting Table SC8: Councillor and staff benefits

As depicted in Table 17 above, Employee related costs is satisfactory and showing a variance of minus 4%. Post-retirement benefit obligations will be finalized as part of year-end procedures. 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. Individuals do act on positions from time to time, but all such acting allowances forms part of the basic salary line item. Councillors Remuneration is showing a satisfactory variance of minus 1% when compared to the YTD Budget. The gazette on the Determination of Upper limits of salaries, allowances and benefits of different members of municipal councils was issued and implemented accordingly.

Management needs to do more to address the issues on Overtime which is higher than the ideal IYM percentage. For reporting purposes on Overtime, the municipality is only concentrating on (Overtime Structured and Non-structured). However, as per NT mapping Night-shift allowance and Payments - Shift Add Remuneration is also mapped to Overtime.

The Overtime controls is not effective and the desired outcome to remain within budget, was not achieved for 2022/23 financial year. The same trend transpired for the current year. Overtime can be monitored by implementing more stringent control measures. The municipality should also ensure that critical positions to compliment capacity on the ground is expedited and filled with qualified personnel. 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 were limited to 30 hours per month within most departments, but this control has been abolished, negatively contributing to the overall Overtime expenditure. The Overtime policy was developed and approved by Council. There are some challenges with the implementation, especially pertaining to time-off in lieu of Overtime remuneration.

And indicated in Table 21 below, is the YTD Overtime expenditure per line item and also per Directorate as at end of May 2024.

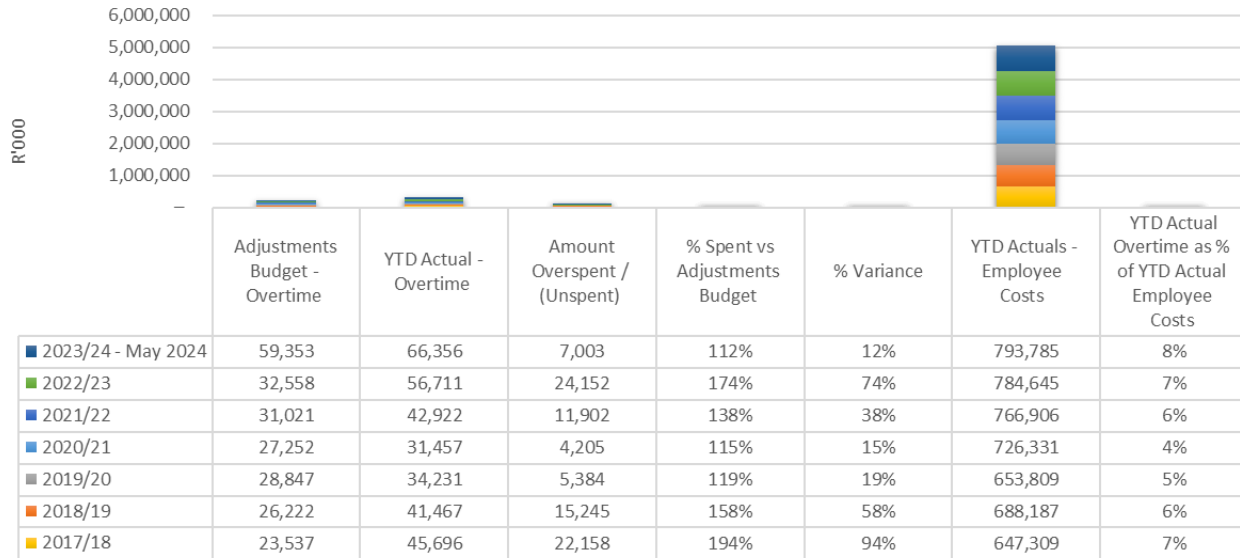
Description per line item (Amount in Rand)	Sum of Original Budget	Sum of Adjustments Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Adjustments Budget
MS: OVERTIME - NON STRUCTURED	28,662,000	56,368,700	6,435,272	63,882,527	113%
MS: OVERTIME - STRUCTURED	8,504,033	2,984,033	220,946	2,473,684	83%
Overtime as at 31 May 2024	37,166,033	59,352,733	6,656,219	66,356,211	112%

Directorate (Amount in Rand)	Sum of Original Budget	Sum of Adjustments Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Adjustments Budget
20-EXECUTIVE AND COUNCIL	282,000	694,000	29,146	880,044	127%
21-MUNICIPAL AND GENERAL	-	-	-	-	-
22-MUNICIPAL MANAGER	-	43,000	13,370	39,332	91%
23-CORPORATE SERVICES	1,870,000	4,552,000	225,385	3,242,354	71%
24-COMMUNITY SERVICES	14,740,033	17,799,533	1,638,031	18,610,636	105%
26-FINANCIAL SERVICES	521,000	2,569,000	411,183	2,653,938	103%
27-STRATEGY, ECONOMIC DEVELOPMENT & PLANNING	747,000	1,530,000	154,735	1,467,547	96%
28-INFRASTRUCTURE SERVICES	19,006,000	32,165,200	4,184,368	39,462,361	123%
Overtime as at 31 May 2024	37,166,033	59,352,733	6,656,219	66,356,211	112%

Table 18: Current YTD Overtime expenditure excl Night-shift allowance

Overtime was capped at 30 hours across most units within the municipality, but this has since been abolished. The YTD Overtime expenditure is 112% spent versus the Adjusted budget, resulting in a negative variance of 20.13% for the period under review, when compared to the ideal IYM percentage of 91.67%.

Chart 14.1: Overtime Actual vs Budget - 2017/18 to 2023/24



Indicated in Chart 14.1, is the actual Overtime versus Budget from 2017/18 to 2023/24 financial year, disclosing the percentage spent and the amount overspent/unspent per financial year. The chart also articulates the actual Overtime as a percentage of Total Employee costs for the same period.

Indicated in Chart 14.2 is the monthly and annual Overtime comparison from July 2018 to May 2024. There has been a substantial decrease in Overtime expenditure from 2018/19 to 2020/21. As reiterated, controls to curb Overtime is no longer in effect and the YTD actual for 2022/23 financial year was R56,711 million. Serious remedial action will have to be implemented to reduce Overtime expenditure.

Chart 14.1: Overtime Actual vs Budget

Chart 14.2: Monthly and Annual Overtime Comparison - Jul 2018 to May 2024

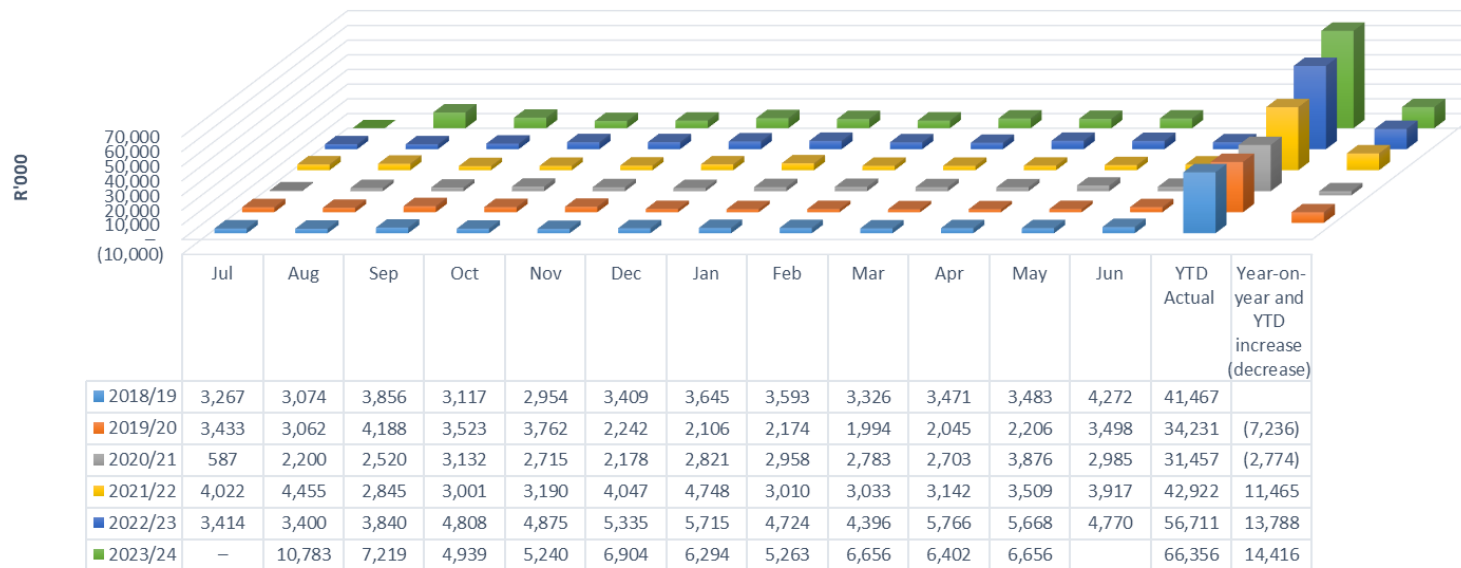


Chart 14.2: Monthly and Annual Overtime Comparison

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.

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

Material variances pertaining to financial performance 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 30 June 2024.

12. Capital programme performance

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

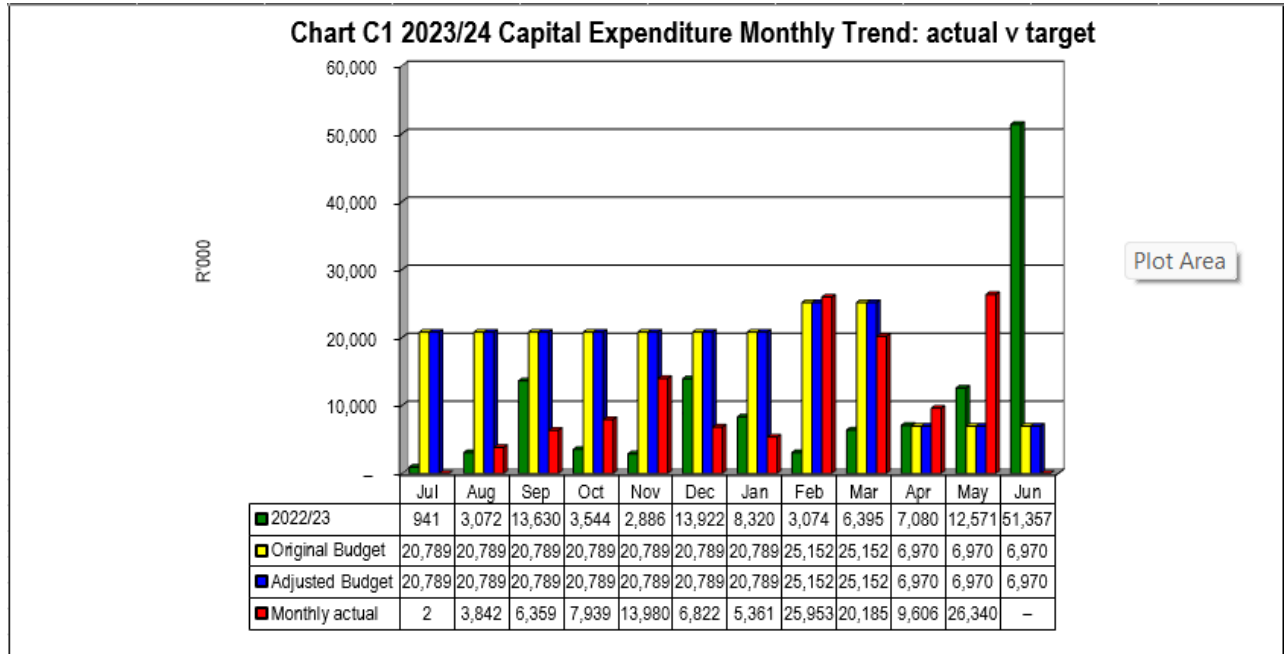


Chart 15: Capital Expenditure Monthly Trend: actual v target

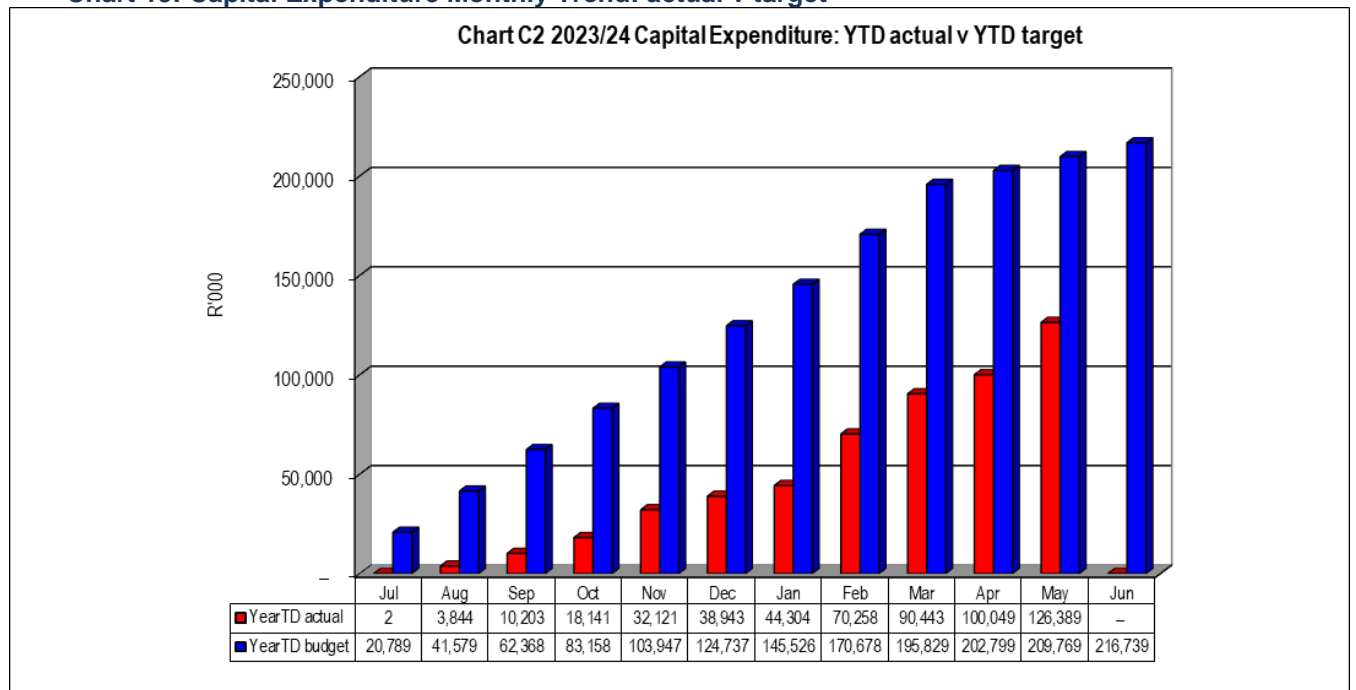


Chart 16: Capital Expenditure: YTD actual vs YTD target

Projects per funding source (R'000)	Sum of Original Budget	Sum of Adjusted Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of Commitment	Sum of % Original Budget	Sum of % Adjusted Budget
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	48,026	27,104	2,528	13,407	1,998	27.92%	49.47%
ELECTRIFIC LERATO PARK LINK SERV NETWORK	7,900	7,900	341	2,416	1,734	30.59%	30.59%
ELECTRIFICATION LETABO PARK	12,680	12,680	1,357	9,092	-	71.70%	71.70%
ELECTRIFICATION WITDAM -138	900	-	-	-	-	0.00%	-
RONALD'S VLEI SWITCH HOUSE NO.1	1,500	2,000	350	1,411	-	94.06%	70.54%
UPGRADE HADISON PARK 66/11 KV SUBSTATION	23,546	1,264	-	-	-	0.00%	0.00%
ASHBURNHAM/COLVILLE UPGRADES	1,500	500	-	-	201	0.00%	0.00%
ELECTRIFICATION OF COLVILLE	-	2,760	479	488	63	-	17.68%
INTERNALLY GENERATED FUNDS	35,240	55,390	2,697	14,447	6,988	41.00%	26.08%
ACQ-COMPUTER EQUIPMENT REPLACEMENT	4,500	6,200	34	213	106	4.74%	3.44%
ACQ-FLEET REPLACEMENT	5,000	7,110	-	-	6,882	0.00%	0.00%
ACQ-FURNITURE AND OFFICE EQUIP REPLACEMENT	3,000	3,000	-	-	-	0.00%	0.00%
CAPITAL SPARES-ACQ-PREPAID METERS	2,000	2,000	-	174	-	8.69%	8.69%
DSITRBUTION-ACQ-WAT METER REPLACEMENT	2,000	2,000	-	-	-	0.00%	0.00%
EMERGENCY LEAK REPAIR ON 6 MAJOR LEAKS	169	4,654	39	39	-	23.16%	-
EMERGENCY METER INSTALLATIONS (PHASE 1)	6,225	11,766	2,486	7,993	-	128.39%	67.93%
MR LEAK AND SLEAK DATA SYSTEM	880	451	-	-	-	0.00%	0.00%
NEW WTP MAJOR REFURBISH&AND BUILD WORKS	1,306	-	-	-	-	0.00%	-
NEW WTW FILTER REFURBISH&BACKWASH SYSTEM	502	-	-	-	-	0.00%	-
OLD WTP MAJOR REFURBISH AND BUILD WORKS	468	-	-	-	-	0.00%	-
PIPE CONDITION ASSESS AND CATHOD PROTECT	1,849	737	45	253	-	13.68%	34.34%
SMARTBALL LEAK DETECTION	5,848	796	50	776	-	13.26%	97.38%
WEST BYPASS LEAK REPAIRS AND REFURBISH	293	-	-	-	-	0.00%	-
WSDP DEVELOPMENT	1,200	337	42	323	-	26.95%	95.98%
LERATO PARK SEWER UPGR DOWNSTREAM INFRA	-	7,800	-	4,676	-	-	59.95%
CARTERS GLEN SEWER PUMP STATION	-	8,540	-	-	-	-	0.00%
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	74,207	63,395	10,708	53,089	5,502	71.54%	83.74%
P-CIER RDS ROADS	20,000	19,500	3,459	19,215	236	96.07%	98.54%
PHDA PLANNING & SURVEYING	10,000	7,882	3,322	5,134	-	51.34%	65.14%
TOWNSHIP ESTABLISHMENT VARIOUS WARDS	5,000	4,513	875	3,890	-	77.81%	86.20%
UPGRADE GRAVEL ROADS WARDS VARIOUS	20,000	20,000	(1,093)	18,616	445	93.08%	93.08%
WATER PIPES REFURB PROG VARIOUS WARDS	19,207	8,000	4,145	6,234	594	32.46%	77.92%
LERATOPARK SEWER UPGRAD DOWNSTREAM INFRA	-	3,500	-	-	4,228	-	-
EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)	4,000	6,000	391	4,384	-	109.60%	73.07%
EEDSM PROJECTS	4,000	6,000	391	4,384	-	109.60%	73.07%
NDPG (NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT)	2,000	-	-	-	-	0.00%	-
ACQ STORMWAT PROJ-STORWAT CHANNEL GALASH	2,000	-	-	-	-	0.00%	-
REDEVELOPMENT OF RC ELLIOT HALL	-	-	-	-	-	-	-
RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)	86,000	40,000	7,103	25,052	-	29.13%	62.63%
EAST BYPASS REPLACE OF CORRODE10KM LINE	5,069	-	-	-	-	0.00%	-
EASTERN BYPASS REPAIR COATING AND REFURB	2,820	-	-	-	-	0.00%	-
KBY BULK METERS & PRESSURE MANAGEMENT	767	3,107	511	1,156	-	150.79%	37.22%
KBY NETWORK LEAK DETECTION & REPAIR PH 1	4,532	1,029	93	330	-	7.29%	32.11%
KBY NETWORK LEAK DETECTION & REPAIR PH 2	4,843	890	36	165	-	3.41%	18.54%
NEW WTP CLHORINE & DOSING WORKS UPGRADE	10,628	10,059	313	9,267	-	87.20%	92.13%
NEW WTW FILTER REFURBISH&BACKWASH SYSTEM	-	2,857	-	-	-	-	0.00%
NEWTOWN RESERVOIR EMERGENCY LEAK REPAIRS	4,725	911	188	445	-	9.42%	48.86%
OLD WTP CLHORINE & DOSING WORKS UPGRADE	16,598	5,016	507	4,280	-	25.79%	85.33%
POWER; ABSTRACTION & PUMPSTATION REPAIRS	9,487	7,157	877	2,254	-	23.76%	31.49%
PROJECT MANAGEMENT	3,230	-	-	-	-	0.00%	-
RITCHIE SUBZONE SMART METER INSTALL	107	-	-	-	-	0.00%	-
RIVERTON TO MIDSTATION BULK PIPELINE REP	3,741	-	-	-	-	0.00%	-
SMARTBALL SURVEY PRIORITY LEAK REPAIRS	12,955	6,965	3,985	5,956	-	45.98%	85.52%
WEST BYPASS REPLACE OF CORRODED SECTION	579	-	-	-	-	0.00%	-
WTW OHS & SECURITY MANAGEMENT	5,920	1,582	222	825	-	13.94%	52.19%
RITCHIE WTW UPGRADE AND BULK PIPELINE	-	428	372	372	-	-	86.89%
EUROPEAN UNION	-	18,850	-	10,096	-	-	53.56%
EUROPEAN UNION BEAR PROJECT	-	18,850	-	10,096	-	-	53.56%
FRANCES BAARD DISTRICT MUNICIPALITY	-	6,000	2,914	5,914	-	-	98.56%
RESEALING OF ROADS FBDM	-	6,000	2,914	5,914	-	-	98.56%
Grand Total	249,473	216,739	26,340	126,389	14,488	50.66%	58.31%

Table 19: Detailed capital expenditure report

Indicated in Table 19 above, is a list of projects with the applicable funding source compared to the Adjusted budget. 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 to remedy the situation. The actual monthly expenditure for May 2024 amounted to R26,340 million. The total YTD Capex amounts to R126,389 million. Please note that Commitments amounting to R14,488 million is excluded from the YTD actual. Capital expenditure is also exclusive of VAT. Overall spending on grants is not as desired. The percentage expenditure per funding source INEP (49.47%), IUDG (83.74%), EEDSM (73.07%), RBIG (62.63%), European Union (53.56%), FBDM (98.56%) and NDPG funding was withdrawn. Spending on Internally generated funds is also 26.08% spent. Implementation of projects is normally delayed due to the finalization of procurement processes.

Payment certificates are settled once work is completed. Capex for the first quarter is normally slow for this reason, in that commencement of procurement processes is not aligned to the budget approval and specifications are not done early so that it can be advertised timeously.

13. Other supporting documents

Additional information or supporting documentation for May 2024.
Monthly Debt Relief Non-Compliance Report accompanied by the Municipal Debt Relief Compliance Certificate issued by National Treasury for April 2024.

14. Conclusion

This report meets the MFMA requirement for the Executive Mayor 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>

15. Annexure A: C-schedules

Prescribed Tables in terms of Municipal Budget and Reporting Regulations GG 32141 of 17 April 2009

NC091 Sol Plaatje - Table C1 Monthly Budget Statement Summary - M11 May

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	610,991	660,893	660,893	44,633	635,801	605,819	29,982	5%	660,893
Service charges	1,182,667	1,517,256	1,450,586	105,483	1,154,275	1,337,481	(183,206)	-14%	1,450,586
Investment revenue	8,550	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	8,550	7,000	9,500	1,441	11,327	8,417	2,911	35%	9,500
Other own revenue	612,144	534,455	677,687	35,024	728,617	604,502	124,114	21%	-
Total Revenue (excluding capital transfers and contributions)	2,422,901	2,719,604	2,798,666	186,580	2,530,020	2,556,219	(26,199)	-1%	2,798,666
Employee costs	821,306	881,637	910,366	67,174	793,785	831,154	(37,369)		910,366
Remuneration of Councillors	32,224	35,559	35,559	2,768	32,117	32,596	(479)		35,559
Depreciation and amortisation	71,830	86,650	86,650	-	-	79,429	(79,429)		86,650
Interest	113,955	19,495	20,055	0	10,009	18,318	(8,310)		20,055
Inventory consumed and bulk purchases	937,060	1,090,900	1,127,055	93,072	930,433	1,029,299	(98,866)		1,127,055
Transfers and subsidies	2,599	4,560	3,560	45	2,469	3,380	(911)	-27%	3,560
Other expenditure	617,008	572,452	599,666	96,891	575,380	546,522	28,858	5%	599,666
Total Expenditure	2,595,982	2,691,252	2,782,911	259,951	2,344,192	2,540,698	(196,506)	-8%	2,782,911
Surplus/(Deficit)	(173,081)	28,351	15,755	(73,371)	185,828	15,521	170,307	1097%	15,755
Transfers and subsidies - capital (monetary)	108,149	214,233	161,349	23,620	112,445	161,346	###	-30%	161,349
Transfers and subsidies - capital (in-kind)	3,387	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	(61,545)	242,584	177,104	(49,751)	298,273	176,867	121,406	69%	177,104
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(61,545)	242,584	177,104	(49,751)	298,273	176,867	121,406	69%	177,104
Capital expenditure & funds sources									
Capital expenditure	126,016	249,473	216,739	26,340	126,389	209,769	(83,381)	-40%	216,739
Capital transfers recognised	96,392	214,233	161,349	23,643	111,942	161,346	(49,404)	-31%	161,349
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	29,624	35,240	55,390	2,697	14,447	48,423	(33,976)	-70%	55,390
Total sources of capital funds	126,016	249,473	216,739	26,340	126,389	209,769	(83,381)	-40%	216,739
Financial position									
Total current assets	2,304,408	3,472,014	3,449,123		2,619,187				3,449,123
Total non current assets	2,265,500	2,466,074	2,433,340		2,391,889				2,433,340
Total current liabilities	1,457,966	1,151,431	1,161,286		1,605,145				1,161,286
Total non current liabilities	416,743	443,824	443,824		410,208				443,824
Community wealth/Equity	2,694,412	4,342,835	4,331,904		2,995,722				4,331,904
Cash flows									
Net cash from (used) operating	(940,714)	238,844	158,443	(21,637)	131,793	145,239	13,446	9%	158,443
Net cash from (used) investing	(126,016)	(249,473)	(215,639)	(24,273)	(123,262)	(197,669)	(74,407)	38%	(215,639)
Net cash from (used) financing	-	(13,351)	(13,351)	-	1,569	(12,239)	(13,807)	113%	(13,351)
Cash/cash equivalents at the month/year end	(869,139)	174,327	127,759	-	119,636	133,638	14,002	10%	38,989
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	170,243	109,199	84,191	123,914	72,536	69,944	466,786	#####	3,824,481
Creditors Age Analysis									
Total Creditors	138,567	10,134	4,770	38,253	105	91	106,098	843,001	1,141,018

NC091 Sol Plaatje - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		1,180,153	1,271,802	1,237,324	84,154	1,163,577	1,145,509	18,069	2%	1,237,324
Executive and council		503,511	580,455	538,477	37,126	491,674	505,774	(14,100)	-3%	538,477
Finance and administration		676,642	691,347	698,847	47,028	671,903	639,735	32,168	5%	698,847
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		31,035	41,568	47,334	2,823	37,011	42,717	(5,706)	-13%	47,334
Community and social services		11,662	11,782	12,348	219	8,000	11,253	(3,253)	-29%	12,348
Sport and recreation		2,428	2,265	2,265	71	2,426	2,076	349	17%	2,265
Public safety		412	750	750	16	249	687	(438)	-64%	750
Housing		12,972	26,701	28,101	2,517	26,269	25,596	673	3%	28,101
Health		3,560	70	3,870	-	67	3,104	(3,037)	-98%	3,870
<i>Economic and environmental services</i>		22,120	16,520	36,420	493	20,019	31,063	(11,045)	-36%	36,420
Planning and development		5,342	5,595	25,495	210	16,517	21,049	(4,532)	-22%	25,495
Road transport		16,779	10,925	10,925	283	3,502	10,015	(6,512)	-65%	10,925
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,291,009	1,594,737	1,629,727	122,263	1,412,897	1,489,834	(76,937)	-5%	1,629,727
Energy sources		773,385	1,052,252	1,056,582	80,291	878,190	968,028	(89,838)	-9%	1,056,582
Water management		328,261	364,714	373,694	23,279	333,001	341,505	(8,504)	-2%	373,694
Waste water management		108,190	101,358	116,048	10,443	113,523	104,664	8,859	8%	116,048
Waste management		81,173	76,413	83,403	8,251	88,183	75,637	12,547	17%	83,403
<i>Other</i>	4	10,121	9,210	9,210	467	8,961	8,442	519	6%	9,210
Total Revenue - Functional	2	2,534,437	2,933,837	2,960,015	210,200	2,642,465	2,717,565	(75,100)	-3%	2,960,015
Expenditure - Functional										
<i>Governance and administration</i>		757,821	662,700	774,083	82,625	645,130	705,982	(60,852)	-9%	774,083
Executive and council		505,059	287,301	474,688	61,283	402,472	432,170	(29,698)	-7%	474,688
Finance and administration		247,373	368,723	292,718	20,907	237,617	267,693	(30,075)	-11%	292,718
Internal audit		5,389	6,676	6,676	436	5,041	6,120	(1,079)	-18%	6,676
<i>Community and public safety</i>		186,168	195,332	211,356	16,478	182,182	191,875	(9,693)	-5%	211,356
Community and social services		45,511	49,529	55,224	3,956	43,348	49,958	(6,610)	-13%	55,224
Sport and recreation		59,539	56,350	59,297	5,349	60,166	54,012	6,154	11%	59,297
Public safety		41,055	42,115	44,440	3,580	39,822	40,466	(644)	-2%	44,440
Housing		20,980	26,752	27,448	1,988	20,135	25,080	(4,945)	-20%	27,448
Health		19,082	20,586	24,947	1,605	18,712	22,359	(3,648)	-16%	24,947
<i>Economic and environmental services</i>		138,729	256,194	176,954	15,115	153,886	162,056	(8,171)	-5%	176,954
Planning and development		42,376	132,278	53,694	3,738	42,461	48,991	(6,531)	-13%	53,694
Road transport		95,517	123,016	122,359	11,309	110,626	112,240	(1,614)	-1%	122,359
Environmental protection		836	900	900	69	799	825	(26)	-3%	900
<i>Trading services</i>		1,490,202	1,551,892	1,594,875	143,870	1,341,260	1,457,337	(116,077)	-8%	1,594,875
Energy sources		963,125	1,031,152	1,026,815	93,550	843,160	941,753	(98,594)	-10%	1,026,815
Water management		349,874	341,800	373,716	31,519	328,719	339,231	(10,512)	-3%	373,716
Waste water management		104,093	102,527	117,278	11,168	98,437	105,784	(7,348)	-7%	117,278
Waste management		73,110	76,413	77,066	7,632	70,944	70,568	376	1%	77,066
<i>Other</i>		23,062	25,135	25,644	1,862	21,734	23,448	(1,713)	-7%	25,644
Total Expenditure - Functional	3	2,595,982	2,691,252	2,782,911	259,951	2,344,192	2,540,698	(196,506)	-8%	2,782,911
Surplus/ (Deficit) for the year		(61,545)	242,584	177,104	(49,751)	298,273	176,867	121,406	69%	177,104

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		503,511	580,455	538,477	37,126	491,674	505,774	(14,100)	-2.8%	538,477
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		5,432	6,961	7,261	576	4,360	6,621	(2,261)	-34.2%	7,261
Vote 05 - Community Services		124,394	109,495	120,851	9,228	108,891	109,455	(564)	-0.5%	120,851
Vote 06 - Financial Services		670,519	683,585	690,785	46,398	667,126	632,380	34,746	5.5%	690,785
Vote 07 - Strategy Econ Development And Planning		6,867	8,015	27,915	272	18,601	23,267	(4,666)	-20.1%	27,915
Vote 08 - Infrastructure And Services		1,223,713	1,545,325	1,574,725	116,599	1,351,813	1,440,068	(88,255)	-6.1%	1,574,725
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2,534,437	2,933,837	2,960,015	210,200	2,642,465	2,717,565	(75,100)	-2.8%	2,960,015
Expenditure by Vote	1									
Vote 01 - Executive & Council		58,395	59,173	59,628	4,802	55,733	54,606	1,127	2.1%	59,628
Vote 02 - Municipal And General		434,595	214,468	399,401	55,543	331,705	363,442	(31,737)	-8.7%	399,401
Vote 03 - Municipal Manager		22,369	26,161	28,701	2,005	25,689	26,014	(325)	-1.2%	28,701
Vote 04 - Corporate Services		68,169	81,959	77,269	5,604	64,010	71,382	(7,372)	-10.3%	77,269
Vote 05 - Community Services		299,548	312,712	329,231	27,118	290,662	299,870	(9,208)	-3.1%	329,231
Vote 06 - Financial Services		131,248	237,712	160,249	11,176	127,853	146,418	(18,566)	-12.7%	160,249
Vote 07 - Strategy Econ Development And Planning		57,573	143,730	67,477	4,461	55,564	61,362	(5,799)	-9.4%	67,477
Vote 08 - Infrastructure And Services		1,524,086	1,615,337	1,660,955	149,242	1,392,975	1,517,603	(124,628)	-8.2%	1,660,955
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2,595,982	2,691,252	2,782,911	259,951	2,344,192	2,540,698	(196,506)	-7.7%	2,782,911
Surplus/ (Deficit) for the year	2	(61,545)	242,584	177,104	(49,751)	298,273	176,867	121,406	68.6%	177,104

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		754,974	1,034,872	995,202	74,375	731,271	916,896	(185,625)	-20%	995,202
Service charges - Water		271,599	327,114	300,114	16,536	263,508	278,254	(14,746)	-5%	300,114
Service charges - Waste Water Management		89,203	89,858	89,858	8,025	88,615	82,370	6,244	8%	89,858
Service charges - Waste management		66,890	65,412	65,412	6,547	70,882	59,961	10,921	18%	65,412
Sale of Goods and Rendering of Services		13,750	15,579	17,379	525	15,972	15,721	251	2%	17,379
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		199,982	168,880	250,400	22,276	235,514	220,023	15,492	7%	250,400
Interest from Current and Non Current Assets		8,550	7,000	9,500	1,441	11,327	8,417	-	-	9,500
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		26,000	26,930	28,130	2,511	26,371	25,646	725	3%	28,130
Licence and permits		1,056	1,200	1,200	74	613	1,100	(487)	-44%	1,200
Operational Revenue		3,189	3,134	3,134	455	4,875	2,873	2,002	70%	3,134
Non-Exchange Revenue										
Property rates		610,991	660,893	660,893	44,633	635,801	605,819	29,982	5%	660,893
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		59,462	30,660	37,910	986	30,109	33,905	(3,796)	-	37,910
Licence and permits		7,965	6,150	6,150	363	6,443	5,637	806	-	6,150
Transfers and subsidies - Operational		264,657	281,921	287,603	1,268	274,647	262,973	11,674	-	287,603
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		4,037	-	44,680	4,498	130,934	35,744	95,190	266%	44,680
Gains on disposal of Assets		5,891	-	1,100	2,067	3,126	880	2,246	-	1,100
Other Gains		34,705	-	-	-	11	-	11	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		2,422,901	2,719,604	2,798,666	186,580	2,530,020	2,556,219	(26,199)	-1%	2,798,666
Expenditure By Type										
Employee related costs		821,306	881,637	910,366	67,174	793,785	831,154	(37,369)	-4%	910,366
Remuneration of councillors		32,224	35,559	35,559	2,768	32,117	32,596	(479)	-1%	35,559
Bulk purchases - electricity		672,362	785,000	790,100	63,704	662,674	723,663	(60,989)	-	790,100
Inventory consumed		264,698	305,900	336,955	29,368	267,759	305,635	(37,876)	-	336,955
Debt impairment		378,747	317,500	317,500	79,375	317,500	291,042	26,458	9%	317,500
Depreciation and amortisation		71,830	86,650	86,650	-	-	79,429	(79,429)	-100%	86,650
Interest		113,955	19,495	20,055	0	10,009	18,318	(8,310)	-45%	20,055
Contracted services		28,285	48,113	56,913	2,700	37,501	51,144	(13,642)	-27%	56,913
Transfers and subsidies		2,599	4,560	3,560	45	2,469	3,380	(911)	-27%	3,560
Irrecoverable debts written off		-	-	-	0	0	-	0	-	-
Operational costs		131,090	145,639	159,253	14,816	155,580	144,397	11,183	8%	159,253
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		78,885	61,200	66,000	-	64,799	59,940	4,859	-	66,000
Total Expenditure		2,595,982	2,691,252	2,782,911	259,951	2,344,192	2,540,698	(196,506)	-8%	2,782,911
Surplus/(Deficit)		(173,081)	28,351	15,755	(73,371)	185,828	15,521	170,307	0	15,755
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
		108,149	214,233	161,349	23,620	112,445	161,346	(48,901)	(0)	161,349
Transfers and subsidies - capital (in-kind)		3,387	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(61,545)	242,584	177,104	(49,751)	298,273	176,867			177,104
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(61,545)	242,584	177,104	(49,751)	298,273	176,867			177,104
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(61,545)	242,584	177,104	(49,751)	298,273	176,867			177,104
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(61,545)	242,584	177,104	(49,751)	298,273	176,867			177,104

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	2022/23	Budget Year 2023/24							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		8,996	10,000	26,732	3,322	15,230	22,573	(7,343)	-33%	26,732
Vote 08 - Infrastructure And Services		82,240	183,117	132,873	11,765	83,772	134,079	(50,307)	-38%	132,873
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	91,236	193,117	159,605	15,088	99,002	156,652	(57,650)	-37%	159,605
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		14,586	19,500	20,823	900	4,099	18,998	(4,899)	-78%	20,823
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		20,194	36,856	36,311	10,352	23,287	34,119	(10,832)	-32%	36,311
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	34,780	56,356	57,134	11,252	27,387	53,117	(25,730)	-48%	57,134
Total Capital Expenditure		126,016	249,473	216,739	26,340	126,389	209,769	(83,381)	-40%	216,739
Capital Expenditure - Functional Classification										
Governance and administration		14,586	19,500	20,823	900	4,099	18,998	(4,899)	-78%	20,823
Executive and council		14,586	19,500	20,823	900	4,099	18,998	(4,899)	-78%	20,823
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		44,387	50,000	72,232	8,610	58,979	63,707	(4,728)	-7%	72,232
Planning and development		8,996	10,000	26,732	3,322	15,230	22,573	(7,343)	-33%	26,732
Road transport		35,392	40,000	45,500	5,288	43,749	41,133	2,615	6%	45,500
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		67,042	179,973	123,684	16,830	63,310	127,064	(63,754)	-50%	123,684
Energy sources		36,862	54,026	35,104	2,919	17,965	35,284	(17,319)	-49%	35,104
Water management		9,645	125,947	68,740	13,911	40,669	75,847	(35,178)	-46%	68,740
Waste water management		20,535	-	19,840	-	4,676	15,934	(11,257)	-71%	19,840
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	126,016	249,473	216,739	26,340	126,389	209,769	(83,381)	-40%	216,739
Funded by:										
National Government		96,392	214,233	136,499	20,729	95,932	141,466	(45,534)	-32%	136,499
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	6,000	2,914	5,914	4,800	1,114	23%	6,000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises,		-	-	18,850	-	10,096	15,080	(4,984)	-33%	18,850
Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		96,392	214,233	161,349	23,643	111,942	161,346	(49,404)	-31%	161,349
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		29,624	35,240	55,390	2,697	14,447	48,423	(33,976)	-70%	55,390
Total Capital Funding		126,016	249,473	216,739	26,340	126,389	209,769	(83,381)	-40%	216,739

NC091 Sol Plaatje - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		109,536	174,327	73,214	144,109	73,214
Trade and other receivables from exchange transactions		1,093,008	734,354	812,576	1,345,998	812,576
Receivables from non-exchange transactions		876,734	2,173,122	2,173,122	901,255	2,173,122
Current portion of non-current receivables		-	-	-	-	-
Inventory		82,694	27,461	27,461	89,599	27,461
VAT		142,434	362,625	362,625	137,614	362,625
Other current assets		1	126	126	612	126
Total current assets		2,304,408	3,472,014	3,449,123	2,619,187	3,449,123
Non current assets						
Investments						
Investment property		212,356	223,856	221,251	221,380	221,251
Property, plant and equipment		2,023,360	2,190,939	2,141,960	2,130,628	2,141,960
Biological assets						
Living and non-living resources						
Heritage assets		12,071	12,071	12,071	12,071	12,071
Intangible assets		17,714	3,492	22,342	27,810	22,342
Trade and other receivables from exchange transactions		-	35,716	35,716	-	35,716
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		2,265,500	2,466,074	2,433,340	2,391,889	2,433,340
TOTAL ASSETS		4,569,908	5,938,089	5,882,464	5,011,076	5,882,464
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		45,776	49,391	49,391	47,976	49,391
Trade and other payables from exchange transactions		1,293,730	937,683	947,539	1,254,761	947,539
Trade and other payables from non-exchange transactions		7,233	-	-	62,419	-
Provision		-	94,029	94,029	788	94,029
VAT		111,227	70,327	70,327	239,201	70,327
Other current liabilities		-	-	-	-	-
Total current liabilities		1,457,966	1,151,431	1,161,286	1,605,145	1,161,286
Non current liabilities						
Financial liabilities		159,430	158,166	158,166	152,895	158,166
Provision		257,313	285,658	285,658	257,313	285,658
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		416,743	443,824	443,824	410,208	443,824
TOTAL LIABILITIES		1,874,708	1,595,254	1,605,110	2,015,353	1,605,110
NET ASSETS	2	2,695,200	4,342,835	4,277,354	2,995,722	4,277,354
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2,630,346	4,261,958	4,251,028	2,931,656	4,251,028
Reserves and funds		64,066	80,876	80,876	64,066	80,876
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	2,694,412	4,342,835	4,331,904	2,995,722	4,331,904

NC091 Sol Plaatje - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		453,721	543,052	543,052	48,374	473,835	497,798	(23,963)	-5%	543,052
Service charges		1,024,096	1,354,795	1,341,114	114,628	1,172,840	1,229,354	(56,514)	-5%	1,341,114
Other revenue		724,269	79,844	140,929	31,496	481,280	129,185	352,095	273%	140,929
Transfers and Subsidies - Operational		100,622	281,921	306,453	47	302,229	280,915	21,314	8%	306,453
Transfers and Subsidies - Capital		113,738	214,233	142,499	3,351	139,850	130,624	9,226	7%	142,499
Interest		567	-	-	-	3,412	-	3,412	#DIV/0!	-
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(3,355,326)	(2,215,507)	(2,295,550)	(219,533)	(2,444,054)	(2,104,254)	339,801	-16%	(2,295,550)
Interest		(2,401)	(19,495)	(20,055)	-	2,401	(18,383)	(20,785)	113%	(20,055)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(940,714)	238,844	158,443	(21,637)	131,793	145,239	13,446	9%	158,443
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	1,100	2,067	3,126	1,008	2,118	210%	1,100
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(126,016)	(249,473)	(216,739)	(26,340)	(126,389)	(198,677)	(72,289)	36%	(216,739)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(126,016)	(249,473)	(215,639)	(24,273)	(123,262)	(197,669)	(74,407)	38%	(215,639)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	1,569	-	1,569	#DIV/0!	-
Payments										
Repayment of borrowing		-	(13,351)	(13,351)	-	-	(12,239)	(12,239)	100%	(13,351)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(13,351)	(13,351)	-	1,569	(12,239)	(13,807)	113%	(13,351)
NET INCREASE/ (DECREASE) IN CASH HELD		(1,066,730)	(23,980)	(70,548)	(45,910)	10,100	(64,669)			(70,548)
Cash/cash equivalents at beginning:		197,591	198,307	198,307	162,104	109,536	198,307			109,536
Cash/cash equivalents at month/year end:		(869,139)	174,327	127,759		119,636	133,638			38,989


The BTO made a concerted effort to align the Cash and equivalents of A6 and A7 for the Adjusted budget for 2023/24 financial year, by relooking at the mapping as advised by NT and BCX.

However, there are some errors that must be resolved so that the monthly and YTD actuals populate correctly. The Cash and Cash equivalents on C7 is slightly overstated.

As per C6, the Cash and cash equivalents is R144,109 million as per the Cash book balance.

16. Annexure B: Compliance with the conditions for Municipal Debt Relief

16.1 MFMA Circular 124 – Municipality Compliance Self-Assessment

Annexure A2 - Monthly			Notes/Comments	
 <div style="background-color: #f0e68c; padding: 5px;"> National Treasury Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 56 of 2003 </div>				
<div style="background-color: #fff9c4; padding: 5px; border: 1px solid #ccc;"> Municipality Self-Assessment </div>				
Certificate of Compliance: Municipal Debt Relief Conditions for Application				
Period	<div style="border: 1px solid #ccc; padding: 2px;">May/24</div>			
National Financial Year	<div style="border: 1px solid #ccc; padding: 2px;">2023/24</div>			
Demarcation Code of Municipality being assessed	<div style="border: 1px solid #ccc; padding: 2px;">NC091</div>			
District	<div style="border: 1px solid #ccc; padding: 2px;">Frances Baard</div>			
Demarcation Description	<div style="border: 1px solid #ccc; padding: 2px;">Sol Plaatje</div>			
<p>I, <u>name and surname of HOD</u>, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:</p>				
Municipal Debt Relief Conditions (Monthly reporting) Choose from drop down list				
6.3 + 6.12	Maintaining the Eskom and bulk water current account – <small>(current account for the purpose of this exercise means the account for a single month's consumption)</small>			
1	6.12.2 - Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.12.2</i>	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>	No billing was raised for Bulk Water for April 2024 due to the commencement of the servitude for the municipality. The servitude is the free water quota allocated to the municipality effective from 1 April each year. Monthly billing resumes when the servitude is exhausted. (Servitude lasts about 3 months)	
2	6.12.2 - Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://guploadportal.treasury.gov.za ?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
3	6.12.2 - Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
4	6.3.1 - Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.</i>	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		The municipality settled R59,697m excl interest of R1,739m on 28 May 2024 on the current ESKOM account for April 2024 amounting to R61,436m. Payment arrangement amount settled R13.4m.
5	6.3.2 6.3.3 - Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://guploadportal.treasury.gov.za ?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
6	6.3.4 - Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
6.4	Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)			
7	6.4.1 - Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx ?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
8	6.4.1 - Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
9	6.4.1 - Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations? <small><i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no realignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i></small>	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
10	6.4.1 - Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations? <small><i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i></small>	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
11	6.4.2 - If the municipality's MTREF is not funded , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	<div style="border: 1px solid #ccc; padding: 2px;">N/A - the MTREF is funded</div>		
12	6.4.2 - If the municipality's MTREF is not funded and it has an FRP per the legislative framework , does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? <small><i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i></small>	<div style="border: 1px solid #ccc; padding: 2px;">N/A</div>		
13	6.4.2 - Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (for example higher winter Eskom tariffs, lower January collection rates, etc.)?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		
14	6.5 Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	<div style="border: 1px solid #ccc; padding: 2px;">Yes</div>		

6.6		Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:		
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes	
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes	
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? <i>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</i>	No	
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? <i>Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.</i>	No	
6.6		Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.		
6.7		Maintain a minimum average quarterly collection of property rates and services charges –		
19	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	Not yet end of quarter	
		<i>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</i>		
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :		
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1.	not yet the end of a quarter	
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	not yet the end of a quarter	
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	not yet the end of a quarter	
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No	The Municipality was awaiting the award of the transversal tender for smart prepaid meters that was issued by NT. Muni is also finalising the Smart Meter Grant Application.
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes	
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes	
6.8		Municipality's Completeness of the revenue base –		
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes	
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement</i>	Yes	
28	6.8.2	- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://luploadportal.treasury.gov.za ?	Yes	
6.9		Monitor and report on implementation –		
29	6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes	
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? <i>Note- condition 6.9.2 has a typing error and must refer to 6.9.1.</i>	6.9.1 = Yes	
31	6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No FRP	
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://luploadportal.treasury.gov.za ?	No FRP	
		<i>Note – a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>		

33	6.10.1	Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless: - has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes	
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://guploadportal.treasury.gov.za/ ? <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i>	Yes	
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No	Function performed by National Treasury
<i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i>				
36	6.11	Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	No	
<i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124 condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.</i>				
6.12 For the duration of the Municipal Debt Relief (to ensure proper management of resources):				
37	6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes	
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes	
<i>Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).</i>				
39		Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	Yes	Sub-account no longer required in terms of Supplementary guide to Circ 124
40	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? <i>Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.</i>	Yes	Eskom reserved interest from March 2023 to January 2024, amounting to R95.2m.
41	6.14	NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes	
<i>Note: By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.</i>				

PT: HOD/ NT / MM Name:

Signature of HOD/ NT/ MM:

Date:

16.2 Municipal Debt Relief Performance across the period of debt relief participation

The table below shows the municipality's overall relief compliance across the months of its debt relief participation since the National Treasury debt relief approval effective date of 1 October 2023:

Municipal Details		Monthly Performance Report																				Score	Compliance Status																						
Month	Code Descr	Code	Part A					Part B					Part C				Part D						Part E				Part F																		
			Eskom And Bulk water current account					Compliance with a funded MTREF					FRP/BFP & Tariff Assessment				Electricity and water as collection tools						Quarterly collection of property rates and services charges					Maximization of Revenue Base				Oversight													
			C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41		
1.July	Complete the Search																																											0%	Non Compliance
2.August	Complete the Search																																											0%	Non Compliance
3.September	Complete the Search																																											0%	Non Compliance
4.October	Complete the Search		No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	No	No	No	No	Yes	No	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	No	55%	Non Compliance		
5.November	Complete the Search		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	No	No	Yes	No	Yes	Yes	No	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	80%	Non Compliance		
6.December	Complete the Search		No	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Non Compliance		
7.January	Complete the Search		Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	80%	Non Compliance		
8.February	Complete the Search		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	88%	Non Compliance		
9.March	Complete the Search		No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	N/A	N/A	N/A	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Non Compliance		
10.April	Complete the Search		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	85%	Non Compliance		
11.May	Complete the Search		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	90%	Non Compliance		
12.June	Complete the Search																																										0%	Non Compliance	

The municipality's performance, especially settling the current account for ESKOM has improved. It is imperative that the non-compliance issues as raised by National Treasury is addressed as matter of urgency with a decisive implementation strategy and stringent monitoring thereof. Achieving 100% compliance is possible, provided that all parties come to the table and work as a collective to achieve this. Revenue collection must remain a key focus point, whilst a tangible solution must be sought for the interrupting or restricting of water supply.

Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: May 2024

16.3 The National Treasury Debt Relief Compliance Assessment

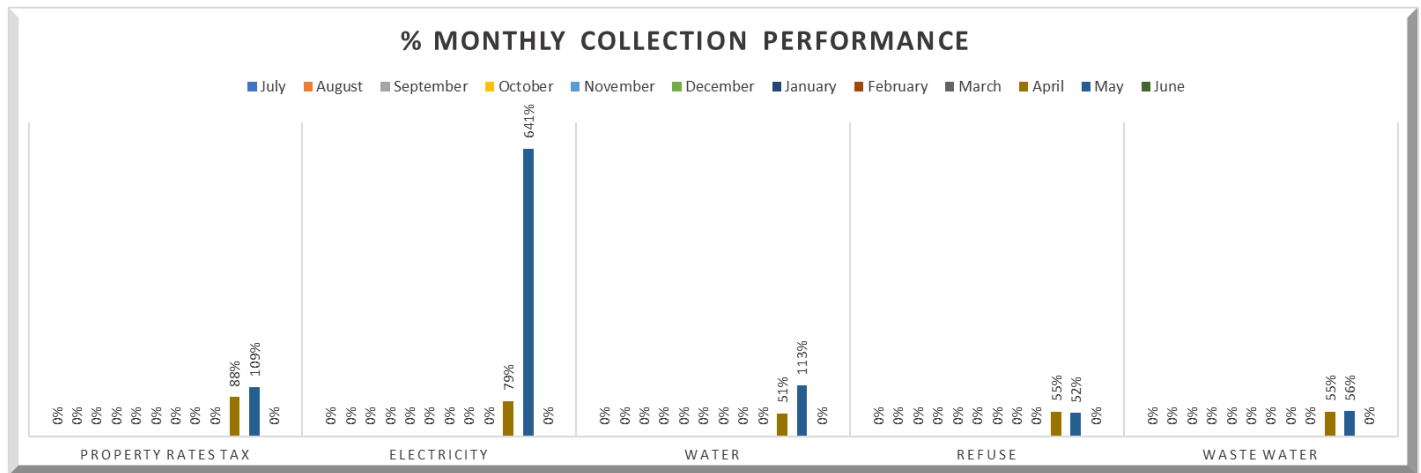
The latest National Treasury debt relief compliance certificate and non-compliance report issued to the municipality for the month of April 2024 is attached to this S71 report. National Treasury will be issuing a revised report that will include the MFMA S71 statement compliance.

Here are the specific conditions that were not fully met in April 2024 according to the monitoring tool:

- Condition 01: Bulk water current account;
- Condition 02: Supporting documents not submitted;
- Condition 03: Reconciliation with MSCOA not possible;
- Condition 17: Restricting the water supply;
- Condition 18: Restricting indigent for water and electricity;
- Condition 19: Collection rate quarterly target;
- Condition 21: Physical restriction of water in Eskom supplied areas;
- Condition 22: Service level agreement in Eskom supplied areas; and
- Condition 23: No installation of smart prepaid meters.

16.4 MFMA Circular 124 – Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7 (Maintain a minimum average quarterly collection of property rates and services charges)

16.4.1 Monthly / Quarterly collection per ward



National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Municipal Details				
Northern Cape				
Code	District	Municipality	Period Monitored	No. Of Wards
NC091		Sol Plaatje	May	36

Collection Rate Assessment	Summary - Quarter 1				Q1	Summary - Quarter 2				Q2	Summary - Quarter 3				Q3	Summary - Quarter 4				Q4
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		276,088,157	246,044,198	30,043,959	89%	89%
2.Collection post Eskom supplied areas	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		241,487,141	231,296,314	10,172,787	96%	96%
3.Collection: Property Rates	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		89,290,373	88,041,210	1,249,163	99%	99%
4.Total average collection: Electricity (Municipal supplied areas)	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		74,156,369	110,260,648	(36,105,279)	149%	149%
5.Total average collection: Water	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		39,973,951	28,508,595	11,465,356	71%	71%
6.Total average collection: Wastewater	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		15,618,001	8,388,558	7,229,453	54%	54%
7.Total average collection: Refuse	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		13,037,563	7,270,571	5,766,982	56%	56%
8.Total average collection: Interest	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		44,013,201	3,574,578	40,438,623	8%	8%

The monthly collection rate per ward is a major concern and is significantly lower than the average calculated by the municipality. This matter must be investigated and discussed with our financial systems provider. There are unidentified wards which the municipality will investigate and correct on the system. A request was submitted to Property valuation to assist in this process, still awaiting feedback. Due to interpretation of this annexure, the municipality erroneously included actuals for March in the April reporting period. The March report is based on billing for February and receipts of March. Electricity is showing a significant collection versus billing ratio, as a result of billing error that was corrected.

Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: May 2024

Collection Rate Assessment

Total Aggregate Collection	10.April - Reporting for March in April				11.May - Reporting for April in May				12.June - Reporting for May in June				Summary - Quarter 4				
	Billing For March	Collection in April	R - Billing not collected	% Collection	Billing For April	Collection in May	R - Billing not collected	% Collection	Billing For May	Collection in June	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q1
Collection for whole demarcation	173,147,830	113,950,404	59,197,426	66%	102,940,327	132,093,795	26,823,396	128%	-	-	-	#DIV/0!	276,088,157	246,044,198	30,043,959	89%	89%
Collection <u>excl Eskom supplied areas</u>	155,092,489	108,311,082	53,196,322	70%	86,374,651	122,983,292	34,732,561	142%	-	-	-	#DIV/0!	241,467,141	231,294,374	10,172,767	96%	96%
Collection: Property Rates	44,969,330	39,524,670	5,444,660	88%	44,321,043	48,516,540	0	109%	-	-	-	#DIV/0!	89,290,373	88,041,210	1,249,163	99%	99%
4.Total average collection: Electricity (Municipal supplied areas)	64,916,918	51,018,056	13,898,862	79%	9,238,451	59,242,592	0	641%	-	-	-	#DIV/0!	74,155,369	110,260,648	(36,105,279)	149%	149%
Total average collection: Water	26,806,423	13,564,130	13,242,293	51%	13,167,238	14,944,464	0	113%	-	-	-	#DIV/0!	39,973,661	28,508,595	11,465,066	71%	71%
Total average collection: Wastewater	7,874,380	4,358,682	3,515,697	55%	7,743,621	4,029,915	3,713,706	52%	-	-	-	#DIV/0!	15,618,001	8,388,598	7,229,403	54%	54%
Total average collection: Refuse	6,534,926	3,611,778	2,923,147	55%	6,502,627	3,658,792	2,843,834	56%	-	-	-	#DIV/0!	13,037,553	7,270,571	5,766,982	56%	56%
7.Total average collection: Interest	22,045,854	1,873,087	20,172,767	8%	21,967,347	1,701,491	20,265,856	8%	-	-	-	#DIV/0!	44,013,201	3,574,578	40,438,623	8%	8%

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Complete This Section			Quarter 4 Performance Per Ward																
Services	Electricity Supplier	Ward Name & Number	10.April				11.May				12.June				Billing	Collection	R - Billing not collected	% Collection	Q4
			Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection					
Property Rates Tax	Mun Supplied	Ward 1 - Ploffenh, Somerset-Munici Locality/ (Lehlabo Park)	140,603	76,453	64,150	54%	140,603	363,254	0	258%	-	-	-	#DIV/0!	281,206	439,707	(158,501)	156%	156%
Electricity			1,324,332	976,708	347,625	74%	1,839,030	1,724,470	114,560	94%	-	-	-	#DIV/0!	3,163,362	2,701,177	462,185	85%	85%
Water			1,424,274	140,655	1,283,620	10%	799,184	1,888,973	0	236%	-	-	-	#DIV/0!	2,223,458	2,029,627	193,831	91%	91%
Refuse			65,426	20,274	45,152	31%	65,426	57,280	8,146	88%	-	-	-	#DIV/0!	130,852	77,554	53,298	59%	59%
Waste Water			75,858	10,351	65,507	14%	75,858	11,408	64,449	15%	-	-	-	#DIV/0!	151,715	21,759	129,956	14%	14%
Interest			445,283	6,572	438,711	1%	455,419	18,196	437,223	4%	-	-	-	#DIV/0!	900,701	24,768	875,934	3%	3%
Property Rates Tax	Mun Supplied	Ward 2 - Roodhpan	931,254	428,846	502,407	46%	885,728	455,851	429,876	51%	-	-	-	#DIV/0!	1,816,981	884,697	932,284	49%	49%
Electricity			253,290	324,073	0	128%	253,598	221,771	31,827	87%	-	-	-	#DIV/0!	506,888	545,844	(38,956)	108%	108%
Water			638,745	255,585	383,161	40%	646,751	264,210	382,541	41%	-	-	-	#DIV/0!	1,285,496	519,795	765,702	40%	40%
Refuse			229,426	101,787	127,639	44%	210,123	101,987	108,136	49%	-	-	-	#DIV/0!	439,549	203,774	235,775	46%	46%
Waste Water			324,102	140,282	183,820	43%	297,187	136,450	160,737	46%	-	-	-	#DIV/0!	621,289	276,732	344,557	45%	45%
Interest			807,816	50,575	757,241	6%	653,191	30,297	622,894	5%	-	-	-	#DIV/0!	1,461,007	80,872	1,380,135	6%	6%
Property Rates Tax	Mun Supplied	Ward 3 - Hematlo, Hematlo, Homestead, Sol Plaatje RE, Ramona	599,432	221,012	378,419	37%	609,333	218,675	390,658	36%	-	-	-	#DIV/0!	1,208,765	439,687	769,078	36%	36%
Electricity			126,580	64,937	61,643	51%	168,815	131,050	37,765	78%	-	-	-	#DIV/0!	295,395	195,987	99,408	66%	66%
Water			453,605	118,055	335,550	26%	611,910	126,806	485,103	21%	-	-	-	#DIV/0!	1,065,515	244,861	820,654	23%	23%
Refuse			141,756	89,281	52,475	63%	144,742	60,672	84,070	42%	-	-	-	#DIV/0!	286,498	149,953	136,545	52%	52%
Waste Water			196,308	268,209	0	137%	200,483	82,600	117,882	41%	-	-	-	#DIV/0!	396,791	350,809	45,982	88%	88%
Interest			530,378	28,283	502,094	5%	548,113	14,884	533,230	3%	-	-	-	#DIV/0!	1,078,491	43,167	1,035,324	4%	4%
Property Rates Tax	Mun Supplied	Ward 4 - Vegenong Ext 3, Vegenong Ext 4, Vegenong 3, Widdam	321,867	279,661	42,206	87%	322,693	241,345	81,348	75%	-	-	-	#DIV/0!	644,560	521,006	123,554	81%	81%
Electricity			253,947	343,193	0	135%	217,223	186,880	30,343	86%	-	-	-	#DIV/0!	471,171	530,072	(58,902)	113%	113%
Water			422,089	225,337	196,751	53%	356,630	130,107	226,523	36%	-	-	-	#DIV/0!	778,718	355,445	423,274	46%	46%
Refuse			136,807	49,788	87,019	36%	137,054	56,992	80,062	42%	-	-	-	#DIV/0!	273,861	106,780	167,081	39%	39%
Waste Water			190,709	64,285	126,424	34%	190,712	73,299	117,413	38%	-	-	-	#DIV/0!	381,420	137,584	243,837	36%	36%
Interest			401,999	9,107	392,893	2%	406,721	13,715	393,006	3%	-	-	-	#DIV/0!	808,720	22,822	785,898	3%	3%
Property Rates Tax	Mun Supplied	Ward 5 - Vegenong Ext 2, Redifine, Thuisano	254,996	94,429	160,567	37%	258,467	455,211	0	176%	-	-	-	#DIV/0!	513,463	549,640	(36,177)	107%	107%
Electricity			43,128	39,111	4,017	91%	30,779	39,122	0	127%	-	-	-	#DIV/0!	73,907	78,234	(4,327)	106%	106%
Water			335,346	64,341	271,004	19%	312,077	149,550	162,527	48%	-	-	-	#DIV/0!	647,423	213,891	433,532	33%	33%
Refuse			119,264	42,433	76,832	36%	120,692	48,787	71,904	40%	-	-	-	#DIV/0!	239,956	91,220	148,736	38%	38%
Waste Water			161,192	59,228	101,964	37%	163,429	62,601	100,827	38%	-	-	-	#DIV/0!	324,620	121,829	202,791	38%	38%
Interest			397,974	13,395	384,579	3%	404,667	36,134	368,532	9%	-	-	-	#DIV/0!	802,640	49,529	753,111	6%	6%
Property Rates Tax	Mun Supplied	Ward 6 - Vegenong Ext 10, Bokharu, Sol Plaatje, Blakies	169,069	45,447	123,622	27%	171,595	51,509	120,086	30%	-	-	-	#DIV/0!	340,664	96,956	243,708	28%	28%
Electricity			13,047	13,892	0	106%	12,591	24,167	0	192%	-	-	-	#DIV/0!	25,638	38,058	(12,421)	148%	148%
Water			339,155	55,814	283,342	16%	333,655	55,048	278,608	16%	-	-	-	#DIV/0!	672,811	110,861	561,949	16%	16%
Refuse			121,779	34,480	87,299	28%	122,578	33,611	88,967	27%	-	-	-	#DIV/0!	244,357	68,090	176,266	28%	28%
Waste Water			170,662	43,449	127,213	25%	164,760	40,010	124,750	24%	-	-	-	#DIV/0!	335,422	83,459	251,963	25%	25%
Interest			497,897	11,426	486,471	2%	504,041	10,108	493,933	2%	-	-	-	#DIV/0!	1,001,939	21,534	980,404	2%	2%
Property Rates Tax	Mun Supplied	Ward 7 - Sol Plaatje RE, Sol Plaatje, Vegenong, Uburutu, Golf Course/Abomasamak	212,741	80,814	131,927	38%	203,083	259,565	0	128%	-	-	-	#DIV/0!	415,824	340,379	75,445	82%	82%
Electricity			(10,751)	52,275	0	-486%	111,462	91,508	19,955	82%	-	-	-	#DIV/0!	100,711	143,783	(43,072)	143%	143%
Water			281,136	74,387	206,749	26%	447,543	89,943	357,600	20%	-	-	-	#DIV/0!	728,679	164,330	564,349	23%	23%
Refuse			120,456	42,004	78,452	35%	120,210	40,746	79,464	34%	-	-	-	#DIV/0!	240,666	82,750	157,916	34%	34%
Waste Water			171,688	60,948	110,740	35%	171,447	56,142	115,306	33%	-	-	-	#DIV/0!	343,136	117,090	226,046	34%	34%
Interest			384,219	19,818	364,402	5%	387,655	26,077	361,579	7%	-	-	-	#DIV/0!	771,875	45,894	725,980	6%	6%

Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: May 2024

Complete This Section			Quarter 4 Performance Per Ward																
			10. April				11. May				12. June								
Services	Electricity Supplier	Ward Name & Number	Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q4
Property Rates Tax	Mun. Supplied	Ward 8 - John Mampela, Mampela Exc. Luthi Mabilo Park, Donkerhoek	120,937	24,227	96,710	20%	124,368	22,693	101,675	18%					245,305	46,920	198,386	19%	19%
Electricity			26,867	96,339	0	359%	98,484	4,112	94,372	4%					125,351	100,451	24,900	80%	80%
Water			307,605	39,745	267,860	13%	204,606	41,836	162,770	20%					512,211	81,581	430,630	16%	16%
Refuse			114,161	14,388	99,773	13%	122,324	18,739	103,585	15%					236,485	33,127	203,359	14%	14%
Waste Water			152,149	17,084	135,065	11%	163,550	20,000	143,551	12%					315,699	37,083	278,616	12%	12%
Interest			497,868	4,533	493,335	1%	498,054	3,670	494,385	1%					995,922	8,203	987,720	1%	1%
Property Rates Tax	Mun. Supplied	Ward 9 - Ipopeng, Retsewelle	735,461	380,435	355,026	52%	728,576	962,356	0	132%					1,464,037	1,342,791	121,246	92%	92%
Electricity			87,040	162,510	0	187%	156,846	119,781	37,065	76%					243,887	282,291	(38,404)	116%	116%
Water			475,874	228,611	247,263	48%	232,295	188,972	43,323	81%					708,170	417,583	290,587	59%	59%
Refuse			152,230	81,554	70,676	54%	152,607	88,625	63,982	58%					304,837	170,179	134,658	56%	56%
Waste Water			208,656	105,272	103,384	50%	209,138	115,165	93,972	55%					417,794	220,437	197,356	53%	53%
Interest			429,917	24,403	405,514	6%	419,500	49,580	369,921	12%					849,418	73,983	775,435	9%	9%
Property Rates Tax	Mun. Supplied	Ward 10 - Tshwaganano, Vergenoeg Ext 7, Vergenoeg Ext 5	286,628	305,594	0	107%	292,009	968,436	0	332%					578,638	1,274,029	(695,392)	220%	220%
Electricity			372,792	844,451	0	227%	438,313	318,107	120,206	73%					811,105	1,162,558	(351,453)	143%	143%
Water			352,931	127,846	225,085	36%	271,645	127,158	144,487	47%					624,576	255,005	369,572	41%	41%
Refuse			140,916	59,817	81,099	42%	146,405	63,427	82,979	43%					287,321	123,243	164,078	43%	43%
Waste Water			173,535	62,055	111,480	36%	181,164	61,944	119,220	34%					354,699	123,999	230,700	35%	35%
Interest			406,505	8,486	398,019	2%	414,380	25,219	389,160	6%					820,885	33,705	787,180	4%	4%
Property Rates Tax	Mun. Supplied	Ward 11 - Retsewelle, Aqanang, Vergenoeg Ext 8, Vergenoeg Ext 6	138,712	54,956	83,757	40%	134,871	1,644,077	0	1219%					273,584	1,699,033	(1,425,449)	621%	621%
Electricity			268,307	463,678	0	173%	248,372	465,144	0	187%					516,678	928,823	(412,144)	180%	180%
Water			372,056	127,218	244,838	34%	381,629	106,480	275,148	28%					753,684	233,698	519,986	31%	31%
Refuse			102,487	49,629	52,858	48%	98,638	42,351	56,287	43%					201,125	91,979	109,146	46%	46%
Waste Water			163,943	90,200	73,743	55%	158,597	70,227	88,371	44%					322,541	160,427	162,114	50%	50%
Interest			387,774	4,725	383,049	1%	369,378	13,137	356,241	4%					757,151	17,861	739,290	2%	2%
Property Rates Tax	Mun. Supplied	Ward 12 - Kwakobantu, Ext 1, Kwakobantu, Galeshewe proper, Galeshewe Ext 2	242,850	118,538	124,313	49%	281,438	134,739	146,699	48%					524,289	253,277	271,012	48%	48%
Electricity			29,203	46,334	0	159%	128,944	57,490	71,454	45%					158,147	103,823	54,323	66%	66%
Water			206,792	91,425	115,367	44%	236,139	113,388	122,751	48%					442,931	204,813	238,118	46%	46%
Refuse			100,853	44,298	56,556	44%	123,721	51,635	72,086	42%					224,574	95,933	128,641	43%	43%
Waste Water			140,195	56,892	83,303	41%	170,583	71,614	98,969	42%					310,778	128,506	182,272	41%	41%
Interest			142,153	35,813	106,341	25%	398,619	14,680	383,939	4%					540,773	50,492	490,280	9%	9%
Property Rates Tax	Mun. Supplied	Ward 13 - Santa Centre, Galeshewe Ext 6, Galeshewe Ext 1, Gemdene	241,416	159,909	81,507	66%	241,416	1,112,346	0	461%					482,833	1,272,255	(789,422)	263%	263%
Electricity			443,506	461,115	0	104%	512,312	315,714	196,598	62%					955,818	776,829	178,989	81%	81%
Water			255,358	61,157	194,201	24%	251,024	96,442	154,582	38%					506,382	157,599	348,783	31%	31%
Refuse			68,939	23,440	45,499	34%	68,939	28,048	40,891	41%					137,878	51,488	86,390	37%	37%
Waste Water			106,199	30,072	76,127	28%	106,237	41,097	65,139	39%					212,436	71,169	141,267	34%	34%
Interest			275,665	5,287	270,378	2%	269,948	39,396	230,552	15%					545,612	44,683	500,929	8%	8%
Property Rates Tax	Mun. Supplied	Ward 14 - Northview, Colville, Gemdene, Square Hill Park, Floors, UTBY, Aschburnham	1,288,267	896,964	391,303	70%	1,281,383	1,018,253	263,130	79%					2,569,650	1,915,217	654,433	75%	75%
Electricity			1,646,468	1,411,518	234,950	86%	1,436,772	1,568,641	0	109%					3,083,240	2,980,159	103,081	97%	97%
Water			671,163	514,905	156,258	77%	544,674	504,693	39,980	93%					1,215,836	1,019,598	196,238	84%	84%
Refuse			321,548	235,105	86,443	73%	304,132	275,182	28,951	90%					625,680	510,286	115,394	82%	82%
Waste Water			291,576	194,796	96,780	67%	282,402	219,715	62,687	78%					573,979	414,511	159,467	72%	72%
Interest			702,119	74,608	627,511	11%	701,709	28,143	673,566	4%					1,403,827	102,750	1,301,077	7%	7%
Property Rates Tax	Mun. Supplied	Ward 15 - Ipopeng, Phomoting, Phutanganang, Sol Plaatje RC	291,805	139,553	152,252	48%	288,359	1,495,011	0	518%					580,164	1,634,565	(1,054,401)	282%	282%
Electricity			101,571	99,546	2,025	98%	110,309	87,631	22,678	79%					211,880	187,178	24,703	88%	88%
Water			538,490	75,212	463,278	14%	427,665	94,943	332,722	22%					966,155	170,155	796,000	18%	18%
Refuse			130,637	35,823	94,815	27%	124,705	49,082	75,623	39%					255,342	84,905	170,437	33%	33%
Waste Water			181,993	57,638	124,355	32%	173,591	61,506	112,085	35%					355,584	119,144	236,440	34%	34%
Interest			527,139	7,866	519,273	1%	512,651	51,102	461,550	10%					1,039,790	58,968	980,823	6%	6%
Property Rates Tax	Mun. Supplied	Ward 16 - Phutanganang Cemetery, Promise Land, Undelani, Snake Park, Tswelabang	148,318	11,676	136,641	8%	148,474	17,893	130,582	12%					296,792	29,569	267,223	10%	10%
Electricity			8,551	736	7,815	9%	347,079	1,106	345,974	0%					355,631	1,842	353,789	1%	1%
Water			447,852	16,254	431,598	4%	777,691	19,562	758,129	3%					1,225,543	35,816	1,189,727	3%	3%
Refuse			135,928	7,294	128,634	5%	136,421	10,245	126,176	8%					272,349	17,539	254,810	6%	6%
Waste Water			190,918	11,537	179,381	6%	191,623	14,029	177,594	7%					382,540	25,565	356,975	7%	7%
Interest			464,779	3,513	461,266	1%	475,481	3,228	472,252	1%					940,260	6,742	933,518	1%	1%

Complete This Section			Quarter 4 Performance Per Ward																
			10. April				11. May				12. June								
Services	Electricity Supplier	Ward Name & Number	Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q4
Property Rates Tax	Mun. Supplied	Ward 17 - Kagiso, Thibing, John Mlampe 2, Dineanang	422,497	179,249	243,247	42%	402,122	184,944	217,178	46%					824,619	364,193	460,426	44%	44%
Electricity			50,931	16,201	34,730	32%	43,035	37,713	5,322	88%					93,967	53,915	40,052	57%	57%
Water			487,692	111,513	376,178	23%	336,680	104,175	232,505	31%					824,372	215,689	608,683	26%	26%
Refuse			169,129	49,236	119,893	29%	157,828	53,794	104,034	34%					326,957	103,030	223,927	32%	32%
Waste Water			222,604	71,294	151,310	32%	206,935	67,330	139,605	33%					429,539	138,624	290,915	32%	32%
Interest			594,512	11,889	582,623	2%	582,330	14,150	568,180	2%					1,176,842	26,039	1,150,803	2%	2%
Property Rates Tax	Mun. Supplied	Ward 18 - Kristenhof, Numak Street Area, Galeshewe Est 7, Viewwood Park, Riviera	1,063,623	1,362,648	0	128%	1,047,219	1,094,549	0	105%					2,110,842	2,457,197	(346,355)	116%	116%
Electricity			1,121,650	406,810	714,840	36%	957,440	1,414,630	0	148%					2,079,090	1,821,440	257,650	88%	88%
Water			3,668,284	425,843	3,242,441	12%	(2,468,331)	542,838	0	-22%					1,199,953	968,680	231,273	81%	81%
Refuse			196,312	121,843	74,469	62%	194,032	139,807	54,225	72%					390,344	261,650	128,694	67%	67%
Waste Water			246,752	160,807	85,946	65%	243,634	178,212	65,422	73%					490,386	339,019	151,368	69%	69%
Interest			604,408	107,818	496,589	18%	600,399	47,855	552,545	8%					1,204,807	155,673	1,049,134	13%	13%
Property Rates Tax	Mun. Supplied	Ward 19 - Galeshewe Est 5, Galeshewe Est 4	229,151	89,337	139,814	39%	229,151	266,690	0	116%					458,302	356,027	102,275	78%	78%
Electricity			42,582	14,326	28,256	34%	3,549	25,883	0	729%					46,131	40,209	5,922	87%	87%
Water			449,776	105,868	343,908	24%	260,317	95,813	164,505	37%					710,093	201,680	508,412	28%	28%
Refuse			131,779	42,311	89,468	32%	131,532	41,182	90,351	31%					263,311	83,493	179,818	32%	32%
Waste Water			171,480	45,554	125,926	27%	171,136	49,494	121,643	29%					342,616	95,048	247,568	28%	28%
Interest			509,645	9,917	499,729	2%	513,035	11,028	502,007	2%					1,022,681	20,945	1,001,736	2%	2%
Property Rates Tax	Mun. Supplied	Ward 20 - West End, Kimberley Mile, Kimberley North, Kimberley North, Diamant Park, Albanyhof, Kestelhof	11,817,764	12,627,669	0	107%	11,210,034	10,171,559	1,038,476	91%					23,027,798	22,799,228	228,570	99%	99%
Electricity			10,571,522	11,817,512	0	112%	(24,299,225)	25,078,661	0	-103%					(13,727,704)	36,896,174	(50,623,877)	-269%	-269%
Water			2,789,548	2,147,460	642,088	77%	2,127,484	1,958,934	168,550	92%					4,917,032	4,106,394	810,638	84%	84%
Refuse			956,653	814,963	141,690	85%	951,290	715,028	236,263	75%					1,907,943	1,529,991	377,953	80%	80%
Waste Water			794,462	787,486	6,976	99%	787,388	691,551	95,837	88%					1,581,850	1,479,037	102,813	94%	94%
Interest			2,020,776	526,129	1,494,647	26%	1,940,397	361,362	1,579,034	19%					3,961,172	887,491	3,073,681	22%	22%
Property Rates Tax	Mun. Supplied	Ward 21 - De Beers, Hull Street Area, Ennesville, Mogol Park, Venster, Begonia, Turner Road, Indanani Area	3,032,710	2,525,281	507,429	83%	3,042,862	3,024,241	18,620	99%					6,075,571	5,549,522	526,049	91%	91%
Electricity			3,537,008	2,802,567	734,442	79%	2,725,225	2,474,644	250,581	91%					6,262,234	5,277,211	985,023	84%	84%
Water			1,246,638	1,090,460	156,178	87%	951,139	1,013,045	0	107%					2,197,777	2,103,505	94,272	96%	96%
Refuse			373,670	315,080	58,590	84%	373,554	297,113	76,440	80%					747,223	612,193	135,031	82%	82%
Waste Water			405,711	331,854	73,857	82%	405,610	323,730	81,879	80%					811,320	655,584	155,737	81%	81%
Interest			829,628	188,673	640,956	23%	842,570	159,503	683,067	19%					1,672,198	348,176	1,324,023	21%	21%
Property Rates Tax	Mun. Supplied	Ward 22 - South Ridge, Green Point, Fabrica	1,281,032	1,028,283	252,749	80%	1,287,221	1,480,198	0	325%					2,568,253	5,208,480	(2,640,228)	203%	203%
Electricity			3,473,674	1,973,676	1,499,998	57%	2,012,322	1,456,692	555,631	72%					5,485,996	3,430,367	2,055,629	63%	63%
Water			113,671	411,042	0	362%	299,145	316,451	0	106%					412,817	727,493	(314,677)	176%	176%
Refuse			183,804	92,298	91,506	50%	186,644	89,044	97,601	48%					370,448	181,342	189,106	49%	49%
Waste Water			234,287	99,632	134,656	43%	238,299	94,625	143,674	40%					472,587	194,257	278,330	41%	41%
Interest			561,488	41,355	520,134	7%	547,054	24,872	522,182	5%					1,108,542	66,227	1,042,315	6%	6%
Property Rates Tax	Mun. Supplied	Ward 23 - Chic Centre, New Park, Labram, Roylglen, Roylgene, Monument Heights, El toro Park, Milnera Gardens	8,095,630	9,100,939	0	112%	8,098,095	9,866,816	0	122%					16,193,725	18,967,755	(2,774,030)	117%	117%
Electricity			19,212,826	13,582,188	5,630,638	71%	9,299,013	11,026,416	0	119%					28,511,838	24,608,604	3,903,235	86%	86%
Water			2,209,004	2,392,345	0	108%	1,599,401	1,821,395	0	114%					3,808,405	4,213,740	(405,335)	111%	111%
Refuse			430,588	409,124	21,464	95%	430,711	390,407	40,304	91%					861,299	799,531	61,768	93%	93%
Waste Water			540,459	564,299	0	104%	540,751	456,122	84,629	84%					1,081,210	1,020,421	60,790	94%	94%
Interest			880,027	311,786	568,241	35%	820,620	205,829	614,791	25%					1,700,647	517,615	1,183,032	30%	30%
Property Rates Tax	Mun. Supplied	Ward 24 - Carvers Glen, Lindene, Rhododend, Heuwelg, Nation Park	3,382,379	2,661,358	721,021	79%	3,383,910	2,787,748	596,162	82%					6,766,289	5,449,106	1,317,183	81%	81%
Electricity			1,838,264	1,983,138	0	108%	1,694,367	1,517,031	177,336	90%					3,532,631	3,500,169	32,462	99%	99%
Water			372,065	1,206,646	0	324%	815,602	1,013,092	0	124%					1,187,667	2,219,737	(1,032,070)	187%	187%
Refuse			295,653	253,360	42,293	86%	295,776	270,869	24,907	92%					591,429	524,229	67,200	89%	89%
Waste Water			404,576	327,720	76,856	81%	404,748	362,317	42,431	90%					809,325	690,037	119,288	85%	85%
Interest			345,391	71,110	274,281	21%	335,090	79,994	255,096	24%					680,481	151,104	529,377	22%	22%
Property Rates Tax	Mun. Supplied	Ward 25 - De Beers Mine, Beasonried, Memorial Road Area, Kisserville	1,520,040	1,247,467	272,573	82%	1,598,765	2,788,631	0	174%					3,118,805	4,036,098	(917,294)	129%	129%
Electricity			1,032,669	1,061,455	0	103%	1,032,494	1,224,947	0	119%					2,065,163	2,286,402	(221,239)	111%	111%
Water			443,155	823,571	0	186%	543,258	802,840	0	148%					986,413	1,626,411	(639,999)	165%	165%
Refuse			173,269	146,312	26,957	84%	173,832	142,699	31,132	82%					347,100	289,012	58,089	83%	83%
Waste Water			223,724	202,826	20,898	91%	224,605	178,908	45,697	80%					448,329	381,734	66,595	85%	85%
Interest			325,646	50,447	275,199	15%	349,394	72,658	276,736	21%					675,040	123,105	551,935	18%	18%

Complete This Section			Quarter 4 Performance Per Ward																
			10. April				11. May				12. June								
Services	Electricity Supplier	Ward Name & Number	Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q4
Property Rates Tax	Partial Eskom & Mun Supplied	Ward 26 - Sol Plaatje RE, Rivetale, Mandala Square, Motswedimosa, Kagagn, Ritchie Diskobobs, Diamond Park, De Beers Mine	3,943,095	2,788,394	1,154,701	71%	3,937,916	2,393,886	1,544,030	61%					7,881,010	5,182,280	2,698,730	66%	66%
Electricity			4,143,768	1,628,778	2,514,990	39%	4,066,193	4,111,221	0	101%					8,209,961	5,739,998	2,469,962	70%	70%
Water			3,383,481	811,541	2,571,940	24%	2,282,425	1,961,437	320,988	86%					5,665,906	2,772,979	2,892,928	49%	49%
Refuse			418,130	101,408	316,722	24%	418,590	161,058	257,532	38%					836,720	262,466	574,254	31%	31%
Waste Water			416,800	100,657	316,142	24%	417,660	119,670	297,989	29%					834,459	220,327	614,132	26%	26%
Interest			3,601,216	56,164	3,545,052	2%	3,516,771	249,377	3,267,394	7%					7,117,987	305,541	6,812,446	4%	4%
Property Rates Tax	Partial Eskom & Mun Supplied	Ward 27 - Rivetale, Sol Plaatje RE	222,420	130,894	91,526	59%	212,480	89,540	122,940	42%					434,889	220,434	214,466	51%	51%
Electricity			6,568	669	5,899	10%	6,568	1,437	5,131	22%					13,137	2,106	11,031	16%	16%
Water			620,718	9,419	611,299	2%	396,420	11,631	384,789	3%					1,017,138	21,050	996,088	2%	2%
Refuse			171,224	3,618	167,606	2%	171,224	4,467	166,756	3%					342,447	8,085	334,362	2%	2%
Waste Water			226,890	5,426	221,463	2%	226,890	4,874	222,015	2%					453,779	10,301	443,478	2%	2%
Interest			901,033	2,354	898,679	0%	912,539	1,904	910,635	0%					1,813,572	4,258	1,809,314	0%	0%
Property Rates Tax	Mun Supplied	Ward 28 - Sol Plaatje RE, Kemiwoorn, Lemoatsiwa, Greenoak, De Beers Venue	2,572,573	1,967,598	604,975	76%	2,511,910	1,771,453	740,457	71%					5,084,484	3,739,051	1,345,432	74%	74%
Electricity			14,350,661	10,059,752	4,290,909	70%	5,283,473	4,981,032	302,442	94%					19,634,134	15,040,784	4,593,350	77%	77%
Water			1,653,167	1,452,846	200,320	88%	1,203,576	940,150	263,426	78%					2,856,742	2,392,996	463,747	84%	84%
Refuse			265,716	186,876	78,840	70%	266,054	191,011	75,043	72%					531,770	377,886	153,883	71%	71%
Waste Water			303,613	203,578	100,034	67%	303,957	202,324	101,632	67%					607,569	405,902	201,667	67%	67%
Interest			1,040,506	127,143	913,363	12%	1,042,929	51,731	991,197	5%					2,083,435	178,874	1,904,560	9%	9%
Property Rates Tax	Mun Supplied	Ward 29 - Roodopans, Sol Plaatje RE, Lang and Riverton	114,684	45,976	68,708	40%	114,684	34,760	79,924	30%					229,368	80,736	148,631	35%	35%
Electricity			50,194	32,984	17,210	66%	24,276	31,685	0	131%					74,470	64,670	9,800	87%	87%
Water			105,984	28,590	77,393	27%	36,900	22,877	14,023	62%					142,883	51,467	91,416	36%	36%
Refuse			37,574	12,446	25,129	33%	38,067	8,888	29,180	23%					75,862	21,333	54,529	28%	28%
Waste Water			54,023	20,165	33,858	37%	(39,462)	12,363	0	-31%					14,562	32,529	(17,967)	223%	223%
Interest			270,772	5,950	264,823	2%	274,147	3,613	270,534	1%					544,920	9,563	535,357	2%	2%
Property Rates Tax	Mun Supplied	Ward 30 - Platontien Industrial, Jacksonville, Lenat Park	284,643	84,064	200,579	30%	273,512	52,015	221,498	19%					558,156	136,079	422,077	24%	24%
Electricity			97,022	56,119	40,903	58%	83,673	63,989	19,684	76%					180,695	120,108	60,587	66%	66%
Water			388,024	54,953	333,071	14%	226,900	50,228	176,672	22%					614,923	105,181	509,743	17%	17%
Refuse			138,334	35,815	102,519	26%	136,592	14,725	121,867	11%					274,926	50,540	224,386	18%	18%
Waste Water			221,408	50,518	170,890	23%	218,906	23,186	195,720	11%					440,314	73,704	366,609	17%	17%
Interest			713,517	25,305	688,212	4%	727,186	4,063	723,123	1%					1,440,704	29,368	1,411,335	2%	2%
Property Rates Tax	Mun Supplied	Ward 31 - Kullwanong, Sour City, Riviera, Fransdam	202,329	55,726	146,602	28%	201,195	69,459	131,735	35%					403,524	125,186	278,338	31%	31%
Electricity			16,152	1,590	14,562	10%	1,462	1,883	0	129%					17,614	3,472	14,142	20%	20%
Water			453,383	43,347	410,036	10%	(3,046,735)	55,788	0	-2%					(2,593,352)	99,135	(2,692,487)	-4%	-4%
Refuse			164,012	27,768	136,244	17%	156,572	35,301	121,270	23%					320,584	63,070	257,514	20%	20%
Waste Water			222,806	39,193	183,613	18%	213,621	46,564	167,057	22%					436,427	85,757	350,670	20%	20%
Interest			605,910	5,771	600,139	1%	595,297	8,986	586,311	2%					1,201,206	14,757	1,186,449	1%	1%
Property Rates Tax	Mun Supplied	Ward 32 - Phubang, Sol Plaatje RE, Platontien	100,371	16,741	83,630	17%	97,536	21,503	76,033	22%					197,907	38,244	159,663	19%	19%
Electricity			84,359	38,723	45,636	46%	81,094	60,817	20,276	75%					165,453	99,540	65,912	60%	60%
Water			453,782	41,989	411,793	9%	358,575	39,920	318,655	11%					812,357	81,909	730,447	10%	10%
Refuse			70,228	9,923	60,305	14%	64,880	10,568	54,312	16%					135,109	20,492	114,617	15%	15%
Waste Water			93,594	12,747	80,847	14%	85,986	13,971	72,015	16%					179,580	26,717	152,862	15%	15%
Interest			408,002	8,735	399,267	2%	408,915	3,395	405,520	1%					816,917	12,129	804,788	1%	1%
Property Rates Tax	Mun Supplied	Ward 33 - Chris Hani Park, Galeshewe Ext 6, Chris Hani South, China Square, West End, Thimbo Square, Diamond Park	430,822	207,445	223,377	48%	430,822	288,192	142,630	67%					861,644	495,637	366,007	58%	58%
Electricity			218,762	64,966	153,796	30%	149,660	371,578	0	248%					368,422	436,545	(68,123)	118%	118%
Water			424,839	170,415	254,423	40%	393,480	194,196	199,284	49%					818,318	364,611	453,707	45%	45%
Refuse			152,803	57,556	95,247	38%	153,296	65,027	88,269	42%					306,098	122,583	183,516	40%	40%
Waste Water			187,365	62,005	125,359	33%	188,053	66,452	121,601	35%					375,417	128,457	246,960	34%	34%
Interest			489,746	13,410	476,336	3%	495,672	21,701	473,971	4%					985,418	35,111	950,307	4%	4%
Property Rates Tax	Mun Supplied	Ward 999 Unknown	129,212	87,087	42,125	67%	129,212	9,142	120,070	7%					258,424	96,228	162,195	37%	37%
Electricity			80,426	76,184	4,242	95%	(37,097)	5,640	0	-15%					43,330	81,824	(38,495)	189%	189%
Water			20,744	19,737	1,007	95%	15,883	1,543	14,340	10%					36,627	21,280	15,348	58%	58%
Refuse			3,437	451	2,986	13%	3,437	397	3,041	12%					6,874	848	6,027	12%	12%
Waste Water			4,145	624	3,521	15%	4,145	415	3,730	10%					8,290	1,039	7,251	13%	13%
Interest			44,146	724	43,423	2%	43,474	1,904	41,569	4%					87,620	2,628	84,992	3%	3%



16.4.2 Monthly - Restriction of Free Basic Services to Indigent Households

Articulated in table below is the Indigent information for the reporting for the month of May 2024. The municipality is experiencing challenges in the restricting/interrupting of water supply and intervention is required. Various gaps have been identified in indigent reporting, which the municipality will attempt to address going forward. A complete analysis of all gaps will be done and included in the reporting for June 2024. The R-values are not showing correctly, this was taken up with NT for correction.

Description	Ref	As Per Debt Relief Application		Select Current Financial Year												Select Year Monitored	
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12
Indigent Household service targets	1																
Water: (Include All Indigent households also in Eskom supplied areas)																	
Indigent HH's with piped water inside dwelling																	
Indigent HH's with piped water inside yard (but not in dwelling)																	
Indigent HH's using public tap (at least min.service level)	2																
Indigent HH's with other water supply (at least min.service level)	4																
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total																	
Indigent HH's using public tap (< min.service level)	3																
Indigent HH's with other water supply (< min.service level)	4																
Indigent HH's with No water supply	4																
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total																	
Total number of registered indigent households	5																
Status of Water meters:																	
Number of Indigent HH's with prepaid Water																	
Number of Indigent HH's with conventional metered Water		12,033	11,800	11,800	11,800	12,005	12,062	11,811	12,079	11,705	11,865	11,608	11,653	11,478	11,494	11,470	
Number of Indigent HH's NOT metered currently - Water																	
Number of Indigent HH's with NO Water supply - No metering																	
Total number of registered indigent households	10	12,033	11,800	11,800	11,800	12,005	12,062	11,811	12,079	11,705	11,865	11,608	11,653	11,478	11,494	11,470	
Status of unlimited supply of Water:																	
Number of Indigent HH's with conventional metered Water - where the municipality is NOT physically restricting Water to the national free basic limit of 6 kilolitres per household per month																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water																	
Total number of registered indigent households receiving unlimited supply - Water																	
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's billed for consumption above the 6 kilolitres	11																
Energy: (Include All Indigent households also in Eskom supplied areas)																	
Indigent HH's with Electricity (at least min.service level)																	
Indigent HH's with Electricity - prepaid (min.service level)																	
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total																	
Indigent HH's with Electricity (< min.service level)																	
Indigent HH's with Electricity - prepaid (< min.service level)																	
Indigent HH's with other energy sources																	
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total																	
Total number of registered indigent households	5																
Status of Electricity meters:																	
Number of Indigent HH's with prepaid Electricity																	
Number of Indigent HH's with conventional metered Electricity		12,033	11,800	11,800	11,800	12,005	12,062	11,811	12,079	11,705	11,865	11,608	11,653	11,478	11,494	11,470	
Number of Indigent HH's NOT metered currently - Electricity																	
Number of Indigent HH's with other energy sources - No metering																	
Total number of registered indigent households	12	12,033	11,800	11,800	11,800	12,005	12,062	11,811	12,079	11,705	11,865	11,608	11,653	11,478	11,494	11,470	
Status of unlimited supply of Electricity:																	
Number of Indigent HH's with conventional metered Electricity - where the municipality is NOT physically restricting Electricity to the national free basic limit of 50kwh per household per month																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity																	
Total number of registered indigent households receiving unlimited supply - Electricity																	
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh	13																
Number of ALL Households receiving Free Basic Service (including registered Indigent Households)	7																
Water (6 kilolitres per household per month)		12,033	11,800	11,800	11,800	12,005	12,062	11,811	12,079	11,705	11,865	11,608	11,653	11,478	11,494	11,470	
Electricity/other energy (50kwh per household per month)		12,033	11,800	11,800	11,800	7,344	7,424	7,670	7,851	7,910	7,873	7,921	7,979	8,118	8,166	8,154	
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)																	
Water (6 kilolitres per household per month)		4,392,359	8,000,000	8,000,000	8,000,000	351,832	405,755	397,890	403,523	426,943	410,363	486,058	408,907	402,464	434,269	392,816	
Electricity/other energy (50kwh per household per month)		6,569,232	#####	12,000,000	12,000,000	765,092	771,026	796,804	816,324	822,689	818,021	823,432	829,585	844,649	849,635	851,014	
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)																	
Water (6 kilolitres per household per month)																	
Electricity/other energy (50kwh per household per month)																	
Total cost of FBS Water and Electricity provided to ALL Households	8	10,961,592	#####	20,000,000	20,000,000	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	
Highest level of free service provided per household (ALL Households)																	
Property rates (R value threshold)		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
Sanitation (kilolitres per household per month)																	
Sanitation (Rand per household per month)		189	198	198	198	198	198	198	198	198	198	198	198	198	198	198	
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	
Refuse (average litres per week)		21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	
Revenue cost of subsidised services provided for ALL Households (R'000)	9																
Residential Category: Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	14(a)																
PSI Category: Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	14(b)																
Additional Subsidies: Property rates exemptions, reductions and rebates in excess of section 17 of MPRA		33,541,684	#####	35,010,000	35,010,000	628,021	620,021	629,471	643,899	649,151	641,904	643,544	643,153	647,017	649,431	645,253	
Water (in excess of 6 kilolitres per indigent household per month)	15	18,483,855	#####	20,500,000	20,500,000	#####	777,934	#####	812,666	862,079	954,616	821,344	846,575	835,460	836,760	801,857	
Sanitation (in excess of free sanitation service to indigent households)	16	2,955,384	3,400,000	3,400,000	3,400,000												
Electricity/other energy (in excess of 50 kwh per indigent household per month)		31,243,818	#####	41,000,000	41,000,000		#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	
Refuse (in excess of one removal a week for indigent households)		3,442,166	4,400,000	4,400,000	4,400,000		813,905	119,871	116,154	116,154	115,397	113,569	117,328	117,204	117,328	117,081	
Municipal Housing - rental rebates																	
Housing - top structure subsidies																	
Other	6																
Total revenue cost of subsidised services provided		89,666,907	#####	104,310,000	104,310,000	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	

16.5 MFMA Circular 124 – Condition 6.8 (Completeness of the revenue base)

Property Rates Reconciliation						
Province	NC					
District	Frances Baard District					
Type	LM					
Municipal Name	Sol Plaatje					
GV Period	01/07/2023 - 30/06/2027					
Financial Year	2023/2024					
Reconciliation Period	Quarter 3					
Reconciliation Overview						
High Level Reconciliation						
Property Categories	1.Number of Properties			2.Market Values		
	General Valuation Roll	MFS	Variance	General Valuation Roll	MFS	Variance
Residential	49710	49710	0	23,884,170,503	23,884,480,503	310,000
Industrial	216	216	0	809,230,000	809,230,000	-
Business and Commercial	2310	2310	0	7,512,573,001	7,512,573,001	-
Agricultural	437	437	0	2,694,526,701	2,694,526,701	-
Mining	21	21	0	103,865,400	103,865,400	-
State Owned for Public Purpose	133	133	0	2,498,871,000	2,498,871,000	-
PSI	197	197	0	141,088,000	141,088,000	-
PBO	1346	1346	0	625,386,001	625,386,001	-
Multi Use	0	0	0	-	-	-
Vacant	0	0	0	-	-	-
POW	242	242	0	570,999,000	570,999,000	-
Municipal	5557	5557	0	1,524,291,504	1,524,291,504	-
Other	0	0	0	-	-	-
Total	60169	60169	0	40,365,001,110	40,365,311,110.00	- 310,000.00
Detailed Reconciliation						
Property Categories	Monthly Billing			Comments		
	GV	MFS	Variance			
Residential	7405614	22701804	-15296191			
Industrial	2344946	2295727	49219			
Business and Commercial	21769558	20508870	1260689			
Agricultural	650245	805165	-154920			
Mining	601943	601943	0			
State Owned for Public Purpose	9896154	0	9896154			
PSI	0	0	0			
PBO	0	0	0			
Multi Use	0	0	0			
Vacant	0	0	0			
POW	0	0	0			
Municipal	0	0	0			
Other	0	0	0			
Total	42,668,460.53	46,913,509.39	- 4,245,048.86			

Prepared By: CC CROUCH Date: 2024/04/15
 Contact Details: 053 830 6533
 Signature: 
 Reviewed By: K NEL Date: 2024/04/15
 Contact Details: 053 830 6068
 Signature: 

Action Plan -												
Ref	Focus Area	Item	Details	Responsible Official	Targeted Date	Remedial Action	Status	Comments	POE	POEStatus	Today's Date	Period remaining
1	Billing	Account not on GVR	Properties are reflecting on the GVR with no SG codes	Manager Valuations	2024/05/15	Determined that no SG codes are loaded on the system, will investigate properties and correct on	In Progress	Analysis of the Gaps has been performed, the System Vendor to be engaged	Analysis of Financial System and GVR report	In Place and Archived	2024/04/15	1 months,0 days
2	Billing	Indigents	Indigent not on the billing report	Manager Indigents	2024/05/15	Investigate anomalies	Not Yet Started	Indigent Manager with assistance from Valuations Manager	Indigent register (BP956 report)	In Place and Archived	2024/04/15	1 months,0 days
3	Market value	GVR vs Financial system	Compare market value on GVR vs market value on the system. Category affected is Residential properties	Manager Valuations	2024/05/15	Investigate anomalies	In Progress	The municipality will investigate these property values	GVR and Billing report	In Place and Archived	2024/04/15	1 months,0 days
Intervention /Assistance Required												
Ref	Focus Area	Item	Details of Assistance Required	Responsible Official	Targeted Date	Details of Assistance Provided	Status	Comments	POE	POEStatus	Today's Date	Period remaining
1	Billing	Monthly billing	There is a discrepancy in the monthly billed amount based on the GV and the MFS. NT to provide guidance on how the municipality must deal with properties that gets billed annually	Manager Valuations	2024/05/15	Meeting to be scheduled with NT to address the discrepancy on the monthly billing	Not Yet Started	Meeting to be scheduled with NT to address the discrepancy on the monthly billing	Monthly billing report	Completed	2024/04/15	1 months,0 days


As per the action plan drafted, the municipality established that there are five properties on the GV roll that does not have SG codes. An in-depth investigation was done to effect a correction on the system. Three properties could be resolved, whilst two are still being investigated. There are also a number of indigent accounts that are not reflecting on the GV, this will have to be thoroughly investigated to determine the root cause. The anomaly of R310,000 on Residential properties, is a result of a formula error on the GVR template from row 38636 to 38641. After the correction of the formula error the discrepancy is resolved as indicated below.

High Level Reconciliation						
Propety Categories	1.Number of Properties			2.Market Values		
	General Valuation Roll	MFS	Variance	General Valuation Roll	MFS	Variance
Residential	49710	49710	0	23,884,480,503	23,884,480,503	-
Industrial	216	216	0	809,230,000	809,230,000	-
Business and Commercial	2310	2310	0	7,512,573,001	7,512,573,001	-
Agricultural	437	437	0	2,694,526,701	2,694,526,701	-
Mining	21	21	0	103,865,400	103,865,400	-
State Owned for Public Purpose	133	133	0	2,498,871,000	2,498,871,000	-
PSI	197	197	0	141,088,000	141,088,000	-
PBO	1346	1346	0	625,386,001	625,386,001	-
Multi Use	0	0	0	-	-	-
Vacant	0	0	0	-	-	-
POW	242	242	0	570,999,000	570,999,000	-
Municipal	5557	5557	0	1,524,291,504	1,524,291,504	-
Other	0	0	0	-	-	-
Total	60169	60169	0	40,365,311,110	40,365,311,110.00	-

As alluded the municipality require assistance from NT on how to deal with properties that gets billed on an annual basis, as this will negatively influence the monthly billing reconciliation. After some consultation with NT, the municipality also requires assistance on how to deal with Multi-use properties.

16.6 MFMA Circular 124 – Condition 6.3 (Maintaining the Eskom bulk current account) and Condition 6.12 (Proper Management of Resources)

- i) Indicated below is the Eskom Bulk current account invoice for April 2024 due and payable during the month of reporting, on or before 1 June 2024.




ESKOM HOLDINGS SOC LTD REG NO 2002/016627/30
VAT REG NO 4740101608

SOL PLAATJE LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
PRIVATE BAG X5030
KIMBERLEY
8300

NORTH WESTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA



TEL: 08600 37566
SMS:

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

NORTH WESTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

YOUR ACCOUNT NO	5449407898
SECURITY HELD	29474711.42
BILLING DATE	2024-05-02
TAX INVOICE NO	544369876967
ACCOUNT MONTH	APRIL 2024
CURRENT DUE DATE	2024-06-01
VAT REG NO	4370102313


DIRECT DEPOSIT DETAIL	
BANK:	First National Bank
BRANCH CODE:	223636
BANK ACC NO:	66070087918


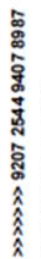
TAX INVOICE



E-MAIL: fransstaden@solplaatje.org.za

ACCOUNT TRANSACTION SUMMARY			
ADMINISTRATION CHARGE	R		6,700.80
TRANSMISSION NETWORK CAPACITY	R		1,557,330.00
DIST. NETWORK CAPACITY CHARGE	R		1,137,750.00
NETWORK DEMAND CHARGE	R		1,380,209.51
URBAN LOW VOLTAGE SUBSIDY	R		2,786,100.00
ANCILLARY SERVICE (ALL)	R		228,727.02
ENERGY CHARGE (STD)	14,254,569.00	R	17,325,003.16
ENERGY CHARGE (PEAK)	6,278,838.00	R	11,089,683.68
ENERGY CHARGE (OFF)	14,655,364.00	R	11,297,820.11
ELECTRIFICATION AND RURAL SUBS (ALL)	R		4,891,239.31
SERVICE CHARGE	R		209,825.70
TOTAL CHARGES FOR BILLING PERIOD	R		61,910,389.29

ACCOUNT SUMMARY FOR APRIL 2024			
BALANCE BROUGHT FORWARD	(Due Date 2024-05-03)	R	974,147,644.21
PAYMENT(S) RECEIVED	Cash - 2024-04-26	R	-62,972,969.32
TOTAL CHARGES FOR BILLING PERIOD		R	51,910,389.29
ADJUSTMENT	Interest on overdue account	R	1,739,005.40
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	7,786,558.40

ACCOUNT NO / REFERENCE NO	
5449407898	
NAME	
SOL PLAATJE LOCAL MUNICIPALITY	
FAX NUMBER	
0538331005	
	
0934 5449407898	

ARREARS				
>90 DAYS	81-90 DAYS	31-80 DAYS	16-30 DAYS	CURRENT
780,492,221	64,371,341.34	0.00	66,311,112.55	61,435,953.09
TOTAL DUE				R 972,610,627.98

Account OVERDUE - Subject to Disconnection

TOTAL AMOUNT DUE

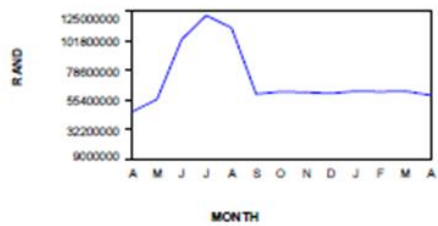
972,610,627.95

PAYMENT ARRANGEMENT


INSTALMENT	0.00
ARREARS (Due Immediately)	911,174,674.89
DUE DATE (For Current Amount)	2024-06-01
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 18
BILL GROUP	
BILL PAGE	1 OF 2



Indicated below is the May 2024 account, due and payable on or before 3 July 2024.




ESKOM HOLDINGS SOC LTD REG NO 2002/016627/30
VAT REG NO 4740101608

SOL PLAATJE LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
PRIVATE BAG X5030
KIMBERLEY
8300

NORTH WESTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
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TEL: 08600 37566
SMS:

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

NORTH WESTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

YOUR ACCOUNT NO	5449407898
SECURITY HELD	29474711.42
BILLING DATE	2024-06-03
TAX INVOICE NO	544740609953
ACCOUNT MONTH	MAY 2024
CURRENT DUE DATE	2024-07-03
VAT REG NO	4370102313

TAX INVOICE E-MAIL: franzstaden@solplaatje.org.za

ACCOUNT TRANSACTION SUMMARY			
ADMINISTRATION CHARGE	R	6,924.16	
TRANSMISSION NETWORK CAPACITY	R	1,557,330.00	
DIST. NETWORK CAPACITY CHARGE	R	1,137,750.00	
NETWORK DEMAND CHARGE	R	1,437,726.37	
URBAN LOW VOLTAGE SUBSIDY	R	2,786,100.00	
ANCILLARY SERVICE (ALL)	R	241,910.13	
ENERGY CHARGE (STD)	15,572,996.00	R	18,927,419.34
ENERGY CHARGE (PEAK)	6,773,447.00	R	11,963,262.09
ENERGY CHARGE (OFF)	14,870,500.00	R	11,463,668.45
ELECTRIFICATION AND RURAL SUBS (ALL)		R	5,173,155.08
SERVICE CHARGE		R	216,819.89
TOTAL CHARGES FOR BILLING PERIOD		R	64,812,086.61
ACCOUNT SUMMARY FOR MAY 2024			
BALANCE BROUGHT FORWARD	(Due Date 2024-06-01)	R	972,610,627.98
PAYMENT(S) RECEIVED	Cash - 2024-05-24	R	-13,400,000.00
PAYMENT(S) RECEIVED	Cash - 2024-05-28	R	-9,696,947.69
TOTAL CHARGES FOR BILLING PERIOD		R	54,912,065.51
ADJUSTMENT	Reversal of interest charged	R	-13,988,431.43
ADJUSTMENT	Interest on overdue account	R	3,178,308.56
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	8,236,809.82

ACCOUNT NO / REFERENCE NO
5449407898

NAME
SOL PLAATJE LOCAL MUNICIPALITY

FAX NUMBER
0538331005

Post Office **0934 5449407898**

ARREARS						
>90 DAYS	81-90 DAYS	31-80 DAYS	16-30 DAYS	CURRENT		
757,778,183	66,311,112.55	61,435,953.09	0.00	66,327,183.89	TOTAL DUE R	951,852,432.75

Account OVERDUE - Subject to Disconnection

TOTAL AMOUNT DUE
951,852,432.75

PAYMENT ARRANGEMENT

INSTALMENT

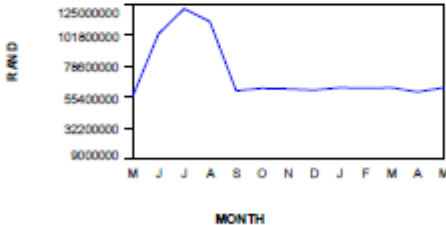
ARREARS (Due Immediately) 885,525,248.86

DUE DATE (For Current Amount) 2024-07-03

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 16
BILL GROUP	
BILL PAGE	1 OF 2



The municipality concurs with the outstanding balance of R951,852,432.75. A manual monthly reconciliation is also done between invoices received and payments made.

- ii) Indicated below is the municipality's proof of payment of the Eskom Bulk current account invoice for April 2024 which was paid on 28 May 2024.

SOL PLAATJE MUNICIPALITY		REMITTANCE ADVICE			
PRIVATE BAG X5030		-----			
KIMBERLEY 8300					
ESKOM HOLDINGS		28/05/2024			
PRIVATE BAG X16					
WESTVILLE					
3630		SUPPLIER No: SESK01			
CONTACT PERSON:		VOUCHER NO: DUNA008175			
TEL NO: 0829413707		FAX NO:			
E-MAIL ADDRESS:		CHEQUE/ELE NO: 77066662			
DATE	TYPE REFERENCE	EXCL VAT	DISCOUNT	VAT	NETT
02/05/2024	SUN 544369876967/1	51910389.30		7786558.39	59696947.69
SUB TOTAL:				7786558.39	59696947.69
				7786558.39	59696947.69
THIS IS TO CERTIFY THAT THIS ACCOUNT HAS NOT BEEN PREVIOUSLY PAID.					
COMPILED BY...:					
CHECKED BY...:					
AUTHORISED BY:					

- iii) The municipality's reconciliation statement for electricity aligning to the MFMA S71 mSCOA data strings upload; and

Indicated in the table below is a summary of the data strings for M11 – May 2024 pertaining to electricity.

		2024	
		M11	
Account Name	Account Name		
Function:Energy Sources:Core Function:Electricity	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Electricity Bulk Purchase:Deposits	-73,525,785	
Function:Energy Sources:Core Function:Electricity	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Electricity Bulk Purchase:Withdrawals	63,704,032	
Function:Energy Sources:Core Function:Electricity	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Electricity Bulk Purchase:Withdrawals	13,381,350	77,085,382
Function:Energy Sources:Core Function:Electricity	Expenditure:Bulk Purchases:Electricity:ESKOM	63,704,032	

Reconciliation from the financial system using the GS630 detailed transaction report.

Detail recon - Datastrings and Fin system	Sum of Debit Amt	Sum of Credit Amt	Sum of Net movement	Comment
⊖ BULK PURCHASES:ELECTRICITY:ESKOM	63,704,031.58	-	63,704,031.58	Actual for Bulk purchases electricity tallies to datastrings M11
⊖ Sundry Accruals	141,468.37	-	141,468.37	
Sundry CATA011467	141,468.37	-	141,468.37	Minor payment - erroneously allocated to bulk, must be journalised
⊖ Sundry Payments	63,562,563.21	-	63,562,563.21	
Cheque No : 77066657 Bank No : 901	11,652,173.91	-	11,652,173.91	Payment arrangement
Cheque No : 77066662 Bank No : 901	51,910,389.30	-	51,910,389.30	Bulk payment for April 2024 excl VAT
Grand Total	63,704,031.58	-	63,704,031.58	
			63,704,031.58	Actual for M11
			(141,468.37)	Less minor payment accrual
			63,562,563.21	Net balance
			(11,652,173.91)	Less Payment arrangement excl VAT (R13.4m payment)
			(51,910,389.30)	Less Bulk payment for April 2024 excl VAT
			-	

Explanatory notes

- Ideally, when a payment is made in full the Sundry accrual and Sundry accrual reversal transactions on the system should be equal to each other, resulting in a net movement of zero rand on the affected vote number.
- Currently the system does not fully provide for partial payments. Hence the invoice is captured and authorised on the system. When a partial payment must be made, the original voucher must be unauthorised on the system, effectively reversing the transactions already committed on the system. After the reversal, a new payment is captured with the amount that must be paid. This then make it appear as if a duplicate payment was made but it is not the case. Subsequent to this, the original voucher is reduced with the said paid amount and then only the outstanding balance remains on the original voucher.
- The minor accounts linked to bulk control accounts is a concern, which the municipality attempted to address but not tangible has been implemented. Notwithstanding this challenge, the reconciliation does indicate that what the municipality settled for the reporting month is reflecting in the ledger.

Recon Fin system and datastrings M11	Sum of Debit Amt	Sum of Credit Amt	Sum of Net movement	Comment
ELECTRICITY BULK PURCH ACC 01:WITHDRAWAL	77,085,381.41	-	77,085,381.41	Actual for Bulk withdrawal tallies to datastrings M11
Sundry Payments	77,085,381.41	-	77,085,381.41	
ELECTRICITY BULK PURCHASE ACC 01:DEPOSIT	-	73,525,784.95	(73,525,784.95)	Actual for Bulk deposits tallies to datastrings M11
Sundry Accruals	-	276,802.61	(276,802.61)	Unpaid minor accounts
Sundry Payments	-	73,248,982.34	(73,248,982.34)	Sundry Payments
Grand Total	77,085,381.41	73,525,784.95	3,559,596.46	

Recon Fin system and datastrings M11	Sum of Debit Amt	Sum of Credit Amt	Sum of Net movement	Comment
ELECTRICITY BULK PURCH ACC 01:WITHDRAWAL	77,085,381.41	-	77,085,381.41	Actual for Bulk withdrawal tallies to datastrings M11
20240502	3,836,399.07	-	3,836,399.07	
Create Cheque 77066314 Voucher No CATA011305	3,836,399.07	-	3,836,399.07	Payment Riverton acc
20240508	20,116.13	-	20,116.13	
Create Cheque 77066419 Voucher No CATA011363	12,830.88	-	12,830.88	Minor account paid
Create Cheque 77066420 Voucher No CATA011378	7,285.25	-	7,285.25	Minor account paid
20240522	100,080.84	-	100,080.84	
Create Cheque 77066640 Voucher No CATA011441	3,978.33	-	3,978.33	Minor account paid
Create Cheque 77066641 Voucher No CATA011442	214.44	-	214.44	Minor account paid
Create Cheque 77066642 Voucher No DUNA008164	13,597.93	-	13,597.93	Minor account paid
Create Cheque 77066643 Voucher No DUNA008165	13,106.25	-	13,106.25	Minor account paid
Create Cheque 77066644 Voucher No DUNA008166	14,465.43	-	14,465.43	Minor account paid
Create Cheque 77066645 Voucher No DUNA008167	39,122.55	-	39,122.55	Minor account paid
Create Cheque 77066646 Voucher No DUNA008169	15,595.91	-	15,595.91	Minor account paid
20240524	13,400,000.00	-	13,400,000.00	
Create Cheque 77066657 Voucher No DUNA008174	13,400,000.00	-	13,400,000.00	Payment arrangement
20240528	59,728,785.37	-	59,728,785.37	
Create Cheque 77066661 Voucher No CATA011256	31,837.68	-	31,837.68	Minor account paid
Create Cheque 77066662 Voucher No DUNA008175	59,696,947.69	-	59,696,947.69	Payment of bulk account - April 2024
ELECTRICITY BULK PURCHASE ACC 01:DEPOSIT	-	73,525,784.95	(73,525,784.95)	Actual for Bulk deposits tallies to datastrings M11
20240508	-	20,116.13	(20,116.13)	
Create Cheque 77066419 Voucher No CATA011363	-	12,830.88	(12,830.88)	Minor account paid
Create Cheque 77066420 Voucher No CATA011378	-	7,285.25	(7,285.25)	Minor account paid
20240522	-	100,080.84	(100,080.84)	
Create Cheque 77066640 Voucher No CATA011441	-	3,978.33	(3,978.33)	Minor account paid
Create Cheque 77066641 Voucher No CATA011442	-	214.44	(214.44)	Minor account paid
Create Cheque 77066642 Voucher No DUNA008164	-	13,597.93	(13,597.93)	Minor account paid
Create Cheque 77066643 Voucher No DUNA008165	-	13,106.25	(13,106.25)	Minor account paid
Create Cheque 77066644 Voucher No DUNA008166	-	14,465.43	(14,465.43)	Minor account paid
Create Cheque 77066645 Voucher No DUNA008167	-	39,122.55	(39,122.55)	Minor account paid
Create Cheque 77066646 Voucher No DUNA008169	-	15,595.91	(15,595.91)	Minor account paid
20240523	-	66,017.21	(66,017.21)	
Sundry DUNA008168 Creditor Control	-	66,017.21	(66,017.21)	Minor account paid
20240524	-	13,400,000.00	(13,400,000.00)	
Create Cheque 77066657 Voucher No DUNA008174	-	13,400,000.00	(13,400,000.00)	Minor account captured, not yet paid
20240528	-	59,728,785.37	(59,728,785.37)	
Create Cheque 77066661 Voucher No CATA011256	-	31,837.68	(31,837.68)	
Create Cheque 77066662 Voucher No DUNA008175	-	59,696,947.69	(59,696,947.69)	Payment of bulk account - April 2024
20240531	-	210,785.40	(210,785.40)	
Sundry CATA011460 Creditor Control	-	4,474.97	(4,474.97)	Minor account captured, not yet paid
Sundry CATA011461 Creditor Control	-	13,981.24	(13,981.24)	Minor account captured, not yet paid
Sundry CATA011462 Creditor Control	-	13,295.80	(13,295.80)	Minor account captured, not yet paid
Sundry CATA011463 Creditor Control	-	4,314.87	(4,314.87)	Minor account captured, not yet paid
Sundry CATA011464 Creditor Control	-	12,029.90	(12,029.90)	Minor account captured, not yet paid
Sundry CATA011467 Creditor Control	-	162,688.62	(162,688.62)	Minor account captured, not yet paid
Grand Total	77,085,381.41	73,525,784.95	3,559,596.46	


			3,836,399.07	Invoice for Riverton Water Purification plant was captured in April and paid in May
			(276,802.61)	Minor account captured, not yet paid
			3,559,596.46	Net decrease in creditor
			13,400,000.00	Withdrawal Payment arrangement
			59,696,947.69	Withdrawal - bulk invoice April 2024
			73,096,947.69	Total bulk payments for May 2024

- iv) No bulk water current account invoice(s) for April 2024 was raised due to servitude (free water quota) commencing on 1 April of each year. For the month of May, the municipality settled R11,070 million on the outstanding November 2023 invoice.

Page 1 of 1

NWRI Customer Ref no: 60006150
 Customer No: 25014305
 Contract Acc. No: 100478320
 Document No: 412386456
 Document Date: 30.11.2023
 Payment Terms: 30 Days
 Due Date: 02.01.2024
 Customer VAT Reg. No: 4370102313

TAX INVOICE
 DWS VAT Reg. no 4040112361



water & sanitation
 Department:
 Water and Sanitation
 REPUBLIC OF SOUTH AFRICA

YOUR CONTACT OFFICE:
 Department: Water and Sanitation
 Private Bag X313
 Pretoria
 0001

R535 Waterbron Building
 185 Francis Baard Street
 Pretoria
 PHONE 0800 200 200
 FAX 012 336 1408
 EMAIL:revenue@dws.gov.za

Bill To:
 HEAD OF FINANCE
 SOL PLAATJIE MUN-KIMBERLEY
 PRIVATE BAG X5030
 KIMBERLEY
 KIMBERLEY
 8300

Water Use Description	Tariff Category	Quantity m3/HA Registered/Consumed	Unit Price(c/m3/HA)	Amount(Rand)
Property Details: Property Name: DROOGFONTEIN Property Number: 6866 Registration Division: KIMBERLEY RD ; Portion Number: 1 Title Deed: T16761/1921 Water Use Details: WMA: VAAL; Legal Sector Code: 21A Tk water fr a water resource; Water Use Sector: D&I WATER SUPPLY SERVICE Water Source Type: SCHEME;				
Contract No: 10087405 (25014305/13)				
Water Use Period: 01.11.2023 to 30.11.2023				
	Consumptive (O&M)	2998,536.00	40.46	1,213,207.67
	Consumptive (ROA)	2998,536.00	30.87	925,648.06
	Consumptive (Depr)	2998,536.00	18.17	544,833.99
	TCTA (AMD)	2998,536.00	8.60	257,874.10
	TCTA (LHWP)	2998,536.00	390.20	11,700,287.47
	Plus 15.00% VAT			2,196,277.69
	Subtotal			16,838,128.98
	WRL	2998,536.00	7.73	231,786.83
	Total Charges			17,069,915.81

- v) Indicated below is the municipality's proof of payment of Water Bulk account for November 2023 that was settled on 14 May 2024.

SOL PLAATJE MUNICIPALITY		REMITTANCE ADVICE	
PRIVATE BAG X5030		-----	
KIMBERLEY 8300			
DEPARTMENT OF WATER AND SANITATION		14/05/2024	
PRIVATE BAG X313			
PRETORIA			
0001		SUPPLIER No: SWAT01	
CONTACT PERSON:		VOUCHER NO: CATA010842	
TEL NO:		FAX NO:	
E-MAIL ADDRESS: info@dws.gov.za		CHEQUE/ELE NO: 77066470	

DATE	TYPE	REFERENCE	EXCL VAT	DISCOUNT	VAT	NETT
30/11/2023	SUN	412386456	14641851.29		2196277.69	16838128.98
30/11/2023	SUN	412386456	231786.83		0.00	231786.83
30/11/2023	SUN	412386456	-5217391.30		-782608.70	-6000000.00

SUB TOTAL:	1413668.99	11069915.81
	1413668.99	11069915.81

THIS IS TO CERTIFY THAT THIS ACCOUNT HAS NOT BEEN PREVIOUSLY PAID.

COMPILED BY...:

CHECKED BY...:

AUTHORISED BY:

NWRI Customer Ref no: 60005150
 BUSINESS PARTNER: 25014305
 CONTRACT ACCOUNT: 100478320
 STATEMENT DATE: 31.05.2024
 PAYMENTS INCLUDED UP TO: 31.05.2024

CUSTOMER STATEMENT

DWS VAT Reg. no 4040112361



water & sanitation

Department:
 Water and Sanitation
 REPUBLIC OF SOUTH AFRICA

HEAD OF FINANCE
 SOL PLAATJIE MUN-KIMBERLEY
 PRIVATE BAG X5030
 KIMBERLEY
 KIMBERLEY
 8300

YOUR CONTACT OFFICE

Department: Water and Sanitation
 Private Bag X313
 Pretoria
 0001
 R535 Waterbron Building
 185 Francis Baard Street
 Pretoria

Date	Details	Document Number	Due Date	Water Use No. /Div.	Amount R (inc.VAT)
30.04.2024	CMA Balance brought forward				577,298.68
30.04.2024	NWRI Balance brought forward				106,691,744.55
30.04.2024	Total Balance brought forward				107,269,043.23
14.05.2024	Incoming Payment	110000522684			-11,069,915.81
	Sub Total(A)				96,199,127.42
31.05.2024	Total Movement for the month(B)				0.00
31.05.2024	Total Outstanding (A+B)				96,199,127.42

CONTACT DETAILS

DWS Call Centre
 PHONE 0800 200 200
 FAX 012 336 1408
 Email: info@dws.gov.za

For change details, Please complete the form below and forward to your regional office. View personal details on reverse of this page

AGE ANALYSIS					
CURRENT	30+ DAYS	60+ DAYS	90+ DAYS	120+ DAYS	TOTAL
0.00	0.00	41,405,252.03	0.00	54,793,875.39	96,199,127.42

Interest charges which are not reflected on this statement but which are applicable to documents will be reflected on the future statements. PLEASE USE THE CONTRACT ACCOUNT NUMBER PROVIDED ABOVE (1000000000 AS REFERENCE WHEN MAKING PAYMENTS) Email warmstatarequests@dws.gov.za for property ownership updates, contact details (including email address for electronic receipt of invoices and statements) and VAT number updates, using your Business Partner number as reference. Email revenue@dws.gov.za for any revenue related queries. I.e. Invoices etc. Please note, as of December 2019 invoices and statements will be available for downloading and printing from the DWS portal through following link <https://statements.dws.gov.za> Please log onto the link to REGISTER.

Customer No. 25014305

NAME:

Indicated above is the latest DWS statement, as at 31 May 2024 which was downloaded from the DWS Portal on 13 June 2024. As per the age analysis of the Department, Current is showing a balance of zero rand. The detail also shows that no bulk billing was raised for May 2024. The allocation of the R11,070 million payment is also reflecting under “Incoming Payment”. According to the municipality’s records the total outstanding debt amounts to R96,460,494.74, compared with the department's outstanding balance of R96,199,127.42, results in a minor discrepancy of R261,367.32. The outstanding balance therefore must be concurred with the Department. On a quarterly basis, if and when the Department submits the confirmation of outstanding balance, the municipality do not agree with the totals and the reasons why. Various factors may contribute to this for example, possible erroneous allocations as a result of the multiple contract accounts, unallocated payments, unpaid invoices which the municipality has not received or could not download from the DWS Portal, etc. Sometimes there is a delay in the upload of invoices and statements on the DWS portal. A manual monthly reconciliation of all invoices and payments is done.

vi) The municipality's water reconciliation statement (aligning to the mSCOA data string upload for the period).

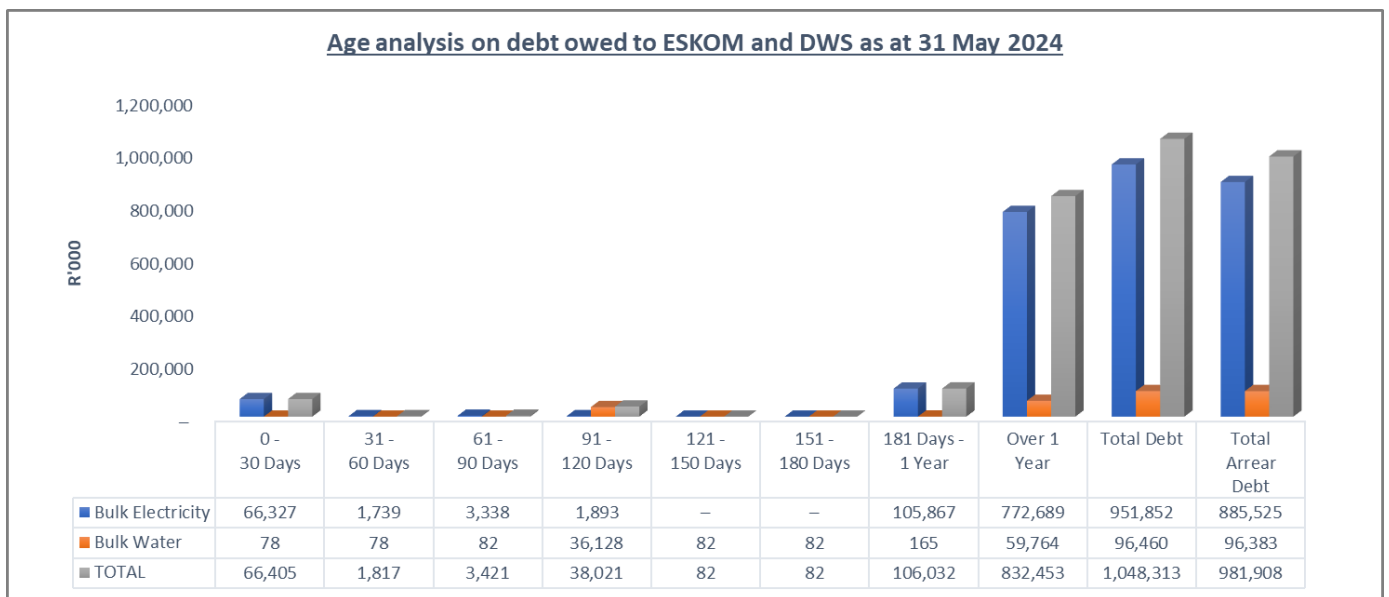
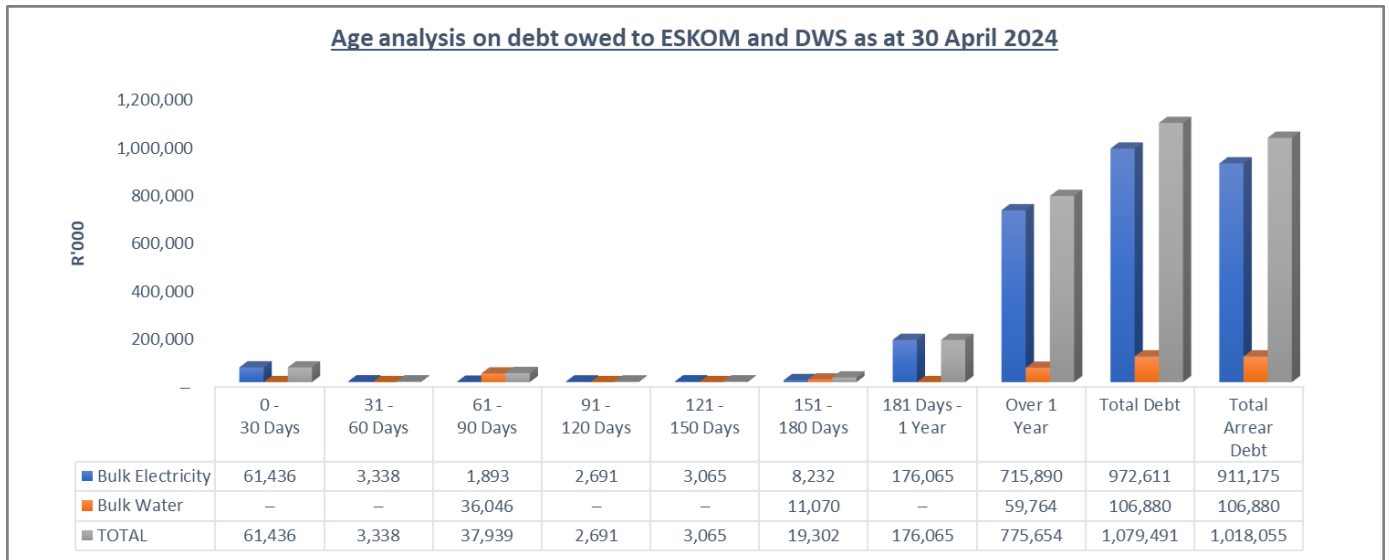
		2024	
		M11	
Account Name	Account Name		
Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Bulk Water:Deposits	(14,749)	
Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Bulk Water:Withdrawals	6,511,094	
Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Bulk Water:Withdrawals	4,558,821	11,069,915
Function:Water Management:Core Function:Water Distribution	Assets:Current Assets:Inventory:Water:System Input Volume:Bulk Purchases	3,126	
		11,058,292	

Reconciliation of Bulk purchases water input volumes, deposits and withdrawals.

Recon Fin system and datastring M11	Sum of Debit Amt	Sum of Credit Amt	Sum of Net movement	Comment
WATER BULK PURCHASE:DEPOSITS	-	14,748.58	(14,748.58)	Actual tallies to Water bulk purchases Deposits as per datastrings for M11
Sundry Accruals	-	14,748.58	(14,748.58)	
WATER BULK PURCHASE:WITHDRAWALS	11,069,915.81	-	11,069,915.81	Actual tallies to Water bulk purchases Withdrawals as per datastrings for M11
Sundry Payments	11,069,915.81	-	11,069,915.81	
WATER:INPUT VOL: BULK PURCHASES	3,125.71	-	3,125.71	Actual for Bulk purchases water input volumes tallies to datastrings M11
Sundry Accruals	3,125.71	-	3,125.71	
Grand Total	11,073,041.52	14,748.58	11,058,292.94	

Recon Fin system and datastring M11	Sum of Debit Amt	Sum of Credit Amt	Sum of Net movement	Comment
WATER BULK PURCHASE:DEPOSITS	-	14,748.58	(14,748.58)	Actual tallies to Water bulk purchases Deposits as per datastrings for M11
20240531	-	14,748.58	(14,748.58)	
Sundry CATA011457 Creditor Control	-	579.33	(579.33)	Minor account captured, not yet paid
Sundry CATA011458 Creditor Control	-	14,169.25	(14,169.25)	Minor account captured, not yet paid
WATER BULK PURCHASE:WITHDRAWALS	11,069,915.81	-	11,069,915.81	Actual tallies to Water bulk purchases Withdrawals as per datastrings for M11
20240514	11,069,915.81	-	11,069,915.81	
Create Cheque 77066470 Voucher No CATA010842	11,069,915.81	-	11,069,915.81	Final settlement of November 2023 invoice
WATER:INPUT VOL: BULK PURCHASES	3,125.71	-	3,125.71	Actual for Bulk purchases water input volumes tallies to datastrings M11
20240522	3,125.71	-	3,125.71	
SORA01:ORANJE RIET WATER USERS ASSOCIATION	3,125.71	-	3,125.71	Payment to Oranje Riet Water Users Association
Grand Total	11,073,041.52	14,748.58	11,058,292.94	
			(14,748.58)	Unpaid minor accounts
			11,069,915.81	Final settlement of November 2023 invoice
			3,125.71	Payment to Oranje Riet Water Users Association
			11,058,292.94	

vii) Total outstanding debt owed to Eskom and DWS



Please refer to section 4.2 for more in-depth information of the debt owed to Eskom and DWS.

16.7 Municipal Debt Relief Monitoring Plan – Progress report

Indicated in the table below is the monthly progress in terms of the municipal debt relief monitoring.

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
<p>6.3 Maintaining the Eskom and Water bulk current account – (current account for the purpose of this exercise means the account for a single month's consumption)</p>	<p>6.3.1 The municipality must monthly pay and maintain its Eskom bulk current account and bulk water current account - Department of Water and Sanitation (DWS), within 30 days of receiving the relevant invoice</p>	<p>Monthly, within 30 days of receiving invoice on or before due date as per the monthly invoice</p>	<p>Proof of payment (which includes, remittance advice, invoice and extract of corresponding bank statement)</p>	<p>Compliant - ESKOM The municipality settled R59,697m excl interest of R1,739m on 28 May 2024 on the current ESKOM account for April 2024 amounting to R61,436m. Compliant - DWS No billing was raised for April 2024, due to the servitude (free water quota) allocated to the municipality</p>
	<p>6.3.1 (a) At a minimum, pay the monthly debt instalment on 5th of each month as per signed debt agreement with DWS. (b) Pay the monthly debt instalment of R6,700m to Eskom on 15th of each month</p>	<p>Monthly, 5th of each month</p>		<p>Non-compliant The municipality had insufficient cash available from operations to settle the debt repayment instalment to DWS of R6m on or before 5th of June 2024, but settled R11,070m on the o/s balance of Nov 2023 acc The municipality settled R13.4m on proposed payment arrangement of ESKOM on 24 May 2024. Muni was in arrears and the due is the 15th of each month.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
	6.3.2 Submit the supporting evidence of the bulk Eskom current account payment to the National Treasury, Eskom and DWS, within 1 day of making any such payment	Within 1 day after making payment	Proof of payment and proof of email submission	Compliant Email was sent within one day of payment to ESKOM and DWS.
	6.3.3 Submit the proof of payment to the National Treasury in PDF format via the GoMuni Upload Portal to substantiate that payment was made.	Monthly, within 10 working days after month end	GoMuni Status of Schedule of Revenue Documents Submissions Report	Compliant Proof of Payments made in May 2024 was uploaded onto GoMuni on 6 June 2024. Due date is 14 June 2024.
	6.3.4 - The amount as per the proof of payment must reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom and DWS	Monthly, within 10 working days after month end	Monthly financial data strings	Compliant Transactions as per the ledger reconciles with the monthly datastrings. However minor account payments for Eskom and DWS are posted to the same bulk control votes. Erroneous transactions will be journalised, where applicable. Disclosure issue - the capturing of the current invoice on the system is problematic because it is only received in the new month and captured after month-end closure, resulting in a misalignment between the YTD actual and outstanding creditor amount.

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
6.6 Electricity and Water Collection (Demonstration through by-laws and budget related policies)	<p>6.6.1 Issue monthly billing and allocate payment received from customers in the following priority order:</p> <ul style="list-style-type: none"> (1) Property Rates (2) Water (3) Waste Water (4) Refuse Removal and (5) Electricity 	Monthly	Monthly billing reconciliation / Financial system generated hierarchy allocation report	<p>Compliant</p> <p>Priority of order of allocations was correct on the system. This is a once-off correction that the system will apply when payments are made.</p>
	<p>6.6.2 The municipality is disconnecting electricity services and/or blocking the purchasing of pre-paid electricity of any defaulting consumer/property owner</p>	Monthly	Number of disconnected / blocked meters	<p>Prepaid disconnections = 765</p> <p>Conventional disconnections = 125</p> <p>Total = 890</p>
	<p>6.6.3 The municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner</p>	Monthly	Number of restricted / interrupted supply	<p>Non-compliant.</p> <p>Transversal Contract for smart meters has been awarded by National Treasury. Supply Chain is in the process of applying to access the transversal tender.</p>
	<p>6.6.4 If the defaulting consumer/ property owner is registered as an indigent consumer with the municipality, the monthly supply of electricity and water to that consumer/property owner must be physically restricted to the monthly national basic free electricity and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively.</p>	Monthly	No of indigent consumers	<p>Non-compliant</p> <p>Due to the financial constraints currently faced by many of our Indigent Customers (inability to afford services) we have not implemented the limitation of services in this manner.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
<p>6.7 Maintain a minimum average quarterly collection of property rates and services charges</p>	<p>6.7.1 The municipality must strictly enforce its credit control and debt management related policies and achieve a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter. Although the norm and standard for collection rate according to MFMA Circular No. 71 indicates a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm</p>	<p>Monthly (Internal) and Quarterly (Debt Relief)</p>	<p>Collect R10,000 million daily over 22-day period, to achieve an average quarterly collection of 80% (Monthly S71 Revenue Collection Ward Template)</p>	<p>Non-Compliant Monthly S71 Revenue Collection rate per Ward = 151% (all billed items) For Property rates and Services only = 128% Not achieved Average daily cash collection for May 2024, was R6,978m.</p>
<p>6.8 Completeness of the revenue base</p>	<p>6.8.1 The municipality must demonstrate by completing the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer and demonstrate the steps taken to correct the variances identified; and</p>	<p>Quarterly</p>	<p>GVR Reconciliation & GoMuni Status of Schedule of Revenue Documents Submissions Report</p>	<p>Compliant GVR reconciliation completed Monday, 15 April 2024. Variances are being investigated.</p>
	<p>6.8.2 The municipality must submit its completed billing system, GVR and/ or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury</p>			<p>Compliant GVR reconciliation submitted Monday, 15 April 2024</p>
<p>6.9 Monitor and report on implementation</p>	<p>6.9.1 MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?</p>	<p>Monthly, within 10 working days after month end</p>	<p>Progress report to be included in Monthly S71 Report</p>	<p>Compliant Report included in the monthly S71 report for May 2024</p>
	<p>6.9.2 If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?</p>			

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
	<p>6.9.3 Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, it must monthly report its progress in implementing its FRP to the Provincial Executive</p>			
<p>6.10 Provincial Treasury's Certification of municipal compliance</p>	<p>6.10 Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA to performed by the relevant PT</p>			
	<p>Executive Management Team (EMT) to review the National Treasury: Local Government Budget Analysis (NT: LGBA) compliance certification for the prior month and take immediate remedial action</p>	<p>Monthly, within 1 days after issue</p>	<p>NT: LGBA Compliance Certification</p>	<p>The municipality received the compliance certificates for April 2024. Management must take remedial actions as per the recommendations made by National Treasury</p>
<p>6.12 The municipality for the duration of the Municipal Debt Relief (to ensure proper management of resources)</p>	<p>6.12.1 Open a separate investment account to serve as a sub-account</p>	<p>Once-off</p>	<p>Investment account confirmation</p>	<p>Compliant A call deposit account to serve as a sub-account was opened on 13 November 2023 with our primary banker. Sub-account account no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No.124</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
	<p>6.12.1 must apportion and ring-fence in a sub-account to its primary bank account –</p> <p>(a) all electricity, water and sanitation revenue the municipality collects in any month; and</p> <p>(b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation</p>	Funds to be invested weekly and withdrawn monthly	Investment account and primary bank statement	<p>Finalised</p> <p>Daily process developed to identify amounts received per service. EQS portion to be considered on a monthly basis, once subsidies have been allocated on the system.</p> <p>Compliant</p> <p>The ESKOM and DWS current accounts were paid directly from the Primary bank account. Investment account statement no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124</p>
	<p>6.12.2 must monthly first apply the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it may apply the revenue in the sub-account for any other purpose.</p>	Monthly	Investment account and bank statement and proof of payment aligned to actual receipts	<p>Compliant</p> <p>The ESKOM and DWS accounts were paid directly from the Primary bank account. Municipality has a backlog in terms of built-up reserves. Salaries and third-party salary payments including commitments to other creditors make this requirement difficult to maintain.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - May 2024 Comments
	<p>The municipality monthly submit a copy of the bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue</p>	<p>Monthly, within 10 working days after month end</p>	<p>Bank statement and proof of payment aligned to actual receipts</p>	<p>Compliant Investment account statement no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124. Primary bank account statement is uploaded on GoMuni. Revenue received to be aligned to actual payments. Payments made directly from Primary bank account.</p>

17. Recommendations

It is recommended that that the Mayoral Committee take note of –

1. The monthly budget statement for the month of May 2024.
2. The non-compliance emanating from the municipality's debt relief self-assessment as well as the National Treasury's independent assessment set-out in paragraph 16 above.
3. The following remedial actions necessary and / or undertaken to improve the municipality's monthly compliance in terms of the Debt Relief Conditions:
 - a. Monthly settle the current accounts for Waterboard and Eskom
 - b. Settling of the debt repayment instalment
 - c. Ensure that bulk invoices are captured timeously on the system, prior to month-end closure.
 - d. Achieving the desired collection rate of 95% and application of the Credit Control Policy
 - e. Restricting or interrupting of water supply of defaulting customers and indigents. Intervention from the Engineer for Water & Sanitation is critical. The municipality envisage to partake in the transversal tender for smart prepaid meters.
 - f. Improving on indigent management, especially in light of the audit findings raised.
 - g. Installation of smart prepaid meters. The involvement of Engineers for Water and Electricity is critically needed in this regard.
 - h. Engaging Eskom to assist in collections in Eskom supplied areas (Ritchie). Debtors Management to do an assessment of actual debt owed and the number of registered indigents compared to total number of households.
 - i. Development of the policy for smart prepaid metering solutions (The policy was developed and approved Council with the Adopted Budget on 31 May 2024)
 - j. Ring-fencing actual cash received for Electricity and Water. This is being managed by the Budget and Treasury Office.
 - k. Building up of reserves as a matter of urgency.
 - l. The last two items above, can only be realistically achieved if the collection rate improves significantly and the Credit Control Policy is adhered to.
4. As per recommendations above;
5. The balance of the Eskom bulk account and bulk water account and the municipality's reconciliation of these accounts as set-out in paragraph 16.6 above.

18. Municipal Manager's quality certification

Quality Certificate

I, BS Matlala, 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 **May 2024** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr. BS Matlala

Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature: _____

Date: /06/2024