

SOL PLAATJE LOCAL MUNICIPALITY



PRELIMINARY 4th QUARTER PERFORMANCE REPORT

1 APRIL TO 30 JUNE 2025

MFMA SECTION 52(d)

JULY 2025

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List of Abbreviations and Acronyms used in the MBS

AGSA	- Auditor-General 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
DWA	- Department of Water Affairs
ED	- Executive Director
EEDG	- Energy Efficiency and Demand Side Management Grant
EPWP	- Expanded Public Works Programme
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
IUDG	- Integrated Urban Development Grant
IT	- Information Technology
KPA	- Key Performance Area
KPI	- Key Performance 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
PPE	- Property, Plant and Equipment
R&M	- Repairs and Maintenance
SCM	- Supply Chain Management
SCOA	- Standard Chart of Accounts
SDBIP	- Service Delivery and Budget Implementation Plan
SEDP	- Strategic Economic Development and Planning
SLA	- Service Level Agreement
SMME	- Small, Medium and Micro Enterprises
SPLM	- Sol Plaatje Local Municipality
VAT	- Value Added Tax
YTD	- Year-to-date
WRM	- Water Resource Management
WRL	- Water Research Levy
WSIG	- Water Services Infrastructure Grant

1. SUMMARY

The Municipal Finance Management Act requires that the Mayor of a municipality must within 30 days after the end of each quarter, submit a report to Council on the implementation of the budget and the financial state of the municipality.

The purpose of this report is to comply with the Municipal Finance Management Act, Act 56 of 2003, Section 52(d) and to submit the financial and non-financial performance results for the fourth and final quarter of the 2024/25 financial year.

This quarter of the financial year was characterised, as always, by a number of key activities and projects.

As the financial year drew to a close on 30 June, the task of preparing and submitting the Annual Financial Statements and the Annual Performance Report to the Auditor General by 31 August lies ahead. Year-end procedures have already commenced and are progressing in terms of the AFS preparation plan.

It is also worth mentioning that the requirements of mSCOA are becoming increasingly important and complex. The 2024/25 annual budget was successfully prepared on version 6.9 of the chart. The required submission of data strings to National Treasury was also done successfully. Legislative dates for submission of all monthly reports and returns were adhered to, as always.

Also added to this report is the quarterly performance report as per the Service Delivery and Budget Implementation Plan for the fourth quarter of 2024/25 financial year.

We wish to emphasize that our vision is to bring change to the lives of our people, ensure quality of service, monitor the execution of the programmes of the municipality, create platforms for people to interact and create a conducive environment for the workers to perform with excellence, thus creating pride and loyalty.

2. BUDGET IMPLEMENTATION

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 R4,250,087 billion, of which 91% of the debt is owed in excess of 90 days. The total debt by customer group is classified as follows; R782,569 million is owed by government, R714,593 million by businesses and R2,621,750 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, but consumers must bear in mind 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 municipality appointed four debt collection specialists in order to strengthen the current debt collection initiatives. The value of providing quality services, should never be underestimated by the municipality because 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 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 an 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.

2.1 Operating Budget Overview

This report summarizes the budget performance for the 4th Quarter of 2024/25 financial year. The detailed Statement of Financial Performance shown in Annexure A, Table C4 is 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 June 2025	YTD Actual June 2025	Variance Favourable (Unfavourable)	% YTD Actual vs YTD Budget	% Variance Favourable (Unfavourable)
Total Revenue (excluding capital transfers and contributions)	2,972,361	2,893,083	(79,278)	97.3%	-2.7%
Total Revenue (including capital transfers and contributions)	3,546,958	3,460,803	(86,155)	97.6%	-2.4%
Total Operational Expenditure	3,197,789	2,955,589	(242,200)	92.4%	-7.6%

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

As indicated in Table 1 above, as at 30 June 2025, the billed revenue excluding capital grants amounted to R2,893,083 billion which resulted in a satisfactory variance of minus 2.7% when compared to the YTD Budget of R2,972,361 billion. The billed revenue including capital grants amounted to R3,460,803 billion, resulting in a satisfactory variance of minus 2.4% when compared to

the YTD budget of R3,546,958 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 R2,955,589 billion versus the YTD Budget of R3,197,789 billion, resulting in a marginally unsatisfactory variance of minus 7.6%. Reasons for the variance are articulated in Section 4.2 below. As indicated in Table 1 above, as at 30 June 2024, the billed revenue excluding capital grants amounted to R2,757,386 billion which resulted in a satisfactory variance of minus 1.5% when compared to the YTD Budget of R2,798,666 billion. The billed revenue including capital grants amounted to R2,899,067 billion, resulting in a satisfactory variance of minus 2.1% when compared to the YTD budget of R2,960,015 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 R2,492,925 billion versus the YTD Budget of R2,782,911 billion, resulting in an unsatisfactory variance of minus 10.4%. Reasons for the variance are articulated in Section 5.1 below.

Summary Statement of Financial Performance: Adjustment Budget					
Description R thousand	Adjustment Budget	YTD Actual June 2025	Variance Favourable (Unfavourable)	% YTD Actual vs Adjustment Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 100%
Total Revenue (excluding capital transfers and contributions)	2,972,361	2,893,083	2,645,386	97.3%	-2.7%
Total Revenue (including capital transfers and contributions)	3,546,958	3,460,803	3,165,223	97.6%	-2.4%
Total Operational Expenditure	3,197,789	2,955,589	2,689,106	92.4%	-7.6%

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

Indicated in Table 2 above is the YTD actual compared to the Adjustment Budget. When calculating the ideal In-Year-Monitoring percentage of 100% [calculated as follow: (100/12 months x 12 months of the year)] as at the end of June 2025, the Total operational revenue excluding capital grants versus the Adjustment Budget resulted in a satisfactory variance of minus 2.7%. The Total operational revenue including capital grants versus the Adjustment Budget resulted in a satisfactory variance of minus 2.4%. The Total Operational Expenditure resulted in a marginally unsatisfactory variance of minus 7.6%.

Please note that certain Revenue by source and Expenditure by type categories are showing excessive negative and/or positive variances. This is due to fact that the YTD budgets were all systematically determined on a straight-line basis by dividing the total budget per category per line item by 12. The capital projections were also done in the same fashion. Please note that variances within a 5 to 10 percent range, as prescribed by National Treasury are acceptable and need not necessarily be explained.

2.2 Capital Budget Overview

As indicated in the Table 3 and Chart 1 below, the YTD Actual on capital expenditure as at end of June 2025 amounted to R531,212 million and 84.57% spent when compared to the YTD budget of R628,137 million and 84.57% spent when compared to the Adjustment Budget of R628,137 million. The total YTD capex is funded from Capital grants R499,881 million (94.1%) and Internally generated funds R31,332 million (5.9%).

Capex is lower than anticipated and not at a desired level. Intervention is required early in the financial year. Planning of project managers also needs to improve going forward.

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure - M12 June										
Capital expenditure	Adjustment Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjustment Budget	Adjustment Budget Variance	Adjustment Budget Variance IYM % - 100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Capital expenditure	628,137	65,857	531,212	628,137	84.57%	(96,925)	-15.4%	84.6%	(96,925)	-15.4%
Funded by										
Capital transfers recognised	574,597	55,769	499,881	574,597	87.00%	(74,716)	-13.0%	87.0%	(74,716)	-13.0%
Internally generated funds	53,540	10,088	31,332	53,540	58.5%	(22,209)	-41.5%	58.5%	(22,209)	-41.5%
Weighting Capital transfer recognised	91.5%	84.7%	94.1%	91.5%						
Weighting Internally generated funds	8.5%	15.3%	5.9%	8.5%						

Table 3: High level summary: Capital Expenditure

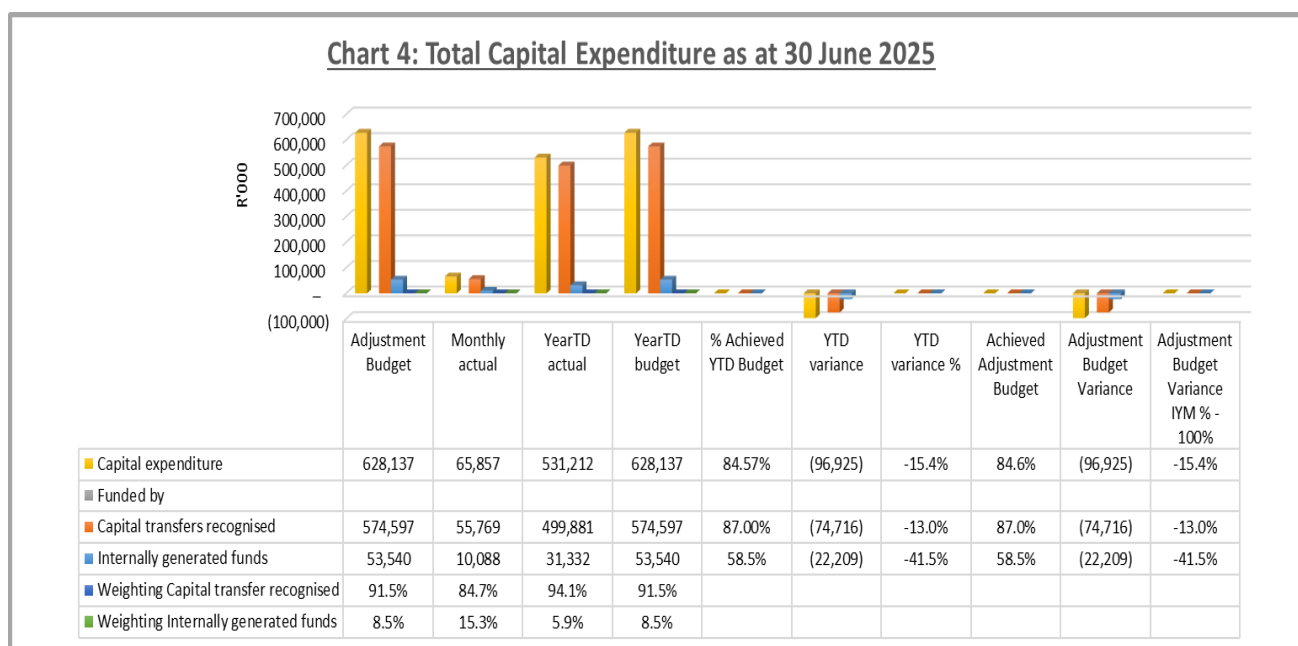


Chart 1: High Level Summary: Capital Expenditure

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.

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							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		-	1,500	2,500	1,864	2,214	2,500	(286)	-11%	2,500
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	5,000	3,500	1,182	1,707	3,500	(1,793)	-51%	3,500
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		24,020	2,000	2,000	-	143	2,000	(1,858)	-93%	2,000
Vote 08 - Infrastructure And Services		105,329	533,450	581,000	57,523	505,975	581,000	(75,024)	-13%	581,000
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	129,348	541,950	589,000	60,570	510,040	589,000	(78,960)	-13%	589,000
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		12,646	23,000	26,241	4,993	17,284	26,241	(8,956)	-34%	26,241
Vote 03 - Municipal Manager		-	2,349	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	2,210	2,210	426	2,014	2,210	(196)	-9%	2,210
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	3,000	2,511	758	1,004	2,511	(1,507)	-60%	2,511
Vote 08 - Infrastructure And Services		34,444	41,220	8,176	(889)	871	8,176	(7,305)	-89%	8,176
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	47,089	71,779	39,137	5,288	21,173	39,137	(17,965)	-46%	39,137
Total Capital Expenditure		176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137
Capital Expenditure - Functional Classification										
Governance and administration		12,646	24,500	28,741	6,857	19,499	28,741	(9,242)	-32%	28,741
Executive and council		12,646	24,500	28,741	6,857	19,499	28,741	(9,242)	-32%	28,741
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	7,210	5,710	1,608	3,721	5,710	(1,989)	-35%	5,710
Community and social services		-	5,000	3,500	1,182	1,707	3,500	(1,793)	-51%	3,500
Sport and recreation		-	2,210	2,210	426	2,014	2,210	(196)	-9%	2,210
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		69,228	48,519	44,407	6,450	37,644	44,407	(6,763)	-15%	44,407
Planning and development		24,020	5,849	3,761	758	901	3,761	(2,860)	-76%	3,761
Road transport		45,208	42,670	40,646	5,692	36,744	40,646	(3,903)	-10%	40,646
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		94,564	532,000	548,529	50,942	470,103	548,529	(78,427)	-14%	548,529
Energy sources		27,354	6,000	10,500	1,755	6,383	10,500	(4,117)	-39%	10,500
Water management		62,534	517,500	511,529	44,171	444,716	511,529	(66,813)	-13%	511,529
Waste water management		4,676	8,500	26,500	5,016	19,003	26,500	(7,497)	-28%	26,500
Waste management		-	-	-	-	-	-	-	-	-
Other		-	1,500	750	-	246	750	(504)	-67%	750
Total Capital Expenditure - Functional Classification	3	176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137
Funded by:										
National Government		124,283	572,229	574,597	55,769	499,881	574,597	(74,716)	-13%	574,597
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		6,000	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		17,073	-	-	-	-	-	-	-	-
Transfers recognised - capital		147,356	572,229	574,597	55,769	499,881	574,597	(74,716)	-13%	574,597
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	29,082	41,500	53,540	10,088	31,332	53,540	(22,209)	-41%	53,540
Total Capital Funding		176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137

Table 4: Monthly Budget statement

3. BUDGET PERFORMANCE OVERVIEW

The municipality is implementing the Adjustment budget for 2024/25 financial year. The Original budget for 2024/25 was assessed as funded with a firm recommendation from NT that the collection rate must improve.

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 capital grants. This necessitated the municipality to submit the 2nd Adjustments budget and adjusted SDBIP to Council which was approved on 31 May 2024.

Operating Revenue and Expenditure

Part1: Operating Revenue and Expenditure															
R thousands	2024/25											2023/24		Q4 of 2023/24 to Q4 of 2024/25	
	Budget		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date		Fourth Quarter		
	Main appropriation	Adjusted Budget	Actual	1st Q as % of Main appropriation	Actual	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of Adjusted budget	Actual Expenditure	4th Q as % of Adjusted budget	Actual	Total Expenditure as % of adjusted budget	Actual Expenditure		Total Expenditure as % of adjusted budget
Operating Revenue and Expenditure															
Operating Revenue	2,958,278	2,971,037	878,754	29.7%	710,040	24.0%	687,017	23.1%	617,272	20.8%	2,893,083	97.4%	584,094	98.5%	5.7%
Operating Expenditure	2,928,505	3,196,465	664,058	22.7%	694,331	23.7%	774,374	24.2%	822,825	25.7%	2,955,589	92.5%	611,903	89.6%	34.5%
Transfers and subsidies - capital (monetary allocations)	572,229	570,097	36,892	6.4%	220,548	38.5%	113,660	19.9%	196,621	34.5%	567,720	99.6%	70,278	87.8%	179.8%
Total Revenue	3,530,507	3,541,134	915,646	25.9%	930,588	26.4%	800,677	22.6%	813,893	23.0%	3,460,803	97.7%			

Table 5.1: Operating Revenue and Expenditure

As per Table 5.1 above, overall Operational revenue is performing satisfactorily, with the actual achieved versus the Adjusted budget standing at 97.4% versus the ideal percentage of 100%. This is largely as a result of an under-recovery on Electricity service charges, due to the non-implementation of the basic and capacity charges for households. Operational expenditure is 92.5% spent. It should be noted that Post-retirement health benefits is not yet accounted for and a reconciliation needs to be performed on Depreciation. Transfers and subsidies – capital transferred to revenue amounts to 99.6% of the Adjusted budget.

Part 2: Capital Revenue and Expenditure															
	2024/25											2023/24		Q4 of 2023/24 to Q4 of 2024/25	
	Budget		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of Adjusted budget	Actual Expenditure	4th Q as % of Adjusted budget	Actual Expenditure	Total Expenditure as % of Adjusted budget	Actual Expenditure		Total Expenditure as % of main appropriation
R thousands															
Capital Revenue and Expenditure															
Source of Finance	613,729	621,518	41,783	6.8%	186,907	30.5%	109,834	17.7%	192,689	31.0%	531,212	85.5%	78,987	78.2%	143.9%
Transfers recognised - capital	572,229	570,097	36,892	6.4%	186,789	32.6%	97,655	17.1%	178,545	31.3%	499,881	87.7%	63,921	88.4%	179.3%
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	41,500	51,421	4,891	11.8%	118	3%	12,180	23.7%	14,143	27.5%	31,332	60.9%	15,066	48.3%	(6.1%)

Table 5.2: Capital Revenue and Expenditure

Performance on the capital is normally poor during the start of the financial year. As indicated in Table 5.2 above, total capital expenditure stands at 85.5% spent versus the Adjusted budget, whilst conditional grants spent amount to 87.7% and internally generated funds at 60.9% spent. This is still not a desired outcome and more effective planning; monitoring and timely remedial action is essential to improve on the monthly and full year outcome of capital expenditure. It should be noted that capex excludes VAT, whilst VAT is accounted for, when transferring capex to the Statement of Financial Performance, when all conditions of the grant have been met.

Municipal Debt Relief

The municipality's Debt Relief application to National Treasury was approved, effective 1 October 2023. The municipality concluded a payment arrangement agreement with Eskom on 12 June 2024 for debt accrued after March 2023, amounting to R163 million. It is imperative that the municipality abides with the conditions of Circular 124, as non-compliance have serious repercussions for the municipality and its electricity business.

As articulated in Table 6.1 below, the municipality made partial payments on the July and August 2024 accounts for the high months and November 2024 and April and May 2025. The July 2024 account is now fully settled. Eskom also indicated that the municipality is liable to settle the interest charges from July 2024 going forward, due to the municipality defaulting and not settling the two winter months (July and August 2024) in full. Total Interest charges amount to R17,414 million, as at end of May 2025. Interest on overdue accounts must be disclosed as Fruitless and Wasteful Expenditure. The municipality is in breach of the conditions and has accumulative arrears for the current year. It is of paramount importance to be in good standing with ESKOM. To be in good standing with ESKOM and to qualify for the recommendation for the first third debt write-off by National Treasury, the municipality has an obligation to settle **R244,803,813.18**, as indicated in the Table 2.1 below. Arrears on the outstanding invoices including interest amounts to R177,803,813.18 and the arrears on the payment arrangement, which is now in arrears with ten instalments, amounting to R67,000,000.00.

Month	Invoice Amount incl Interest	Paid Amount	Balance due incl Interest	Arrear instalments PA	Total Due to be in Good standing	Interest
Jul-24	R 148,333,011.78	R 148,333,011.78	R -	R 6,700,000.00	R 6,700,000.00	R 273,911.75
Aug-24	R 127,600,942.44	R 72,000,000.00	R 55,600,942.44		R 55,600,942.44	R 154,610.92
Sept-24	R 71,086,942.52	R 71,086,942.52	R -	R 6,700,000.00	R 6,700,000.00	R 1,749,230.28
Oct-24	R 73,507,839.50	R 73,507,839.50	R -	R 6,700,000.00	R 6,700,000.00	R 2,765,933.71
Nov-24	R 69,973,808.12	R 25,000,000.00	R 44,973,808.12	R 6,700,000.00	R 51,673,808.12	R 2,159,642.32
Dec-24	R 71,858,904.48	R 71,858,904.48	R -	R 6,700,000.00	R 6,700,000.00	R 1,729,759.80
Jan-25	R 75,731,838.36	R 73,853,308.39	R 1,878,529.97	R 6,700,000.00	R 8,578,529.97	R 1,878,529.97
Feb-25	R 68,070,392.81	R 68,070,392.81	R -	R 6,700,000.00	R 6,700,000.00	R 1,066,048.41
Mar-25	R 72,107,023.50	R 72,107,023.50	R -	R 6,700,000.00	R 6,700,000.00	R 1,733,370.12
Apr-25	R 68,058,315.40	R 30,000,000.00	R 38,058,315.40	R 6,700,000.00	R 44,758,315.40	R 1,809,020.57
May-25	R 77,292,217.25	R 40,000,000.00	R 37,292,217.25	R 6,700,000.00	R 43,992,217.25	R 2,094,272.25
TOTAL ESKOM	R 923,621,236.16	R 745,817,422.98	R 177,803,813.18	R 67,000,000.00	R 244,803,813.18	R 17,414,330.10

Table 6.1: Arrear debt payable to Eskom.

The total debt eligible for write-off, over the 3-year period amounts to **R744,384,421.59**. The one-third of the qualifying debt to be written-off amounts to **R248,128,140.53**. Should the municipality fail to comply with the conditions and fail to settle the current year accumulative arrears, this is the debt relief benefit that the municipality will forfeit. This will be a serious blow to the municipality's finances and will have severe repercussions on the already critical cashflow position.

Month	Invoice Amount	Paid Amount	Balance due	Less potential interest write-off	Total Due to be in Good standing	Interest
Arrears	R 54,656,466.48	R 17,098,078.18	R 37,558,388.30	-R 14,703,680.46	R 22,854,707.84	R -
Oct-24	R 17,504,048.73	R -	R 17,504,048.73	R -	R 17,504,048.73	R -
Nov-24	R 17,504,048.73	R -	R 17,504,048.73	R -	R 17,504,048.73	R -
Dec-24	R 15,680,672.19	R -	R 15,680,672.19	R -	R 15,680,672.19	R -
Jan-25	R 20,395,986.37	R -	R 20,395,986.37	R -	R 20,395,986.37	R -
Feb-25	R 18,327,914.21	R 18,327,914.21	-R 0.00	R -	-R 0.00	R -
Mar-25	R 16,769,310.95	R -	R 16,769,310.95	R -	R 16,769,310.95	R -
TOTAL WATER	R 160,838,447.64	R 35,425,992.39	R 125,412,455.25	-R 14,703,680.46	R 110,708,774.79	R -
Current Year arrears			R 87,854,066.95			

Table 6.2 Arrear debt payable to DWS

Indicated in Table 6.2 above is the arrear debt payable to DWS. Another serious non-compliance to the conditions, is the non-payment of October, November, December 2024, January 2025 and March 2025 account for Water amounting to **R87,854,066.95**. The municipality had insufficient cash to settle

the respective accounts. It is of great concern that the municipality could not manage to settle the debt repayment instalment to DWS for the past eight months. However, during March 2025, the municipality managed to pay R17,098 million on the arrear debt, resulting in an amount outstanding on the debt agreement of **R22,854,707.84**. This is also the full amount of the arrears that is due and payable, as the balance should have been cleared at the end of January 2025. The total amount due and payable to DWS is **R110,708,774.79** to remain on the Department's Debt Incentive Programme. If the municipality fails to pay the outstanding arrear debt, the municipality will forfeit the interest write-off of R14 million and the Department will resume in charging interest on overdue accounts, leading to an escalation in Fruitless and Wasteful expenditure and further impede on the municipality's financial recovery.

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 30 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.

Section 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.

Interventions employed by the municipality over the past few months including some challenges that the municipality is still facing.

The municipality made some significant strides in settling the monthly current accounts for Eskom and the Department of Water and Sanitation. The arrear debt owed to Waterboard has also been reduced significantly by R71,775 million during the 2023/24 financial year. Both ESKOM and DWS were satisfied with the progress the municipality has made, and the municipality has an amicable and good working relationship with both institutions. However, the municipality is in serious breach of maintaining the current account, specifically for Water as 5 months’ invoices (October, November, December 2024, January and April 2025) have not been paid. The municipality managed to settle the February 2025 account. The municipality has not ratified the short payment on the August and November 2024 Eskom bulk account. The invoice for April 2025 was not settled in full. The ring-fencing of cash received for Electricity and Water & Sanitation is accounted for on a daily basis. However, the municipality is running into serious financial trouble as cash receipts are below the projected target. The ring-fencing of funds has put severe pressure on the municipality’s ability to settle Supply Chain and other sundry creditors. This is tarnishing the relationship with the municipality’s suppliers and will have a severe impact on service delivery and the local economy. The biggest concern is the settling of the Eskom accounts for the high months (June to August).

A temporary moratorium on recruitment has been instituted, where the filling of all vacant and funded positions has been suspended with immediate effect, only critical vacant and funded positions will be filled.

An interim moratorium has been implemented on the sale of leave. Sale of leave to settle municipal accounts will no longer be permitted.

Overtime has been capped to 40 hours across all sections.

The policy for smart prepaid meters was approved on 31 May 2024 with the adopted budget for the 2024/25 MTREF.

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 smart meter grant was approved by National Treasury and implementation by the appointed service provider is completed.

NT granted approval for the municipality to partake in the transversal contract for smart prepaid meters.

Section 52(d) report for Preliminary 4th quarter of 2024/25

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.

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.

The municipality is exploring the option to have consumers blacklisted that are delinquent payers. Departments are engaged on a regularly basis to recoup outstanding debt owed by Organs of State. The commencing of debt collection action in January 2025, by four debt collection companies that was appointed by the municipality.

Through the office the General Manager (Revenue) a Revenue Enhancement Strategy has been developed in order to deal with the financial crisis currently faced by SPM. SPM faces several revenue challenges that impact its ability to deliver services effectively. Some of the key challenges include:

- a. **Inaccurate Billing Systems:**
Inefficient or inaccurate billing systems can lead to under-billing or over-billing of residents, which can cause disputes and further reduce the collection rates. Improving the accuracy and efficiency of billing is crucial for improving revenue collection.
- b. **Non-payment for Services:**
A significant challenge is the high rate of non-payment for municipal services such as water, electricity, and property rates. Many residents struggle to pay their bills due to economic hardships, leading to a shortfall in expected revenue.
- c. **Illegal Connections and Theft:**
Illegal connections to water and electricity services, as well as theft, lead to significant losses in potential revenue. The municipality faces challenges in detecting and curbing these illegal activities.
- d. **Debt Collection Issues:**
The Municipality often encounters difficulties in collecting outstanding debts (poor payment culture). Inefficient debt collection processes (Customers are no longer bothered when disconnected/blocked: they pay the required amount, get unblocked then wait for the next round of disconnections/blocking).

Addressing these challenges requires a multifaceted approach, including improving economic conditions, enhancing billing and collection systems and enforcing payment for services.

In addressing some of the above challenges a revenue enhancement project will be implemented and split into three phases due to the availability of funds, which are:

- a. Phase 1 – Replacement of non-functional meters for electricity
- b. Phase 2 – Replacement of non-functional water meters
- c. Phase 3 – Conversion of conventional meters for highest owing customers to prepaid meters.

We are on ground with our Cut Team and the Electricians, attending to the disconnection of electricity for Households, Government Departments and Businesses that are owing the Municipality substantial amounts of money. Prepaid meters of Customers situated in various areas have also been blocked.

We have seen the Customers coming in to make payments and arrangements once they discover that they have been blocked. We have community members strike in some areas; however the Executive Mayor has dealt with this in a diplomatic manner.

We are working on resolving the issues raised by Customers on their accounts, in the interim Customers are expected to make payment on services received (undisputed) versus the false premise that payment can be withheld until such time that the dispute is resolved.

During the month of August 2024, the municipality successfully launched the MeterMo meter reading system to enhance and improve the metered utility data of Sol Plaatje Municipality. This is aimed at ultimately improving our billing. In resolving billing queries, we are in a better position to collect on outstanding Customer Accounts. The plus in using this meter reading system is that it provides field captured data which includes GPS, time and date as well as photographic evidence of meter readings.

The Municipality has been awarded a smart meter grant of R100 million for smart prepaid meters for Household Customers, this will assist with revenue enhancement. With the use of smart meters, the accuracy of our Billing will be improved, metering disputes will be resolved including the billing of interims.

The designated Electrical Department officials and the Cut Team members have been attending to disconnections in various areas in the City, this has assisted in obtaining payments from Customers defaulting from arrangements. We have had a challenge on the BCX system with the blocking function of prepaid meters, due to an upgrade. A query was logged, and a meeting was held with the service provider, they are currently trying to resolve the issue. We are currently blocking manually in order to collect the monies owed to the Municipality.

The Electrical Department officials have also been dealing with tampering cases on an ad hoc basis, due to their shortage in staff. This is to assist with the tampering problem currently facing the City. When prepaid meters are blocked the Customers are not affected, they continue to have access to electricity at a huge costs and loss to the Municipality. The issue has been raised on numerous occasions and a permanent solution is yet to be implemented by the Electrical Department.

We have continued with the disconnection/blocking of electricity services of all Customer groups that are owing. On the 14th of January 2025 correspondence was sent to the office of the Director General, Northern Cape Provincial Government, whereby notice was given for the disconnection of services of **All Government Departments** that are owing the Municipality (including all properties with due and payable rates and taxes accounts). 14-Day Warning Notices (for the disconnection of electricity services) were delivered at the relevant properties and disconnections will proceed if there is no intervention from the Office of the Premier by 24 February 2024.

The municipality confirm the appointment of the following Debt Collection Agencies:

NO#	NAME OF BIDDER	BID PRICE
1.	Upsurge Construction & Projects	10%
2.	Ntiyiso Consulting	10%
3.	New Integrated Credit Solutions	10%
4.	Alpha Collections	10%

The collection process will consist of a PRE-LEGAL, LEGAL and ADMINISTRATIVE process. The Municipality will identify accounts to be handed over to the appointed Collection agencies.

Formal instructions will be given to the appointed Collection agencies to collect monies owed to the Municipality.

PRE-LEGAL process will entail the following:

- Collection agencies are to make use of any legal tracing method or access any relevant external data source to obtain correct debtor details. Tracing shall be on a no trace no fee basis. These details are to be submitted to the Municipality in order to update the Municipality's records.
- The Collection agencies shall issue reasonable pro-active reminders including personal contact, demand for payment and opportunity for re-dress in respect of all accounts handed over for collection.
- The Collection agencies shall allow a sufficient time period for the account holder to respond to reminders and / or personal contact.
- The Collection agencies shall record actions taken on financial system (Solar) - subject to agreement with the Municipality on the access to Solar as per the Municipality's IT policies.

LEGAL PROCESS will entail the following:

- The Collection agencies shall, in the absence of sufficient response and / or proactive actions from an account holder institute all necessary legal actions up to and including the granting of a warrant of execution.
- Issue Summons to defaulting account holders.
- Obtain Default Judgment against and blacklisting of defaulting account holders.
- Obtain emolument attachment and movable asset attachment order.
- Obtain Court order for attachment and sale in execution of immovable assets. Prior written approval to be obtained from the Accounting Officer and/or powers and duties delegated to Chief Financial Officer in respect of the following legal proceedings:
 - a. Blacklisting
 - b. Attachment of movable assets
 - c. Sale in execution of immovable assets
 - d. Defended matters

On 28 April 2025 we had a television interview with SABC News with regards to debt owed to the Municipality, by the different Customer Groups. The interview was to also inform our Customers of the collection initiatives we have set in place for the year i.e. collection through Debt Collection Agencies.

We have commenced with our campaigning in the community, to make us more visible to our customers. Providing information relating to the importance of paying of the municipal account on a monthly basis, arrangements, disconnections/blocking of electricity due to non-payment and the social package offered by the Municipality (indigent assistance).

4. REVENUE FRAMEWORK

The municipality budgeted for total revenue of R3 546 958 billion for 2024/25 raised from various revenue sources which include service charges for water, electricity, refuse removal and sanitation, as well as revenue from property rates and taxes, and other revenue sources from exchange and non-exchange transactions.

The municipality reads water and electricity meters monthly and the Billing Section is responsible for all the duties, functions and responsibilities associated with this function. The municipality also encourages own reading by customers especially households where all members are not available during office hours to give access to the reading teams.

Further to this, it is the responsibility of each household to ensure access to the meters at all times, this including cleaning the meter as well as reporting leaks to the municipality for their attention and assistance.

4.1 Operating Revenue by Source

Table C4 Monthly Budget Statement - Financial Performance (Revenue) - in 12 units

Description	Adjustment Budget	Monthly actual	YearTD actual	YearTD budget	Achieved YTD Budget	YTD variance	YTD variance	Achieved Adjustment Budget	Adjustment Budget Variance	Adjustment Budget Variance IYM % - 100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Revenue										
Exchange Revenue										
Service charges - Electricity	1,099,199	82,181	942,751	1,099,199	85.8%	(156,448)	-14.2%	85.8%	(156,448)	-14.2%
Service charges - Water	343,685	21,439	322,312	343,685	93.8%	(21,373)	-6.2%	93.8%	(21,373)	-6.2%
Service charges - Waste Water Management	95,890	9,434	113,767	95,890	118.6%	17,878	18.6%	118.6%	17,878	18.6%
Service charges - Waste management	72,271	7,085	85,412	72,271	118.2%	13,140	18.2%	118.2%	13,140	18.2%
Sale of Goods and Rendering of Services	16,455	2,635	18,797	16,455	114.2%	2,342	14.2%	114.2%	2,342	14.2%
Agency services	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	120,030	15,430	166,017	120,030	138.3%	45,987	38.3%	138.3%	45,987	38.3%
Interest from Current and Non Current Assets	9,000	2,537	20,635	9,000	229.3%	11,635	129.3%	229.3%	11,635	129.3%
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	27,740	2,858	32,057	27,740	115.6%	4,317	15.6%	115.6%	4,317	15.6%
Licence and permits	1,200	63	660	1,200	55.0%	(540)	-45.0%	55.0%	(540)	-45.0%
Operational Revenue	3,773	361	3,152	3,773	83.5%	(622)	-16.5%	83.5%	(622)	-16.5%
Non-Exchange Revenue	-	-	-	-	-	-	-	-	-	-
Property rates	687,320	50,649	712,817	687,320	103.7%	25,498	3.7%	103.7%	25,498	3.7%
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	32,143	3,324	27,902	32,143	86.8%	(4,241)	-13.2%	86.8%	(4,241)	-13.2%
Licence and permits	8,000	986	9,074	8,000	113.4%	1,074	13.4%	113.4%	1,074	13.4%
Transfers and subsidies - Operational	312,854	4,653	299,367	312,854	95.7%	(13,487)	-4.3%	95.7%	(13,487)	-4.3%
Interest	91,900	8,800	103,759	91,900	112.9%	11,859	12.9%	112.9%	11,859	12.9%
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	50,900	1,135	27,322	50,900	53.7%	(23,578)	-46.3%	53.7%	(23,578)	-46.3%
Gains on disposal of Assets	-	2,060	7,131	-	#DIV/0!	7,131	#DIV/0!	#DIV/0!	7,131	#DIV/0!
Other Gains	-	0	151	-	-	151	-	-	151	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	2,972,361	215,629	2,893,083	2,972,361	97.3%	(79,278)	-2.7%	97.3%	(79,278)	-2.7%
Transfers and subsidies - capital	574,597	56,992	567,720	574,597	98.8%	(6,877)	-1.2%	98.8%	(6,877)	-1.2%
Total Revenue (including capital transfers and contributions)	3,546,958	272,621	3,460,803	3,546,958	97.6%	(86,155)	-2.4%	97.6%	(86,155)	-2.4%

Table 7.1: Table C4 Financial Performance (Revenue)

Comparison against the YTD Budget

Exchange Revenue

- ❖ Service charges - Electricity is showing an unsatisfactory variance of minus 14.2%. This understatement of Service charges Electricity is largely attributable to the non-implementation of the basic and capacity charges for households, which has not been resolved. Service charges Water is satisfactory with a variance of minus 6.2%. It is imperative that the Billing section does a proper investigation to ensure that all properties have functional meters installed and are billed accurately. This can be achieved by considering all properties on the General Valuation Roll.

- ❖ The same applies to all Service charges. To this end, SPM Digital Water System is currently in development. Digital integration of the International Water Association's Water Balance assessment, the initial findings show that 54 324 erven received water accounts (76% of total) and 15 200 erven did not receive water accounts (21% of total). A list of properties that do not receive municipal water accounts, will be shared with both the technical and finance departments to verify meter installations and ensure all properties are billed accordingly. Sanitation and Refuse is showing an over-recovery when compared to the YTD budget. This is largely attributable to the exercise of the Property Valuation section, where they did a comparative exercise of the number of properties versus the number of accounts billed for Refuse. The verification on Sewerage charges is proving a bit more problematic, but the Property section is working on the challenges they experienced with this exercise to ensure that all properties do get billed accurately for Sewerage.
- ❖ Sale of Goods and Rendering of Services is performing satisfactorily with a positive variance of 14.2%. Various line items is showing an over-recovery inter alia camping fees, burial fees, building plan approvals etc.
- ❖ Interest earned from Receivables is showing a positive variance of 38.3% due to the increase in specifically debt over 90 days, high level of debt over 90 days and the higher interest rate, prior to the recent interest repo rate cuts.
- ❖ Interest from Current and Non-current Assets shows a positive variance of 129.3%. The municipality is improving on its cash and investment management and regularly invest funds not immediately needed for operations. The municipality invests capital grants already received, whilst keeping the unspent portion in the investment account. The bulk of the interest earned gets recognised at year-end.
- ❖ Rental from Fixed Assets, is showing a positive variance of 15.6% when compared to the YTD budget. The over-recovery is attributable to the increased billing for municipal flats.
- ❖ Licences and permits are showing a negative variance of 45.0%, as a result of the receipts on Road & Trsp: Operator & Pub Driv Permits being lower than anticipated, 55.03% achievement versus a budget of R1,200 million.
- ❖ Operational Revenue is showing a negative variance of 16.5%, due lower than anticipated revenue from Insurance refunds.

Non-Exchange Revenue

- ❖ Property Rates is showing a satisfactory variance of 3.7%.
- ❖ Fines, penalties and forfeits is showing an unsatisfactory variance of minus 13.2%, due to an under-recovery on Fines: Law Enforcement that is standing at 30.99% achieved versus a target of R12,000 million.
- ❖ Licence and permits are showing a positive variance of 13.4%, due to possible outstanding payments due to the Department of Transport, Safety and Liaison.
- ❖ Transfers and subsidies - Operational is showing a satisfactory variance of minus 4.3%.
- ❖ Interest is showing an over-recovery of 12.9%, due to increase in outstanding debtors for Property rates.
- ❖ Operational Revenue is showing an unsatisfactory variance of minus 46.3%. This is attributed to the Service charges from non-exchange revenue from Electricity as it was established that basic charges were erroneously allocated to availability charges, however an in-depth investigation must be performed.
- ❖ Gains on disposal of assets, the YTD actual amounts to R7,131 million predominantly pertaining to land sales.
- ❖ Other Gains, pertains to gains realised from Stores.

- ❖ Transfers and subsidies - Capital is showing a satisfactory variance of minus 1.2% when compared to the YTD budget. Capital grant expenditure, show improvement compared to the prior year for the same period.

Serious intervention will have to be taken by management to improve on monthly capital grant expenditure and capital expenditure overall. Capital grants are recognised monthly in the Statement of Financial Performance, as soon as the conditions of the grant have been met.

Non-Exchange Revenue

- ❖ Property Rates is showing a satisfactory variance of 3.7%.
- ❖ Fines, penalties and forfeits is showing an unsatisfactory variance of minus 13.2%, due to an under-recovery on Fines: Law Enforcement that is standing at 30.99% achieved versus a target of R12,000 million.
- ❖ Licence and permits are showing a positive variance of 13.4%, due to possible outstanding payments due to the Department of Transport, Safety and Liaison.
- ❖ Transfers and subsidies - Operational is showing a satisfactory variance of minus 4.3%.
- ❖ Interest is showing an over-recovery of 12.9%, due to increase in outstanding debtors for Property rates.
- ❖ Operational Revenue is showing an unsatisfactory variance of minus 46.3%. This is attributed to the Service charges from non-exchange revenue from Electricity as it was established that basic charges were erroneously allocated to availability charges, however an in-depth investigation must be performed.
- ❖ Gains on disposal of assets, the YTD actual amounts to R7,131 million predominantly pertaining to land sales.
- ❖ Other Gains, pertains to gains realised from Stores.
- ❖ Transfers and subsidies - Capital is showing a satisfactory variance of minus 1.2% when compared to the YTD budget. Capital grant expenditure, show improvement compared to the prior year for the same period. Serious intervention will have to be taken by management to improve on monthly capital grant expenditure and capital expenditure overall. Capital grants are recognised monthly in the Statement of Financial Performance, as soon as the conditions of the grant have been met.

Comparison against Adjustment Budget

Based on the IYM percentage of 100%, the majority of revenue sources are performing satisfactorily.

Exchange Revenue

- ❖ Overall, Service charges when compared to the Adjustment budget is performing satisfactorily, with the exception of Electricity sales. Same factors are applicable as described in the paragraph above.
- ❖ Sale of Goods and Rendering of Services is showing a satisfactory variance of 14.2%. Same factors are applicable as described in the paragraph above.
- ❖ Interest earned from Receivables is showing a positive variance of 38.3%. Same factors are applicable as described in the paragraph above.
- ❖ Interest from Current and Non-current Assets shows a positive variance of 129.3%. Same factors are applicable as described in the paragraph above.
- ❖ Rental from Fixed Assets is showing a positive variance of 15.6%. Same factors are applicable as described in the paragraph above.
- ❖ Licences and permits are showing an unsatisfactory variance of minus 45.0%. Same factors are applicable as described in the paragraph above.

- ❖ Operational Revenue is showing an unsatisfactory variance of minus 16.5%. Same factors are applicable as described in the paragraph above.

Non-Exchange Revenue

- ❖ Property Rates is showing a positive variance of 3.7%.
- ❖ Fines, penalties and forfeits is showing an unsatisfactory variance of minus 13.2%. Same factors are applicable as described in the paragraph above.
- ❖ Licence and permits are showing a positive variance of 13.4%. Same factors are applicable as described in the paragraph above.
- ❖ Transfers and subsidies - Operational is showing a satisfactory variance of minus 4.3%. Same factors are applicable as described in the paragraph above.
- ❖ Operational Revenue is showing a negative variance of 46.3%. Same factors are applicable as described in the paragraph above.
- ❖ Gains on disposal of assets shows a movement of R7,131 million. Same factors are applicable as described in the paragraph above.
- ❖ Transfers and subsidies - Capital is showing an unsatisfactory variance of minus 1.2%. Capital grants remains lower than anticipated due to poor capital grant expenditure. However, there is an improvement for the period under review. 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.

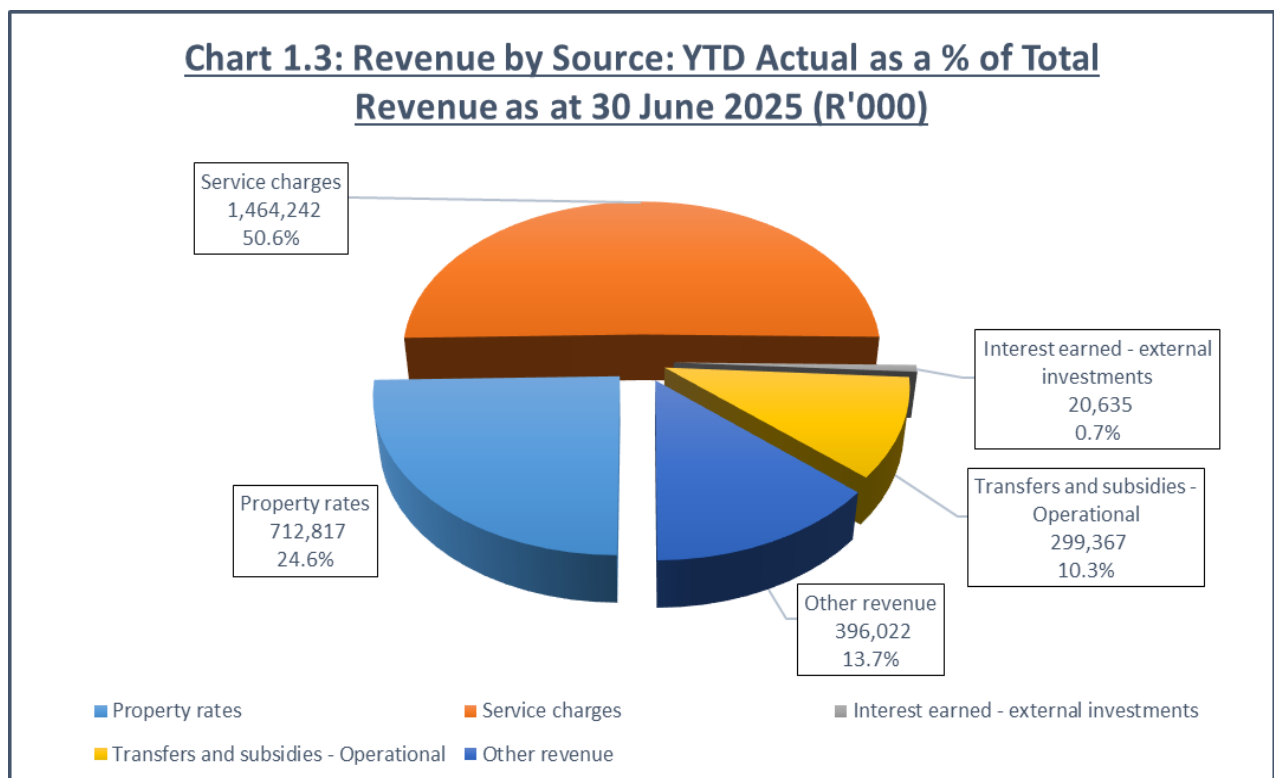


Chart 2: Revenue by Source - YTD Actual as a percentage of Total Revenue

Indicated in Chart 2 above is the weighting of the YTD Actual on billed Revenue per Source as a percentage of total operational revenue as at 30 June 2025. The main contributors of the municipality's revenue are Service Charges (50.6%), Property Rates (24.6%) and Other Revenue (13.7%).

4.2 Revenue by Vote

The responsibility of billing and enhancing revenue is delegated to all directorates as per their budgets and functions. The financial services however, carries the bigger task of ensuring correct billing, to the correct customer and that the bill reaches the customer within 5 days from date of billing.

The municipality generates revenue primarily from service charges and property rates. Infrastructure is therefore the main revenue generating vote. The Municipal and General vote consists mostly of grants received by the municipality. Refuse revenue resorts under Community Services and this vote also generates income from renting out municipal facilities e.g. halls and recreation facilities.

In Table 7.2 below represents revenue for the quarter generated from various votes as per the functions of assigned to the vote.

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal And General		549,361	972,401	980,929	73,359	1,005,107	980,929	24,178	2.5%	980,929
Vote 03 - Municipal Manager		-	-	2,759	2,680	2,680	2,759	(79)	-2.9%	2,759
Vote 04 - Corporate Services		5,391	6,161	6,161	482	6,104	6,161	(57)	-0.9%	6,161
Vote 05 - Community Services		134,820	124,361	129,025	13,274	138,010	129,025	8,985	7.0%	129,025
Vote 06 - Financial Services		701,887	710,111	710,111	53,089	739,757	710,111	29,647	4.2%	710,111
Vote 07 - Strategy Econ DevelopmentAnd Planning		26,098	8,368	8,868	1,932	10,306	8,868	1,438	16.2%	8,868
Vote 08 - Infrastructure And Services		1,666,568	1,709,105	1,709,105	127,804	1,558,838	1,709,105	(150,267)	-8.8%	1,709,105
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	3,084,125	3,530,507	3,546,958	272,621	3,460,803	3,546,958	(86,155)	-2.4%	3,546,958
Expenditure by Vote	1									
Vote 01 - Executive & Council		59,615	60,855	60,895	4,770	57,745	60,895	(3,151)	-5.2%	60,895
Vote 02 - Municipal And General		400,410	403,603	508,523	78,511	458,048	508,523	(50,476)	-9.9%	508,523
Vote 03 - Municipal Manager		24,274	27,854	32,626	2,896	28,786	32,626	(3,840)	-11.8%	32,626
Vote 04 - Corporate Services		71,184	82,140	75,818	6,931	72,673	75,818	(3,145)	-4.1%	75,818
Vote 05 - Community Services		321,917	337,272	344,453	30,578	316,582	344,453	(27,871)	-8.1%	344,453
Vote 06 - Financial Services		134,722	166,217	174,232	11,317	142,970	174,232	(31,262)	-17.9%	174,232
Vote 07 - Strategy Econ DevelopmentAnd Planning		60,672	67,813	71,703	5,265	55,449	71,703	(16,254)	-22.7%	71,703
Vote 08 - Infrastructure And Services		1,724,624	1,782,750	1,929,538	305,413	1,823,337	1,929,538	(106,202)	-5.5%	1,929,538
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-7.6%	3,197,789
Surplus/ (Deficit) for the year	2	286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	44.7%	349,169

Table 7.2: Revenue by Vote

4.3 Revenue by Major Service

4.3.1 Housing

The municipality holds rental stock and the letting of this stock is managed by the Housing Section within the Infrastructure and Services Directorate. It is expected that the cost of administering this function including general maintenance of these units should be recovered from the rental service charges as determined by Council in its tariffs.

The table below indicates annual estimated rental income of R27 501 000 and year to date billed rental income is R31 910 274 which shows a satisfactory variance of 16.08% for the year. The billed revenue is based on the number of flats at 100% occupancy rate at all times.

The total expenditure for the year amounted to R22 555 711 million which is 19.57% below the projected R28 042 233 million for the 2023/24 financial year.

Votenummer	Description	Original	Budget	Curr Mth Exp	Commitment	YTD Movement	Unspend Bud	Perc
28400000010000000000	HOUSING							
28401000000000000000	REVENUE							
28401389900000000000	SUB TOTAL : OPERATIONAL REVENUE	-1,000.00	-1,000.00	-574.00	-	-96,958.74	95,958.74	999.99
28401409900000000000	SUB TOTAL : RENTAL FROM FIXED ASSETS	-27,500,000.00	-27,500,000.00	-2,839,121.48	-	-31,813,315.80	4,313,315.80	115.68
28401499920000000000	SUB TOTAL : EXCHANGE REVENUE	-27,501,000.00	-27,501,000.00	-2,839,695.48	-	-31,910,274.54	4,409,274.54	116.03
28401999980000000000	TOTAL : INCOME	-27,501,000.00	-27,501,000.00	-2,839,695.48	-	-31,910,274.54	4,409,274.54	116.03
28402000000000000000	EXPENDITURE							
28402119900000000000	SUB TOTAL : MS - SAL ALLOW & SERV BENEF	17,678,819.00	17,678,819.00	1,369,751.30	-	15,620,853.77	2,057,965.23	88.35
28402139900000000000	SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	4,325,737.00	4,325,737.00	305,568.37	-	3,772,593.30	553,143.70	87.21
28402159920000000000	SUB TOTAL : MUNICIPAL STAFF	22,004,556.00	22,004,556.00	1,675,319.67	-	19,393,447.07	2,611,108.93	88.13
28402159940000000000	SUB TOTAL : EMPLOYEE RELATED COST	22,004,556.00	22,004,556.00	1,675,319.67	-	19,393,447.07	2,611,108.93	88.13
28402269900000000000	SUB TOTAL : OUTSOURCE SERVICES	1,200,000.00	1,200,000.00	-	-	232,092.00	967,908.00	19.34
28402279900000000000	SUB TOTAL : CONSULTANT AND PROF SERVICES	10,000.00	10,000.00	-	-	-	10,000.00	-
28402289920000000000	SUB TOTAL : CONTRACTED SERVICES	1,210,000.00	1,210,000.00	-	-	232,092.00	977,908.00	19.18
28402309900000000000	SUB TOTAL : OPERATIONAL COST	1,318,677.00	1,318,677.00	53,453.91	-	227,087.35	1,091,589.65	17.22
28402329900000000000	SUB TOTAL - INVENTORY	3,509,000.00	3,509,000.00	495,639.15	-	2,703,085.34	805,914.66	77.03
28402999980000000000	TOTAL : EXPENDITURE	28,042,233.00	28,042,233.00	2,224,412.73	-	22,555,711.76	5,486,521.24	80.43
28402999990000000000	TOTAL : SURPLUS/DEFICIT	541,233.00	541,233.00	-615,282.75	-	-9,354,562.78	9,895,795.78	-999.99

4.3.2 Electricity

Revenue from sale of electricity is the major revenue source of the municipality. Sale of electricity is done through a conventional meter or prepaid electricity meter. Most of residential and small businesses are on prepaid electricity whilst large customers are on conventional/ credit meter. Prepaid meter has far reaching benefits compared to the conventional metering system. These benefits include controlling demand and usage of electricity within budget, no surprise accounts at month as in the case with conventional meter, easy to monitor as balances can be checked on the meter device at any given point in time. It was identified that there are prepaid meters that show no activity. The municipality is of the view that this significantly contributes to the revenue losses and electricity losses.

An Active Revenue Enhancement Committee is in place, and is working on strategies to improve collection. Credit Control Section and Call Centre are also actively working on revenue collection initiatives.

Votenummer	Description	Original	Budget	Curr Mth Exp	Commitment	YTD Movement	Unspend Bud	Perc
28800000010000000000	ELECTRICITY							
28801000000000000000	REVENUE							
28801011990000000000	SUB TOTAL : INTEREST - NON-EXCHANGE	-	-	-71,829.98	-	-789,815.64	789,815.64	-
28801059900000000000	SUB TOTAL : SERV CHG NON-EXCHANGE	-46,000,000.00	-46,000,000.00	-455,632.38	-	-20,067,728.42	-25,932,271.58	43.62
28801259940000000000	SUB TOTAL : NON - EXCHANGE REVENUE	-46,000,000.00	-46,000,000.00	-527,462.36	-	-20,857,544.06	-25,142,455.94	45.34
28801329900000000000	SUB TOTAL : SERVICE CHARGES	-1,099,199,207.00	-1,099,199,207.00	-82,180,745.63	-	-942,750,864.88	-156,448,342.12	85.76
28801349900000000000	SUB TOTAL : INTEREST DIV RENT ON LAND	-19,100,000.00	-19,100,000.00	-1,823,473.60	-	-20,963,247.01	1,863,247.01	109.75
28801499920000000000	SUB TOTAL : EXCHANGE REVENUE	-1,118,299,207.00	-1,118,299,207.00	-84,004,219.23	-	-963,714,111.89	-154,585,095.11	86.17
28801999980000000000	TOTAL : INCOME	-1,164,299,207.00	-1,164,299,207.00	-84,531,681.59	-	-984,571,655.95	-179,727,551.05	84.56
28802000000000000000	EXPENDITURE							
28802119900000000000	SUB TOTAL : MS - SAL ALLOW & SERV BENEF	52,397,635.00	53,397,635.00	4,796,787.74	-	47,332,204.34	6,065,430.66	88.64
28802139900000000000	SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	10,974,209.00	10,974,209.00	854,416.51	-	10,700,761.63	273,447.37	97.50
28802159920000000000	SUB TOTAL : MUNICIPAL STAFF	63,371,844.00	64,371,844.00	5,651,204.25	-	58,032,965.97	6,338,878.03	90.15
28802159940000000000	SUB TOTAL : EMPLOYEE RELATED COST	63,371,844.00	64,371,844.00	5,651,204.25	-	58,032,965.97	6,338,878.03	90.15
28802269900000000000	SUB TOTAL : OUTSOURCE SERVICES	550,000.00	1,700,000.00	289,285.96	-	941,042.29	758,957.71	55.35
28802289920000000000	SUB TOTAL : CONTRACTORS	21,720,000.00	21,420,000.00	-846,870.55	-	15,005,956.76	6,414,043.24	70.05
28802289920000000000	SUB TOTAL : CONTRACTED SERVICES	22,270,000.00	23,120,000.00	-557,584.59	-	15,946,999.05	7,173,000.95	68.97
28802309900000000000	SUB TOTAL : OPERATIONAL COST	2,853,837.00	3,103,837.00	279,297.80	-	2,047,259.62	1,056,577.38	65.95
28802329900000000000	SUB TOTAL - INVENTORY	51,537,000.00	52,687,000.00	4,366,249.23	-	40,287,181.78	12,399,818.22	76.46
28802349900000000000	SUB TOTAL : BULK PURCHASES	897,300,000.00	910,118,000.00	100,172,126.09	-	819,176,713.88	90,941,286.12	90.00
28802369900000000000	SUB TOTAL - INTEREST DIVID & RENT - LAND	12,518,644.00	60,938,877.00	8,239,417.69	-	33,542,156.03	27,396,720.97	55.04
28802409900000000000	SUB TOTAL : BAD DEBTS WRITTEN OFF							
28802729900000000000	SUB TOTAL : DEPRECIATION & AMORTISATION	9,000,000.00	9,000,000.00	-	-	5,809,187.98	3,190,812.02	64.54
28802999980000000000	TOTAL : EXPENDITURE	1,058,851,325.00	1,123,339,558.00	118,150,710.47	-	974,842,464.31	148,497,093.69	86.78
28802999990000000000	TOTAL : SURPLUS/DEFICIT	-105,447,882.00	-40,959,649.00	33,619,028.88	-	-9,729,191.64	-31,230,457.36	23.75

The table above indicates that annual estimated revenue for electricity is R1 164 299 201 billion with R984 billed up to June (15.44% lower than projected). The total expenditure for the year amounted to R974 million – which is 13.22% below the projected R1 123 339 558 billion for the 2024/25 financial year.

Depreciation also still needs to be provided for as part of year-end procedures. The factoring in of these two items will have a significant impact on the total operational expenditure.

4.3.3 Water

Water is life. Availability, certainty and safety of water is of paramount importance to the municipality as the Water Services Authority. Infrastructure that is in good quality provides assurance of availability and certainty of water whilst operations and controls become very critical in as far as safety is concerned. All properties within the municipal jurisdiction has access to water, from free basic water to water used for industrial purposes.

Water is billed on a step tariff, with free basic water and first tariff being provided at the same price tag. However, free basic water revenue is recouped from Equitable share allocated against grants and subsidies made by the municipality.

Total water revenue for the 2024/25 financial year amounted to R398 million. The actual amounted to R396 million which shows an unsatisfactory variance of minus 0.37%. The actual expenditure incurred in this service as at end of June 2025 amounted R230 million which is 0.69% less than the projected figure of R232 million.

Votenummer	Description	Original	Budget	Curr Mth Exp	Commitment	YTD Movement	Unspend Bud	Perc
28600000010000000000	WATER							
28601000000000000000	REVENUE							
28601011990000000000	SUB TOTAL: INTEREST - NON-EXCHANGE	-	-	-61,322.58	-	-697,471.31	697,471.31	-
28601059900000000000	SUB TOTAL: SERV CHG NON-EXCHANGE	-1,500,000.00	-1,500,000.00	-122,476.50	-	-1,475,433.57	-24,566.43	98.36
28601259940000000000	SUB TOTAL: NON - EXCHANGE REVENUE	-1,500,000.00	-1,500,000.00	-183,799.08	-	-2,172,904.88	672,904.88	144.86
28601329900000000000	SUB TOTAL: SERVICE CHARGES	-343,685,331.00	-343,685,331.00	-21,438,929.87	-	-322,311,831.36	-21,373,499.64	93.78
28601349900000000000	SUB TOTAL: INTEREST DIV RENT ON LAND	-52,830,000.00	-52,830,000.00	-6,482,965.33	-	-72,173,525.11	19,343,525.11	136.61
28601429900000000000	SUB TOTAL: SALES & RENDERING OF SERV	-100,000.00	-100,000.00	-	-	-	-100,000.00	-
28601499920000000000	SUB TOTAL: EXCHANGE REVENUE	-396,615,331.00	-396,615,331.00	-27,921,895.20	-	-394,485,356.47	-2,129,974.53	99.46
28601999980000000000	TOTAL: INCOME	-398,115,331.00	-398,115,331.00	-28,105,694.28	-	-396,658,261.35	-1,457,069.65	99.63
28602000000000000000	EXPENDITURE							
28602119900000000000	SUB TOTAL: MS - SAL ALLOW & SERV BENEF	51,305,581.00	51,305,581.00	4,819,885.34	-	48,793,097.00	2,512,484.00	95.10
28602139900000000000	SUB TOTAL: MS - SOCIAL CONTRIBUTIONS	9,875,257.00	9,875,257.00	756,620.86	-	8,771,400.21	1,103,856.79	88.82
28602159920000000000	SUB TOTAL: MUNICIPAL STAFF	61,180,838.00	61,180,838.00	5,576,506.20	-	57,564,497.21	3,616,340.79	94.08
28602159940000000000	SUB TOTAL: EMPLOYEE RELATED COST	61,180,838.00	61,180,838.00	5,576,506.20	-	57,564,497.21	3,616,340.79	94.08
28602269900000000000	SUB TOTAL: OUTSOURCE SERVICES							
28602289900000000000	SUB TOTAL: CONTRACTORS	2,020,000.00	2,020,000.00	-	-	1,057.39	2,018,942.61	0.05
28602289920000000000	SUB TOTAL: CONTRACTED SERVICES	2,020,000.00	2,020,000.00	-	-	1,057.39	2,018,942.61	0.05
28602309900000000000	SUB TOTAL: OPERATIONAL COST	52,391,293.00	52,391,293.00	4,232,016.75	-	51,942,927.54	448,365.46	99.14
28602329900000000000	SUB TOTAL - INVENTORY	121,123,000.00	103,485,000.00	19,990,238.88	-	112,244,870.53	-8,759,870.53	108.46
28602369900000000000	SUB TOTAL - INTEREST DIVID & RENT - LAND	3,242,308.00	3,242,308.00	1,456,647.63	-	3,241,590.16	717.84	99.97
28602409900000000000	SUB TOTAL: BAD DEBTS WRITTEN OFF							
28602729900000000000	SUB TOTAL: DEPRECIATION & AMORTISATION	10,000,000.00	10,000,000.00	-	-	5,735,795.52	4,264,204.48	57.35
28602999980000000000	TOTAL: EXPENDITURE	249,957,439.00	232,319,439.00	31,255,409.46	-	230,730,738.35	1,588,700.65	99.31
28602999990000000000	TOTAL: SURPLUS/DEFICIT	-148,157,892.00	-165,795,892.00	3,149,715.18	-	-165,927,523.00	131,631.00	100.07

4.3.4 Sewerage

Sewer and sanitation tariffs recovers the costs of managing, operating and maintenance of treatment plants and the reticulation network. Other costs recovered from the tariffs are costs associated with any long term borrowing that would have financed infrastructure investments. Sewer and sanitation fees are billed on a monthly flat rate for all customers. As such, the table below indicates the amount billed as at end of quarter four against the year to date budget as estimated during the budget assumptions.

The total revenue for the year is R144 million against a projected revenue of R118 million, an extremely satisfactory variance of 22.44%. Actual expenditure incurred in this service amounted to R99 million which is 10.78% less than the projected R111 million.

Votenummer	Description	Original	Budget	Curr Mth Exp	Commitment	YTD Movement	Unspend Bud	Perc
28500000010000000000	SEWERAGE							
28501000000000000000	REVENUE							
28501329900000000000	SUB TOTAL : SERVICE CHARGES	-95,889,828.00	-95,889,828.00	-9,434,352.17	-	-113,767,451.19	17,877,623.19	118.64
28501349900000000000	SUB TOTAL : INTEREST DIV RENT ON LAND	-19,000,000.00	-19,000,000.00	-2,382,356.59	-	-26,424,068.29	7,424,068.29	139.07
28501499920000000000	SUB TOTAL : EXCHANGE REVENUE	-114,889,828.00	-114,889,828.00	-11,816,708.76	-	-140,191,519.48	25,301,691.48	122.02
28501999980000000000	TOTAL : INCOME	-118,289,828.00	-118,289,828.00	-12,256,071.30	-	-144,842,640.37	26,552,812.37	122.44
28502000000000000000	EXPENDITURE							
28502119900000000000	SUB TOTAL : MS - SAL ALLOW & SERV BENEF	51,934,933.00	51,934,933.00	4,599,304.43	-	53,232,630.28	-1,297,697.28	102.49
28502139900000000000	SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	9,172,663.00	9,172,663.00	712,578.14	-	8,812,962.56	359,700.44	96.07
28502159920000000000	SUB TOTAL : MUNICIPAL STAFF	61,107,596.00	61,107,596.00	5,311,882.57	-	62,045,592.84	-937,996.84	101.53
28502159940000000000	SUB TOTAL : EMPLOYEE RELATED COST	61,107,596.00	61,107,596.00	5,311,882.57	-	62,045,592.84	-937,996.84	101.53
28502269900000000000	SUB TOTAL : OUTSOURCE SERVICES	-	-	-	-	-	-	-
28502289900000000000	SUB TOTAL : CONTRACTORS	30,000.00	30,000.00	-	-	889.57	29,110.43	2.96
28502289920000000000	SUB TOTAL : CONTRACTED SERVICES	30,000.00	30,000.00	-	-	889.57	29,110.43	2.96
28502309900000000000	SUB TOTAL : OPERATIONAL COST	2,385,156.00	2,385,156.00	285,386.88	-	2,199,214.52	185,941.48	92.20
28502329900000000000	SUB TOTAL - INVENTORY	22,024,000.00	30,774,000.00	8,230,790.98	-	23,104,099.03	7,669,900.97	75.07
28502369900000000000	SUB TOTAL - INTEREST DIVID & RENT - LAND	1,808,438.00	1,808,438.00	876,665.99	-	1,808,005.97	432.03	99.97
28502409900000000000	SUB TOTAL : BAD DEBTS WRITTEN OFF	-	-	-	-	-	-	-
28502729900000000000	SUB TOTAL : DEPRECIATION & AMORTISATION	15,000,000.00	15,000,000.00	-	-	9,977,276.44	5,022,723.56	66.51
28502999980000000000	TOTAL : EXPENDITURE	102,355,190.00	111,105,190.00	14,704,726.42	-	99,135,078.37	11,970,111.63	89.22
28502999990000000000	TOTAL : SURPLUS/DEFICIT	-15,934,638.00	-7,184,638.00	2,448,655.12	-	-45,707,562.00	38,522,924.00	636.18

4.3.5 Refuse Removal

As with sewer and sanitation, tariff charges for refuse collecting are billed on flat rate monthly as per the tariff book. All residential customers receive a door-to-door collection service at least once a week. The service is rendered by the municipality using its own fleet and staff.

Service	Description	Original	YTD Movement	Perc
	REFUSE			
2480-REFUSE	SUB TOTAL : SERVICE CHARGES	- 72,271,408.00	- 85,411,516.71	118.18
2480-REFUSE	SUB TOTAL : INTEREST DIV RENT ON LAND	- 15,000,000.00	- 20,055,163.82	133.70
2480-REFUSE	SUB TOTAL : SALES & RENDERING OF	- 1,000.00	- 66,534.00	999.99
2480-REFUSE	SUB TOTAL : INCOME	- 87,272,408.00	- 105,533,214.53	120.92
2480-REFUSE	SUB TOTAL : EMPLOYEE RELATED COST	51,635,860.00	54,482,063.28	105.51
2480-REFUSE	SUB TOTAL : OPERATIONAL COST	2,133,675.00	1,866,988.98	85.89
2480-REFUSE	SUB TOTAL - INVENTORY	21,500,000.00	12,936,155.86	60.28
2480-REFUSE	SUB TOTAL : DEPRECIATION & AMORTISATION	900,000.00	-	-
2480-REFUSE	TOTAL : EXPENDITURE	76,169,535.00	69,285,208.12	90.96
2480-REFUSE	COSTED SURPLUS/DEFICIT BEFORE GR	- 11,102,873.00	- 39,372,933.86	354.61

The total revenue including service charges of refuse collection is R105 533 million with a satisfactory variance of 20.92% when compared to budget of R87 272 million. The expenditure incurred of R69 285 million which is 9.0% less than the budgeted amount of R76 169 million.

4.4 Debtors Management

Part 4: Debtor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	28,117	3.4%	22,957	2.8%	21,335	2.6%	757,968	91.3%	830,377	19.5%
Trade and Other Receivables from Exchange Transactions - Electricity	55,855	16.6%	23,698	7.0%	18,223	5.4%	238,557	70.9%	336,334	7.9%
Receivables from Non-exchange Transactions - Property Rates	42,853	4.8%	18,418	2.0%	15,592	1.7%	822,800	91.5%	899,663	21.2%
Receivables from Exchange Transactions - Waste Water Management	9,186	3.0%	7,142	2.4%	6,657	2.2%	279,872	92.4%	302,856	7.1%
Receivables from Exchange Transactions - Waste Management	7,603	3.3%	5,448	2.3%	4,985	2.1%	215,174	92.3%	233,210	5.5%
Receivables from Exchange Transactions - Property Rental Debtors	1,992	1.9%	2,225	2.1%	1,880	1.8%	99,424	94.2%	105,522	2.5%
Interest on Arrear Debtor Accounts	23,679	2.1%	23,325	2.1%	21,911	2.0%	1,049,239	93.8%	1,118,155	26.3%
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-
Other	9,724	2.3%	5,810	1.4%	4,621	1.1%	403,815	95.2%	423,971	10.0%
Total By Income Source	179,010	4.2%	109,023	2.6%	95,205	2.2%	3,866,849	91.0%	4,250,087	100.0%
Debtors Age Analysis By Customer Group										
Organs of State	26,959	3.4%	14,368	1.8%	11,074	1.4%	730,168	93.3%	782,569	18.4%
Commercial	63,272	8.9%	27,797	3.9%	22,997	3.2%	600,528	84.0%	714,593	16.8%
Households	86,065	3.3%	64,569	2.5%	58,784	2.2%	2,412,332	92.0%	2,621,750	61.7%
Other	2,714	2.1%	2,289	1.7%	2,351	1.8%	123,822	94.4%	131,175	3.1%
Total By Customer Group	179,010	4.2%	109,023	2.6%	95,205	2.2%	3,866,849	91.0%	4,250,087	100.0%

Table 8: Supporting Table SC3: Aged Debtors

Indicated in Table 8 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 R4,250,087 billion as at the end of June 2025 and the bulk of SPM's debt is aged over 90 days with an overall weighting of 91%.

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

- ❖ Interest on Arrear Debtor Accounts at 93.8% and Other at 95.2%.
- ❖ Receivables from Exchange Transactions - Property Rental Debtors at 94.2%
- ❖ Receivables from Exchange Transactions – Property Rates (91.5%); Waste Water Management (92.4%) and Waste Management (92.3%).

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

- ❖ Receivables from Non-exchange Transactions - Property Rates at 21.2%
- ❖ Interest on Arrear Debtor Accounts 26.3%, and
- ❖ Trade and Other Receivables from Exchange Transactions – Water at 19.5%

Indicated in Table 8 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 93.3%; Commercial at 84.0%; Households at 92.0% and Other at 94.4%.

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

- ❖ Organs of state at 18.4%, total debt outstanding is R782,569 million
- ❖ Businesses at 16.8%, total debt outstanding is R714,593 million
- ❖ Households at 61.7%, total debt outstanding is R2,621,750 billion
- ❖ Other at 3.1%, total debt outstanding is R131,175 million.

Chart 4 below, depicts the month-on-month summary of Debt over 90 days as a percentage of total O/S Debt which increased from remained unchanged at 90% for the month under review. Debt over 90 days decreased by R219,128 million in respect of the month-to-month comparison. The month-to-month decrease on Total debt amounted to R231,617 million. An amount of R270,571 was written-off as irrecoverable for the month of June 2024. 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 3 below, depicts the month-on-month summary of Debt over 90 days as a percentage of total O/S Debt remained constant at 91% for the month under review. Debt over 90 days increased by R58,492 million in respect of the month-to-month comparison. The month-to-month increase, on total debt amounted to R58,511 million. It is concerning that total debt over 90 days is hovering at an average of 90 percent. During the 2025/26 MTREF Budget Benchmark exercise NT advised that the municipality needs to increase the collection rate to 82% to breakeven and have a positive cash flow.

Chart 7: Debt over 90 days as a % of total O/S Debt: Jun 2024 - June 2025

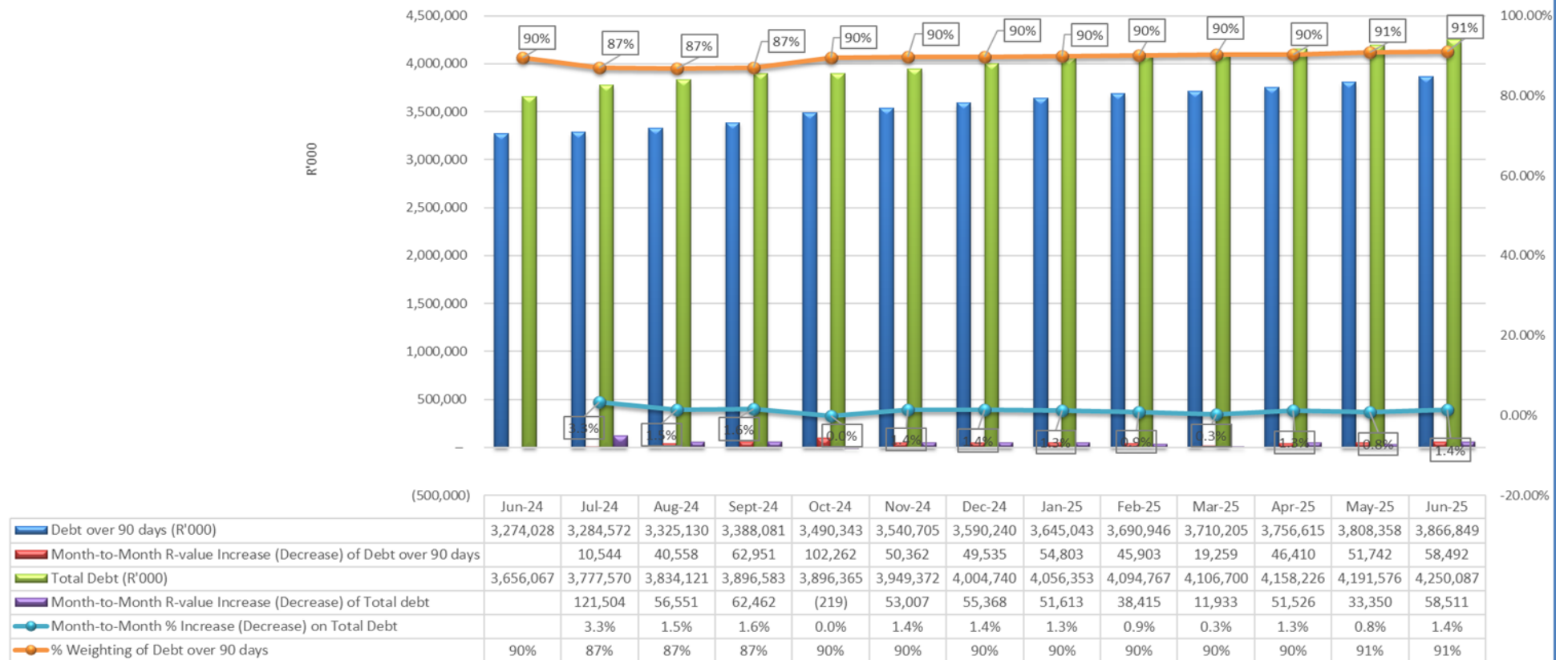


Chart 3: Debt over 90 days as a percentage of Total O/S Debt

- There is an error on the C-schedules, supporting schedule SC3 – Aged Debtors for the audited outcome for 2023/24. 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 February 2024, this will have to confirmed with NT, if it is 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 2023/24 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.

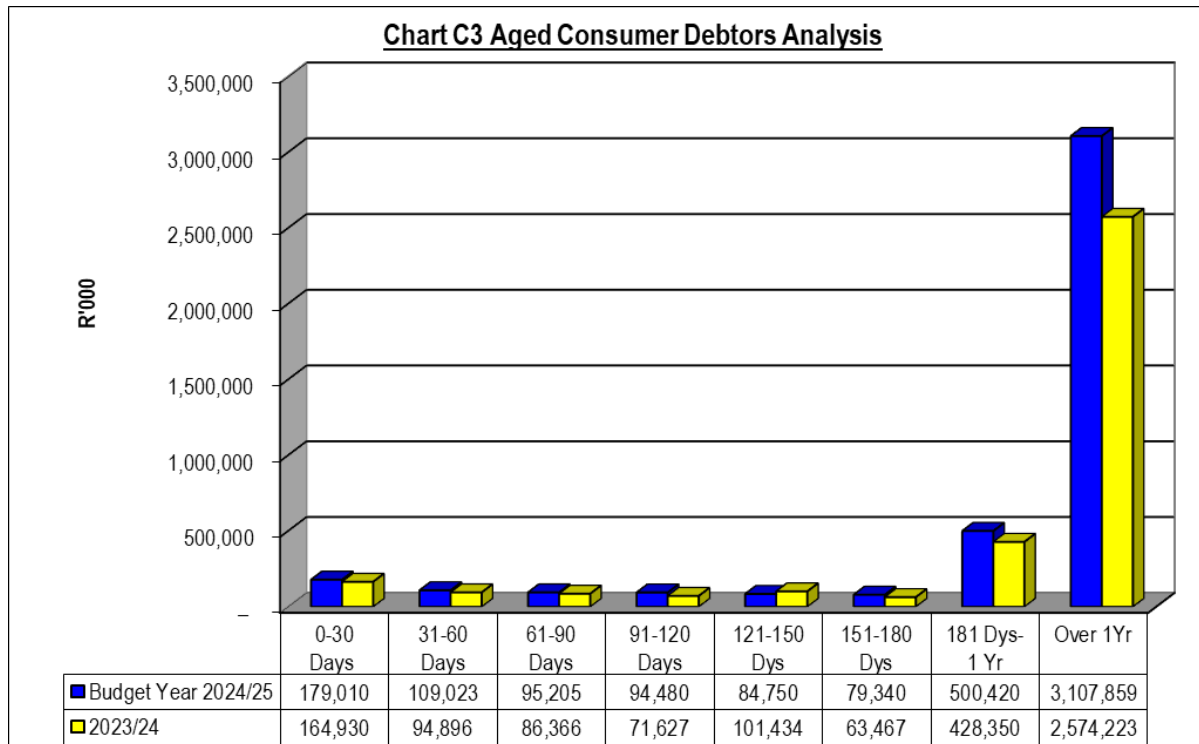


Chart 4: Aged Consumer Debtor Analysis

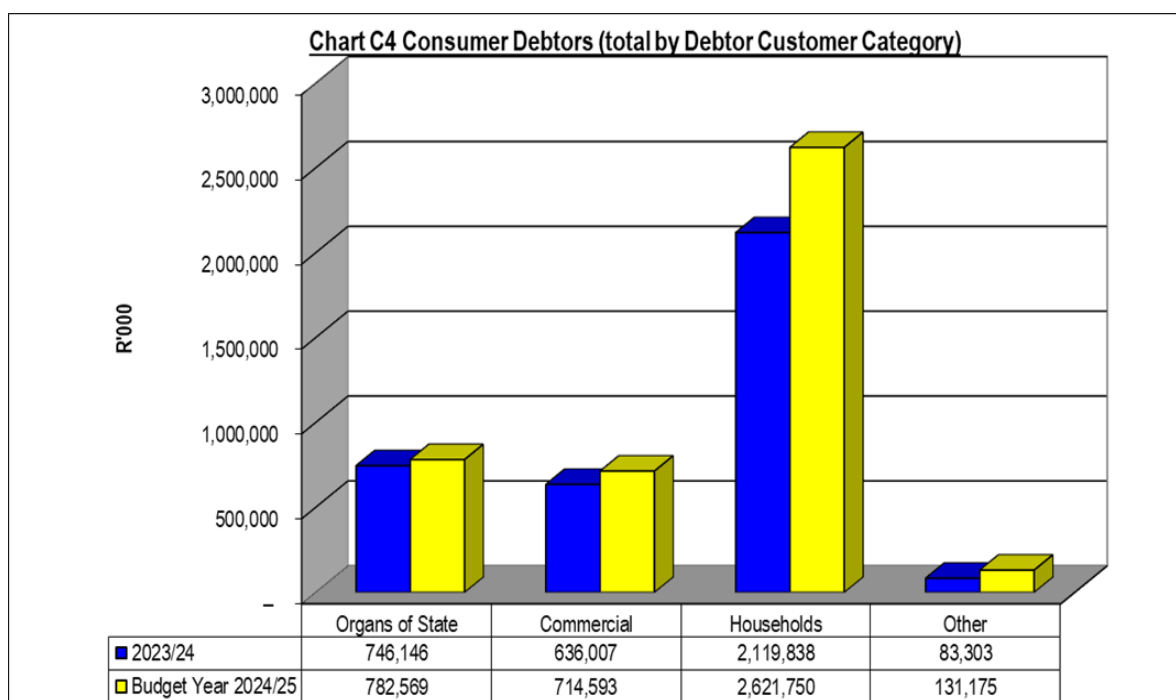


Chart 5: Consumer Debtors (total by Debtor Consumer Category)

4.5 Revised Collection Rate

As per Table 9 below, when taking into consideration what was billed in May 2025 and received in June 2025, the monthly collection rate is 57%, for Property Rates and Service charges only. When including Other billing and receipts, the monthly collection rate is 53%. 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 not satisfactory for the month under review. Unallocated receipts amounted to R3,533 million and will be allocated during July 2025. Indicated in Table 10 below is the revised average collection rate of 76.8%, for Property rates and Service charges only. 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. The collection target as per the Municipal Debt Relief is 85%.

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 June to 30 June 2025. 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 2024 to settle their outstanding accounts.

Monthly Collection Rate	Debits (Billed May 2025)	Credits (Received June 2025)	% Collected
PROPERTY RATES	50,692,210	33,244,252	66%
ELECTRICITY	44,777,359	42,429,158	95%
WATER	61,371,050	15,663,781	26%
SEWERAGE	10,203,638	4,254,073	42%
REFUSE	8,117,262	3,786,576	47%
PROPERTY RATES & SERVICES	175,161,519	99,377,841	57%
OTHER	29,199,283	9,220,155	32%
TOTAL	204,360,802	108,597,996	53%

Table 9: Monthly Collection Rate

REVENUE BY SOURCE	YTD ACTUAL JUNE 2025	YTD RECEIPTS	Rate
PROPERTY RATES	R 712,817,278	R 468,514,362	65.7%
SERVICE CHARGE ELECTRICITY	R 590,859,614	R 566,868,555	95.9%
SERVICE CHARGE ELECTRICITY - PREPAIDS	R 351,891,251	R 351,891,251	100.0%
SERVICE CHARGE WATER	R 322,311,831	R 182,949,639	56.8%
SERVICE CHARGE SANITATION	R 113,767,451	R 52,493,330	46.1%
SERVICE CHARGE REFUSE	R 85,411,517	R 45,582,514	53.4%
UNALLOCATED CREDITS		R 3,533,221	
REVISED AVERAGE COLLECTION RATE - JUNE 2025	R 2,177,058,942	R 1,671,832,871	76.8%

Table 10: Revised Average collection rate

Chart 10: Comparative trend: Monthly and Revised average collection rate - Jun 2024 to June 2025

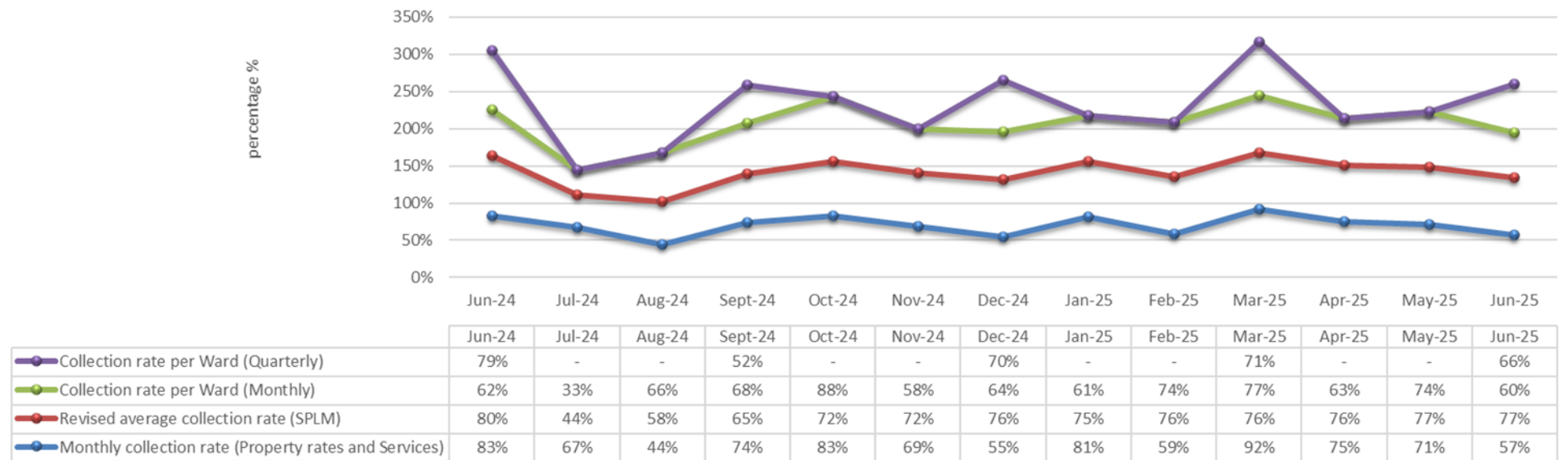


Chart 6: Comparative trend: Monthly and Revised average collection rate

Indicated in Chart 6 above, is the comparative trend between the monthly and average collection rate from June 2024 to June 2025. The monthly collection rate (Property rates & Services) for May 2025 is not satisfactory at 57%. The revised average collection for June 2025 which includes Prepaid sales is 77%, for the month under review. The situation is exacerbated by the receipts on annual billing that is not materializing. 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 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 on the collection rate per ward which includes receipts from Property Rates, Services and Interest, but excludes Prepaid Electricity sales. The monthly collection rate per ward was 60% for the month under review, whilst the average quarterly collection rate is 60% for April 2025 to June 2025. Drastic action will have to be taken by the municipality, in implementing its own Credit Control Policy. It should be noted that an amount of R3,533 million was unallocated at month-end.

4.6 Prepaid Electricity

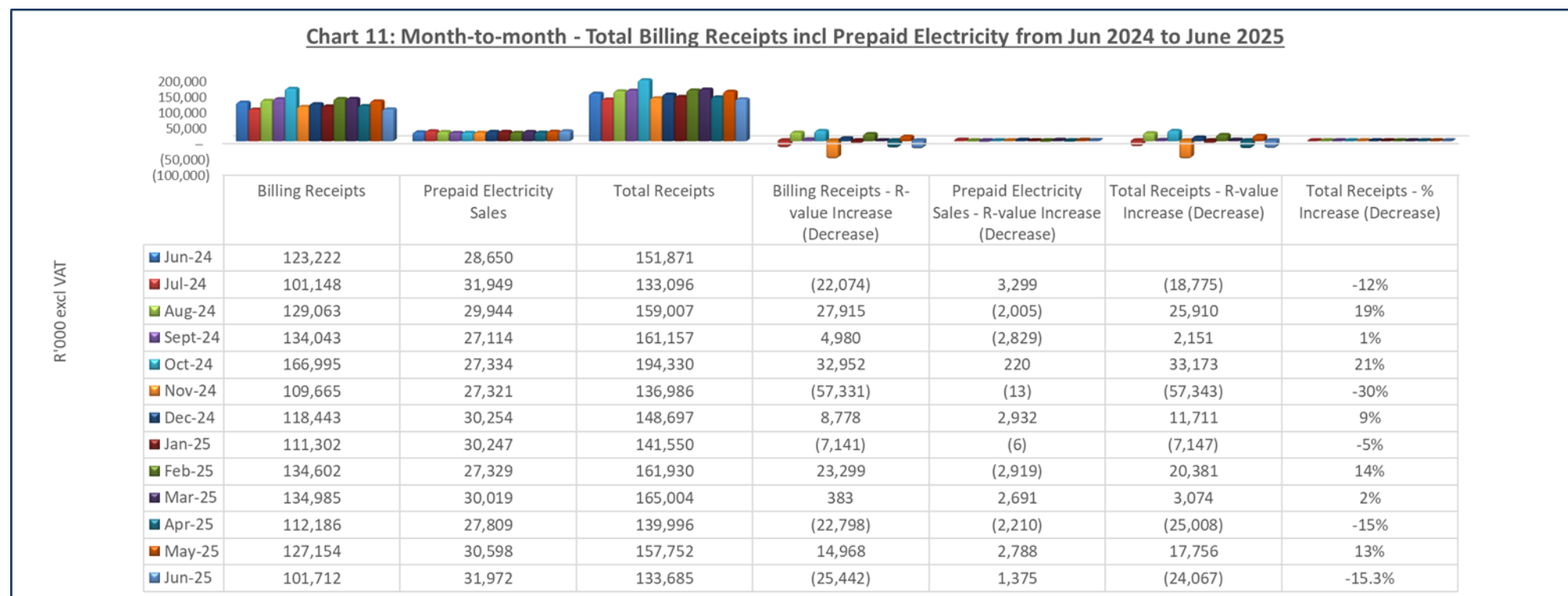


Chart 7: Month-to-month - Total Billing Receipts incl Prepaid Electricity

As indicated in Chart 7 above, the Total Receipts amounted to R151,871 million which resulted in a decrease of R18,372 million or 9.3% in respect of the month-to-month comparison. Billing receipts decreased by R15,493 million, whilst Prepaid Electricity Sales increased by R2,879 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 R615 thousand. Unallocated receipts are not factored into the actual receipts as per the chart above. All unallocated receipts are investigated and assistance is sourced from the bank, when the municipality is unable to trace receipts so that it can be allocated accurately.

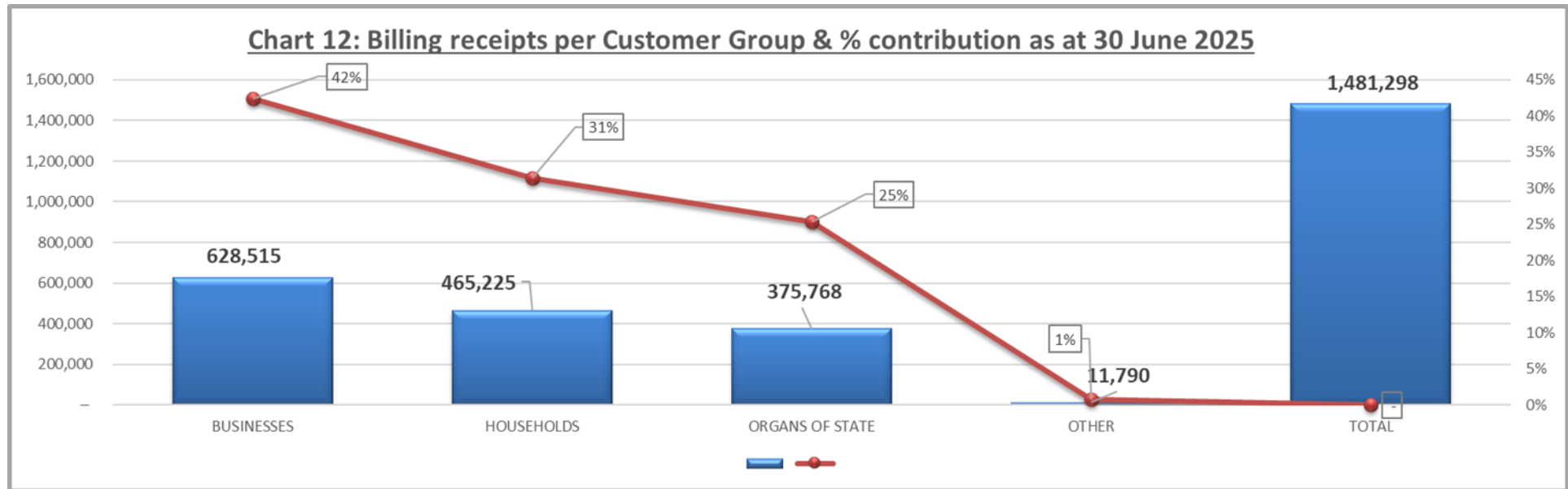


Chart 8: Billing receipts per Customer Group

Indicated in Chart 8 above, is the billing receipts and percentage contribution per major Customer group as at 30 June 2025. The municipality received R628,515 million (42%) from Businesses, Households R465,225 million (31%), Organs of State R375,768 million (25%) and Other R11,790 million (1%).

4.7 Unconditional grants

Operational grant monies received for the month under review.

None

Capital grant monies received for the month under review.

None

There are some mapping errors pertaining to operational and capital grants, in respect of receipts. 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. The figure disclosed in the Statement of Financial Performance is mapped to supporting schedule SC6.

NC091 Sol Plaatje - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		271,713	290,671	294,090	3,813	289,882	294,090	(4,209)	-1.4%	294,090
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		263,135	282,104	282,104	-	278,134	282,104	(3,970)	-1.4%	282,104
Expanded Public Works Programme Integrated Grant		3,102	2,267	2,927	-	2,927	2,927	-	0.0%	2,927
Infrastructure Skills Development Grant		3,776	4,500	4,500	478	4,342	4,500	(158)	-3.5%	4,500
Integrated Urban Development Grant		-	-	2,759	2,680	2,680	2,759	(79)	-2.9%	2,759
Local Government Financial Management Grant	3	1,700	1,800	1,800	655	1,799	1,800	(1)	-0.1%	1,800
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		14,787	8,600	18,764	841	9,485	18,764	(9,279)	-49.4%	18,764
Capacity Building and Other Grants		8,979	8,600	9,264	588	8,303	9,264	(961)	-10.4%	9,264
Infrastructure Grant		5,808	-	9,500	252	1,182	9,500	(8,318)	-87.6%	9,500
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		215,206	-	-	-	-	-	-	-	-
ESKOM		210,375	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Higher Education SA (HESA)		-	-	-	-	-	-	-	-	-
Unspecified		4,831	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	501,707	299,271	312,854	4,653	299,367	312,854	(13,487)	-4.3%	312,854
Capital Transfers and Grants										
National Government:		133,753	572,229	574,597	56,992	567,720	574,597	(6,877)	-1.2%	574,597
Energy Efficiency and Demand Side Management Grant		6,000	5,000	5,000	705	5,000	5,000	-	0.0%	5,000
Integrated National Electrification Programme Grant		24,358	-	4,500	-	1,028	4,500	(3,472)	-77.2%	4,500
Integrated Urban Development Grant		63,395	75,229	73,097	12,847	69,693	73,097	(3,404)	-4.7%	73,097
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		40,000	492,000	492,000	43,441	492,000	492,000	-	0.0%	492,000
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		6,437	-	-	-	-	-	-	-	-
Specify (Add grant description)		6,437	-	-	-	-	-	-	-	-
Other grant providers:		18,850	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
European Union		18,850	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	159,040	572,229	574,597	56,992	567,720	574,597	(6,877)	-1.2%	574,597
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	660,747	871,500	887,451	61,646	867,087	887,451	(20,364)	-2.3%	887,451

Table 11: Transfers and Grants receipts

4.8 Cash and Cash Equivalents

Chart 5: Current investment deposits and Cash & cash equivalents at year-end

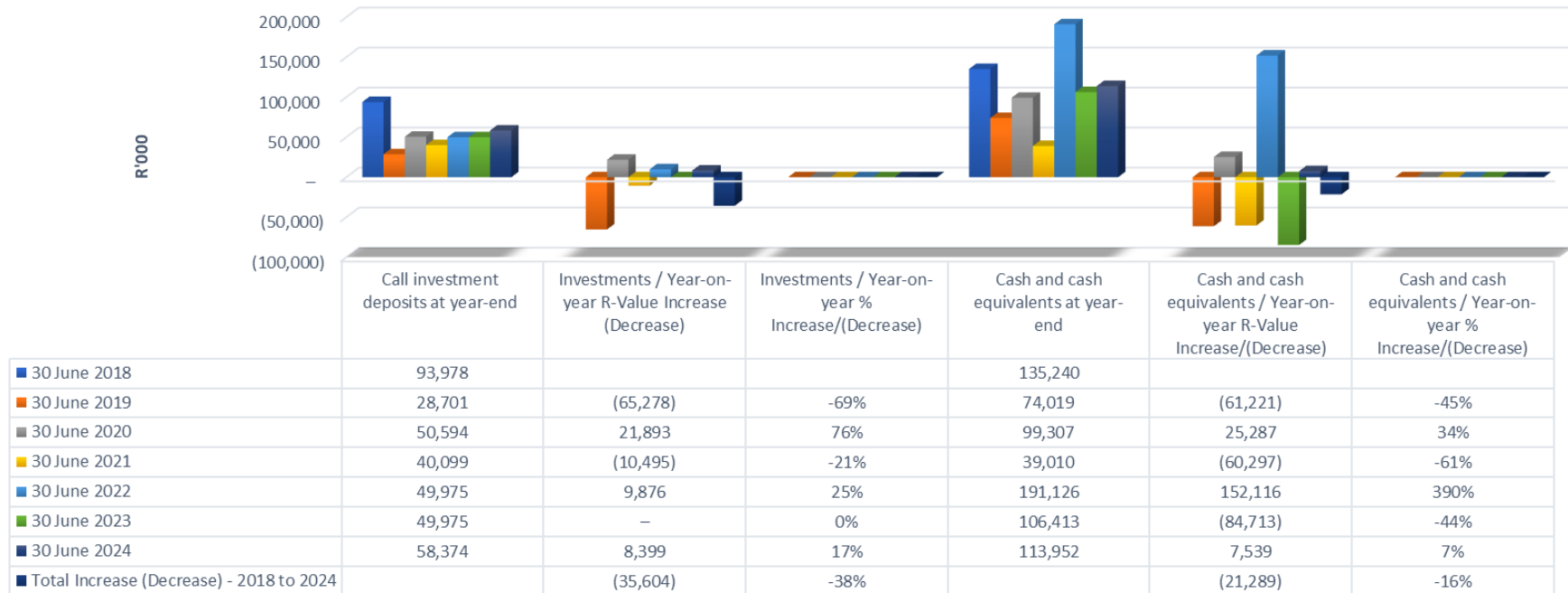


Chart 9: Call investment deposits and Cash & cash equivalents at year-end

Investments decreased by R65,278 million (69%) from 2018 to 2019. Investments increased by R21,893 million (76%) from 2019 to 2020. Investments decreased by R10,495 million (21%) from 2020 to 2021. Investments increased by R9,876 million (25%) from 2021 to 2022. The total investment remained the same from 2022 to 2023 and increased by R8,399 million (17%) from 2023 to 2024. From 2018 to 2024, the total investments decreased by R35,604 million (38%). 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.

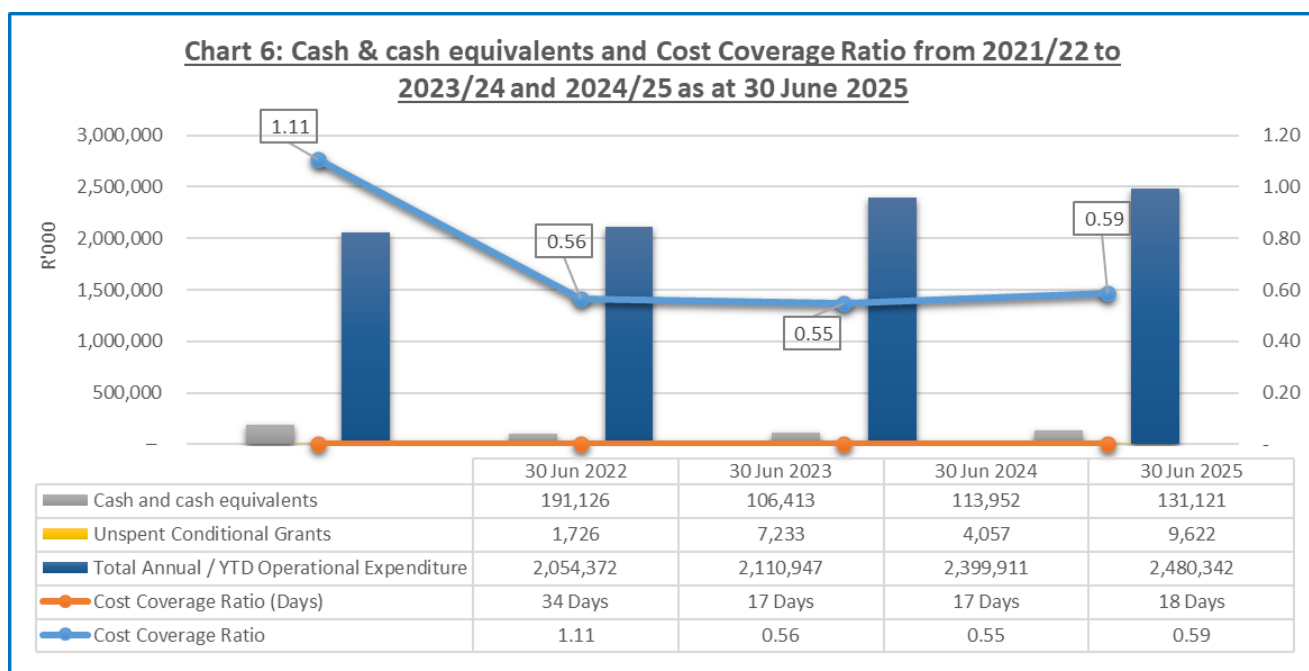


Chart 10: Cash & Cash Equivalents and Cost Coverage Ratio

Indicated in Chart 10 above, is the Cost coverage ratio, number of days coverage and the Cash and cash equivalents for the period. The required NT norm is 3 months Cost coverage. The audited outcome for the year ended 30 June 2022 is (1.11; 34 days; R191,126m). There was a substantial decline for the year ended 30 June 2023 (0.56; 17 days; R106,413m). The audited outcome for the year ended 30 June 2024 is (0.55; 17 days; R113,952m). The Cost coverage ratio as at 30 June 2025 is calculated at (0.59; 18 days; R131,121m). Unspent conditional grants amounted to R9,622 million, which is netted off against the Cash and cash equivalents (cashbook), resulting in the critically low-Cost coverage. Immediate and decisive action will have to be taken to ratify the situation.

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 over the last few years. 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 managed to settle all invoices for the 2022/23 and 2023/24 financial year in full. This has deteriorated for the current year as three month's bills are now due to DWS. The municipality also fared well whilst on the debt relief programme in complying to the settlement of the current Eskom account and ran into trouble with the settling of the accounts for the high winter months. This is further exacerbated by the fact that the actual receipts for the high months are far below the actual bill.

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. EXPENDITURE FRAMEWORK

The expenditure covers all the assumptions made to estimate operational and capital expenditure as per the approved budget of the municipality. It was assumed that spending as at fourth quarter will be 90% average on operational expenditure and 85% for capital expenditure.

Expenditure framework deals with all payments made to staff and creditors of the municipality as well as non-cash flow items such as depreciation and the provision for bad debts.

The municipality categorises its expenditure by type and by vote and both reports will be dealt with hereunder. On the capital budget, expenditure is reported per vote and by project. This allows Council to be able to identify slow spending projects and how these affect performance of the directorates and assist with early warning signs and informs intervention that must be put in place. Expenditure means provision of service. Expenditure must be incurred only when necessary and not because budget has been allocated.

5.1 Operating Expenditure by Type

In terms of the Budget Schedules, expenditure is categorised by nature and type. This allows management to analyse budget allocation and spending accordingly with the view to ensure that critical expenses for service delivery are adequately funded. These include budgeting for employee costs as without people, service delivery is impossible, the follows budget for operation and maintenance of infrastructure critical service delivery and revenue generation, this is then followed by budget for bulk costs of water and electricity and other expenditure follows accordingly.

Description	Adjustment Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance	Achieved Adjustment Budget	Adjustment Budget Variance	Adjustment Budget Variance IYM % - 100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Expenditure By Type										
Employee related costs	952,667	72,675	845,480	952,667	88.7%	(107,187)	-11.3%	88.7%	(107,187)	-11.3%
Remuneration of councillors	37,077	2,743	34,551	37,077	93.2%	(2,526)	-6.8%	93.2%	(2,526)	-6.8%
Bulk purchases - electricity	910,118	182,040	901,045	910,118	99.0%	(9,073)	-1.0%	99.0%	(9,073)	-1.0%
Inventory consumed	320,161	29,439	278,084	320,161	86.9%	(42,078)	-13.1%	86.9%	(42,078)	-13.1%
Debt impairment	475,246	118,812	475,246	475,246	100.0%	-		100.0%	-	0.0%
Depreciation and amortisation	89,700	-	55,952	89,700	62.4%	(33,748)	-37.6%	62.4%	(33,748)	-37.6%
Interest	78,195	9,044	37,362	78,195	47.8%	(40,832)	-52.2%	47.8%	(40,832)	-52.2%
Contracted services	66,516	5,781	49,689	66,516	74.7%	(16,827)	-25.3%	74.7%	(16,827)	-25.3%
Transfers and subsidies	3,660	3	2,807	3,660	76.7%	(853)	-23.3%	76.7%	(853)	-23.3%
Irrecoverable debts written off	-	(1)	-	-		-			-	
Operational costs	172,511	15,410	182,740	172,511	105.9%	10,229	5.9%	105.9%	10,229	5.9%
Losses on Disposal of Assets	-	-	-	-		-			-	
Other Losses	91,938	9,736	92,632	91,938	100.8%	694	0.8%	100.8%	694	0.8%
Total Expenditure	3,197,789	445,681	2,955,589	3,197,789	92.4%	(242,200)	-7.6%	92.4%	(242,200)	-7.6%

Table 12: Table C4 Financial Performance (Expenditure)

Comparison against YTD Budget

As indicated in the Table 12 above, as at 30 June 2025 current YTD expenditure shows a marginally unsatisfactory variance of minus 7.6%. The YTD actual amounted to R2,955,589 billion against the YTD Budget of R3,197,789 billion.

- ❖ Employee related costs show an unsatisfactory variance of minus 11.3%, due to Post-retirement benefit obligations that are not factored in and which will only be finalised as part of year-end procedures. There is a moratorium on the filling of non-critical vacancies and the sale of leave has been suspended.

- ❖ Remuneration of councillors is showing a satisfactory variance of minus 6.8%. The gazette for the upper limits of political office bearers has been issued for the current year and implemented accordingly.
- ❖ Bulk purchases – Electricity is showing a positive variance of minus 1.0%.
- ❖ The expenditure on Inventory consumed is showing an unsatisfactory variance of minus 13.1%. 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.

R&M Expenditure per Directorate per Inventory type as at 30 June 2025 (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 100.00%
VOTE 1 - COUNCILLORS AND ADMIN	202,000	222,000	5,540	137,593	68.12%	61.98%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	85,000	110,000	5,540	72,493	85.29%	65.90%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	2,000	2,000	-	-	0.00%	0.00%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	115,000	110,000	-	65,100	56.61%	59.18%	UNSATISFACTORY
VOTE 2 - MUNICIPAL AND GENERAL	22,997,000	23,657,000	4,122,673	32,890,278	143.02%	139.03%	OVERSPENT
2320601 (INV-CONSUMABLE-SR/STATIONERY)	520,000	520,000	2,482	302,208	58.12%	58.12%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	400,000	400,000	17,627	222,359	55.59%	55.59%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	22,077,000	22,737,000	4,102,563	32,365,710	146.60%	142.35%	OVERSPENT
VOTE 3 - MUNICIPAL MANAGER	117,000	177,000	8,180	135,100	115.47%	76.33%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	99,000	161,600	-	124,920	126.18%	77.30%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	18,000	15,400	8,180	10,180	56.56%	66.10%	UNSATISFACTORY
VOTE 4 - CORPORATE SERVICES	10,568,000	3,618,000	116,270	1,986,599	18.80%	54.91%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	902,000	806,000	33,695	549,588	60.93%	68.19%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	272,000	407,000	32,937	336,739	123.80%	82.74%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	530,000	580,000	46,112	499,355	94.22%	86.10%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	8,864,000	1,825,000	3,526	600,917	6.78%	32.93%	UNSATISFACTORY
VOTE 5 - COMMUNITY SERVICES	35,714,500	42,583,500	4,547,888	24,298,220	68.03%	57.06%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	986,500	1,036,223	123,261	749,594	75.99%	72.34%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	54,000	51,759	-	758	1.40%	1.47%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	222,000	287,000	-	269,924	121.59%	94.05%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	1,087,000	1,225,860	36,394	874,407	80.44%	71.33%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	8,976,000	8,735,000	567,334	6,400,306	71.30%	73.27%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	826,000	1,026,000	48,390	327,877	39.69%	31.96%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	23,563,000	30,221,658	3,772,509	15,675,354	66.53%	51.87%	UNSATISFACTORY
VOTE 6 - FINANCIAL SERVICES	2,368,000	3,833,000	230,461	1,898,704	80.18%	49.54%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	1,320,000	1,333,200	55,531	1,048,411	79.43%	78.64%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	175,000	152,861	3,067	135,670	77.53%	88.75%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	198,000	174,800	11,415	138,158	69.78%	79.04%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	675,000	2,172,139	160,449	576,465	85.40%	26.54%	UNSATISFACTORY
VOTE 7 - STRATEGY & ECONOMIC DEVELOPMENT	6,381,000	8,301,000	1,109,911	4,848,172	75.98%	58.40%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	419,000	435,100	6,603	207,975	49.64%	47.80%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	61,000	54,000	1,897	30,809	50.51%	57.05%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	418,000	430,900	20,151	256,385	61.34%	59.50%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	8,000	8,000	760	5,777	72.21%	72.21%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	5,475,000	7,373,000	1,080,501	4,347,225	79.40%	58.96%	UNSATISFACTORY
VOTE 8 - INFRASTRUCTURE SERVICES	241,257,705	237,769,705	19,297,965	211,888,932	87.83%	89.12%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	645,000	734,500	46,392	703,476	109.07%	95.78%	SATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	2,000	2,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	24,172,000	23,832,000	3,313,744	20,460,051	84.64%	85.85%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	762,000	839,500	28,580	593,083	77.83%	70.64%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	8,930,000	8,557,000	660,901	7,760,912	86.91%	90.70%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	860,000	340,000	18,372	167,939	19.53%	49.39%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	140,886,705	156,102,705	17,344,759	136,957,509	97.21%	87.74%	UNSATISFACTORY
2326600 (INVENTORY - WATER)	65,000,000	47,362,000	-2,114,784	45,246,011	69.61%	95.53%	SATISFACTORY
Grand Total	319,605,205	320,161,205	29,438,888	278,083,599	87.01%	86.86%	UNSATISFACTORY

Table 12.1: R&M Expenditure per Directorate Per Inventory Type

R&M Expenditure per Service per Inventory Type as at 30 June 2025 (Amounts in Rand)	Sum of Original Budget	Sum of Adjustment Budget	Sum of Monthly Actual	Sum of YTD Act	Sum of % Spent Original Budget	Sum of % Spent Adj Budget	% Spent compared against ideal IYM % of 100.00%
2480 - REFUSE	21,500,000	21,460,000	1,789,471	12,936,156	60.17%	60.28%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	90,000	90,000	2,465	42,488	47.21%	47.21%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	210,000	170,000	-	10,537	5.02%	6.20%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	6,000,000	6,000,000	334,559	4,697,179	78.29%	78.29%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	500,000	500,000	376	10,393	2.08%	2.08%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	14,700,000	14,700,000	1,452,071	8,175,559	55.62%	55.62%	UNSATISFACTORY
2830 - ROADS	46,747,000	50,997,000	2,612,293	50,906,675	108.90%	99.82%	SATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	55,000	55,000	3,754	20,621	37.49%	37.49%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	58,000	58,000	17,689	30,137	51.96%	51.96%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	46,634,000	50,884,000	2,590,850	50,855,916	109.05%	99.94%	SATISFACTORY
2840 - HOUSING	3,509,000	3,509,000	497,695	2,705,141	77.09%	77.09%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	89,000	89,000	-	68,285	76.72%	76.72%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	1,000	1,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	145,000	145,000	-	127,328	87.81%	87.81%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	160,000	160,000	13,031	115,144	71.96%	71.96%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	3,114,000	3,114,000	484,664	2,394,384	76.89%	76.89%	UNSATISFACTORY
2850 - SEWERAGE	22,024,000	30,774,000	8,246,234	23,119,543	104.97%	75.13%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	30,000	44,000	157	25,844	86.15%	58.74%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	170,000	170,000	-	61,119	35.95%	35.95%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	259,000	247,000	-	129,014	49.81%	52.23%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	2,400,000	2,180,000	152,309	2,015,942	84.00%	92.47%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	400,000	150,000	-	10,186	2.55%	6.79%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	18,765,000	27,983,000	8,093,769	20,877,437	111.26%	74.61%	UNSATISFACTORY
2860 - WATER	121,123,000	103,485,000	3,198,052	95,452,684	78.81%	92.24%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	77,000	177,000	21,877	88,275	114.64%	49.87%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	24,002,000	23,662,000	3,313,744	20,398,932	84.99%	86.21%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	110,000	152,000	6,004	121,883	110.80%	80.19%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	2,300,000	2,170,000	184,612	1,931,419	83.97%	89.01%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	460,000	190,000	18,372	157,753	34.29%	83.03%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	29,174,000	29,772,000	1,768,228	27,508,411	94.29%	92.40%	UNSATISFACTORY
2326600 (INVENTORY - WATER)	65,000,000	47,362,000	-2,114,784	45,246,011	69.61%	95.53%	SATISFACTORY
2880 - ELECTRICITY	51,537,000	52,677,000	4,652,942	40,571,231	78.72%	77.02%	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	210,000	210,000	-	365,552	174.07%	174.07%	OVERSPENT
2320602 (INV-CONSUMABLE-SR/FIRST AID)	1,000	1,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	76,000	76,000	821	44,169	58.12%	58.12%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	51,250,000	52,390,000	4,652,121	40,161,510	78.36%	76.66%	UNSATISFACTORY
Grand Total	266,440,000	262,902,000	20,996,688	225,691,430	84.71%	85.85%	UNSATISFACTORY

Table 12.2: 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.
- ❖ Depreciation was projected for on a straight-line basis. The municipality implemented the Asset module (AM) on the financial system. This will resolve the automation of accounting for depreciation monthly. The final reconciliation for depreciation must still be performed.
- ❖ Interest is showing an unsatisfactory variance of minus 52.2%. Interest on External borrowing is paid bi-annually and the second instalment for the current financial year was settled before the 30 June 2025. The total interest charges on overdue accounts on the Eskom bulk account, for the current financial year amounts to R19,389 million which must be disclosed as Fruitless and Wasteful Expenditure for the year under review. Eskom confirmed that this interest will not be reversed and is payable by the municipality, due to the municipality defaulting on the winter bills for July and August 2024. The budget was corrected during the Adjustments budget. Interest for municipal debt relief portion must still be recognized.
- ❖ Expenditure on Contracted services is showing an unsatisfactory variance of 25.3%, as various line items is showing lower expenditure than anticipated.
- ❖ Transfers and subsidies showing negative variance of minus 23.3%. Due to cash constraints the municipality will be paying the allocation of R2,500 million, due to the SPCA over four instalments, as and when sufficient cash is available. All instalments has been settled for the SPCA.
- ❖ Operational cost is showing a satisfactory variance of 5.9%.

- ❖ Other Losses is showing an satisfactory variance of 0.8%. 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 the actual costs incurred is then split between Water inventory and Water losses and journalised from the Balance sheet to the Income Statement. A corrective journal for the recognition of Water inventory and losses was processed on the system. The billing for bulk water is spread over 9 months of the year from July to end of March of each year. The servitude (free water) allocation commences on the 1 of April of each year.

Operating Expenditure by Type: Comparison against Adjusted Budget

Indicated in Table 12 above, is the YTD actual compared to the Adjustment Budget. The ideal In-Year-Monitoring percentage as at the end of June 2025 is 100%. The total operational expenditure against the Adjustment budget is 92.4% spent, resulting in a satisfactory variance of minus 7.6%.

- ❖ Employee related costs show a satisfactory variance of minus 11.3%. Same factors are applicable as explained above.
- ❖ Remuneration of councillors is showing a satisfactory variance of minus 6.8%. Same factors are applicable as explained above.
- ❖ Bulk purchases – Electricity is showing a satisfactory variance of minus 1.0%. Same factors are applicable as explained above.
- ❖ The expenditure on Inventory consumed is showing an unsatisfactory variance of minus 13.1%. Same factors are applicable as explained above.
- ❖ Debt impairment is showing a satisfactory variance of 0%. Same factors are applicable as explained above.
- ❖ Depreciation is showing an unsatisfactory variance of minus 37.6%. Same factors are applicable as explained above.
- ❖ Interest is showing a negative variance of minus 52.2%. Same factors are applicable as explained above.
- ❖ Expenditure on Contracted services is unsatisfactory at minus 25.3%, when compared to the Adjustment budget. The YTD expenditure is lower than anticipated.
- ❖ Transfers and subsidies show an unsatisfactory variance of minus 23.3%. Same factors are applicable as explained above.
- ❖ Operational cost is showing a satisfactory variance of 5.9%. Same factors are applicable as explained above.
- ❖ Other Losses is showing a satisfactory variance of 0.8%. Same factors are applicable as explained above.

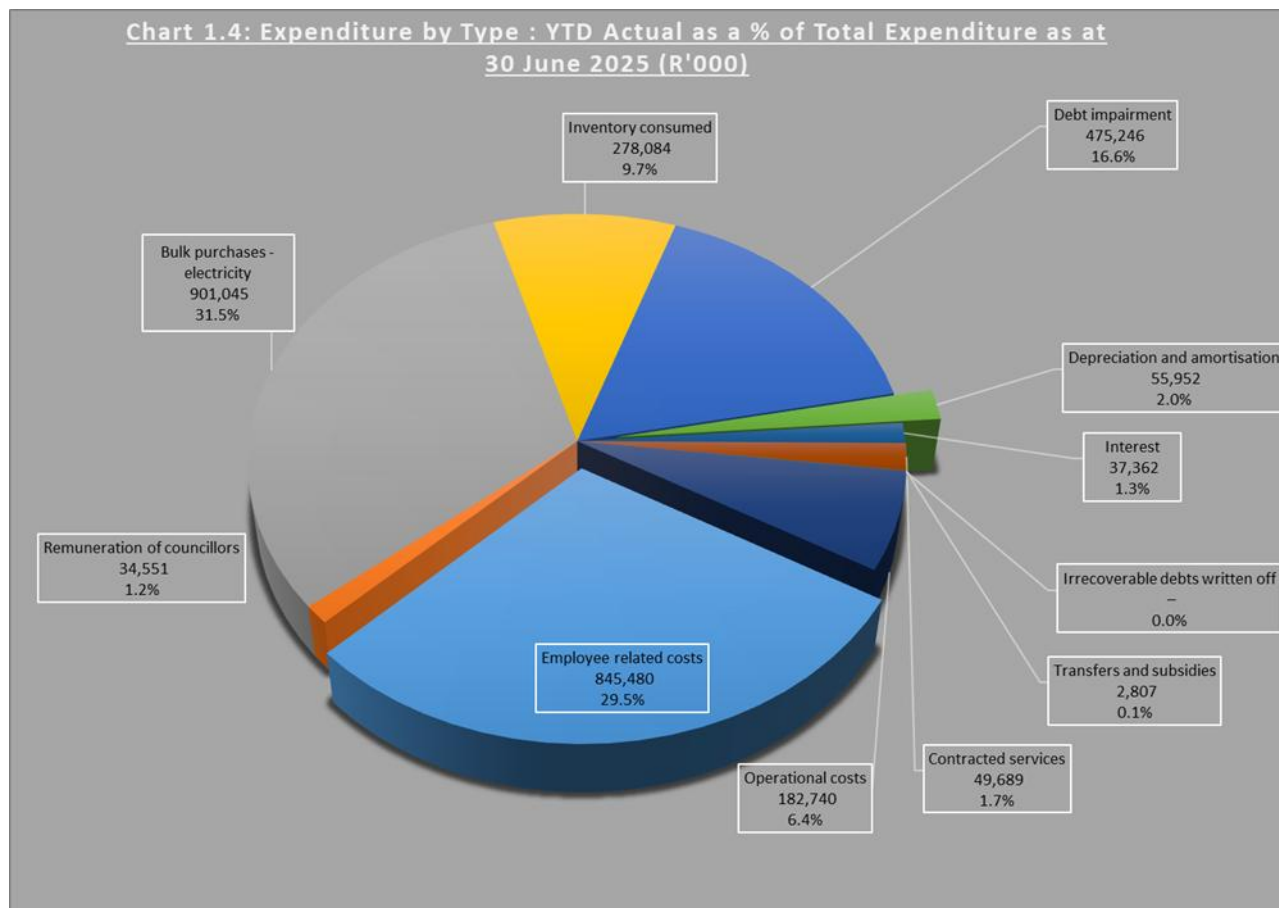


Chart 11: Expenditure by Type: YTD Actual as a percentage of Total Expenditure

Also indicated in Chart 11 above is the weighting of the YTD Actual on Expenditure by Type as a percentage of total operational expenditure as at 30 June 2025. The main cost drivers of the municipality are Employee Related Costs (29.5%), Bulk Purchases – Electricity (31.5%), Debt Impairment (16.6%) and Inventory consumed (9.7%).

It should be noted that the weighting per Expenditure type is distorted as a result of the following:

- ❖ Employee costs, the Post-retirement benefit obligations will be finalized as part of the year-end procedures.
- ❖ Depreciation will be provided for on a monthly basis. A final reconciliation for Depreciation must still be performed.
- ❖ Interest on the long-term borrowing is paid bi-annually in December and June of each year. It is still understated as the municipality still has to make provision for the Municipal debt relief wheeling of interest.

5.2 Expenditure by Vote

The vote structure of the municipality is represented by various directorates. Expenditure for the quarter ended 30 June 2025 is represented as per Table 13 below:

The largest vote is Infrastructure and services directorate. This vote is responsible for planning, operations and maintenance of infrastructure, service delivery on the ground and project implementation.

Community services directorate is also service delivery driven with municipal parks and recreation facilities, public facilities and amenities, environmental health and refuse collection, policing and emergency services as well as primary health services. Most employees of the municipality work in this vote as the scope of work is labour intensive and requires unskilled to semi-skilled labour force to perform duties.

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal And General		549,361	972,401	980,929	73,359	1,005,107	980,929	24,178	2.5%	980,929
Vote 03 - Municipal Manager		-	-	2,759	2,680	2,680	2,759	(79)	-2.9%	2,759
Vote 04 - Corporate Services		5,391	6,161	6,161	482	6,104	6,161	(57)	-0.9%	6,161
Vote 05 - Community Services		134,820	124,361	129,025	13,274	138,010	129,025	8,985	7.0%	129,025
Vote 06 - Financial Services		701,887	710,111	710,111	53,089	739,757	710,111	29,647	4.2%	710,111
Vote 07 - Strategy Econ Development And Planning		26,098	8,368	8,868	1,932	10,306	8,868	1,438	16.2%	8,868
Vote 08 - Infrastructure And Services		1,666,568	1,709,105	1,709,105	127,804	1,558,838	1,709,105	(150,267)	-8.8%	1,709,105
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	3,084,125	3,530,507	3,546,958	272,621	3,460,803	3,546,958	(86,155)	-2.4%	3,546,958
Expenditure by Vote	1									
Vote 01 - Executive & Council		59,615	60,855	60,895	4,770	57,745	60,895	(3,151)	-5.2%	60,895
Vote 02 - Municipal And General		400,410	403,603	508,523	78,511	458,048	508,523	(50,476)	-9.9%	508,523
Vote 03 - Municipal Manager		24,274	27,854	32,626	2,896	28,786	32,626	(3,840)	-11.8%	32,626
Vote 04 - Corporate Services		71,184	82,140	75,818	6,931	72,673	75,818	(3,145)	-4.1%	75,818
Vote 05 - Community Services		321,917	337,272	344,453	30,578	316,582	344,453	(27,871)	-8.1%	344,453
Vote 06 - Financial Services		134,722	166,217	174,232	11,317	142,970	174,232	(31,262)	-17.9%	174,232
Vote 07 - Strategy Econ Development And Planning		60,672	67,813	71,703	5,265	55,449	71,703	(16,254)	-22.7%	71,703
Vote 08 - Infrastructure And Services		1,724,624	1,782,750	1,929,538	305,413	1,823,337	1,929,538	(106,202)	-5.5%	1,929,538
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-7.6%	3,197,789
Surplus/(Deficit) for the year	2	286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	44.7%	349,169

Table 13: Table C3 Expenditure by Vote

5.3 Councillor and board member allowances and employee benefits

Municipal Staff is categorised in terms of levels of authority from the Executive Management Team which comprises of the Municipal Manager, the Chief Financial Officer and the Executive Directors appointed, Senior Managers which covers those that report directly to Municipal Manager and staff reporting to the CFO and to other Executive Directors. All other staff below this level form part of other staff.

NC091 Sol Plaatje - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

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										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages								-		
Pension and UIF Contributions		882	-	1,098	85	1,065	1,098	(33)	-3%	1,098
Medical Aid Contributions		425	-	489	48	536	489	47	10%	489
Motor Vehicle Allowance								-		
Cellphone Allowance		3,040	2,938	2,954	259	2,997	2,954	44	1%	2,954
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		27,876	32,621	31,018	2,449	30,361	31,018	(657)	-2%	31,018
Sub Total - Councillors		32,224	35,559	35,559	2,842	34,958	35,559	(601)	-2%	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	407	4,942	8,126	(3,184)	-39%	8,126
Pension and UIF Contributions		969	1,558	1,558	32	433	1,558	(1,124)	-72%	1,558
Medical Aid Contributions		233	215	215	14	192	215	(23)	-11%	215
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance		1,534	1,985	1,985	86	1,065	1,985	(921)	-46%	1,985
Cellphone Allowance		132	202	202	8	101	202	(101)	-50%	202
Housing Allowances		28	26	26	2	22	26	(3)	-13%	26
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards		44	46	46	1	14	46	(32)	-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	550	6,769	12,158	(5,389)	-44%	12,158
% increase	4		26.4%	26.1%						26.1%
Other Municipal Staff										
Basic Salaries and Wages		433,826	475,973	464,902	38,107	459,929	464,902	(4,973)	-1%	464,902
Pension and UIF Contributions		79,050	91,654	91,654	6,876	83,849	91,654	(7,805)	-9%	91,654
Medical Aid Contributions		50,925	59,955	59,955	6,054	66,014	59,955	6,059	10%	59,955
Overtime		69,383	47,280	69,467	8,245	85,248	69,467	15,781	23%	69,467
Performance Bonus		30,249	36,505	36,505	859	30,151	36,505	(6,353)	-17%	36,505
Motor Vehicle Allowance		42,089	50,649	50,649	3,724	43,757	50,649	(6,892)	-14%	50,649
Cellphone Allowance		1,456	2,054	2,054	139	1,631	2,054	(423)	-21%	2,054
Housing Allowances		2,737	2,866	2,866	221	2,855	2,866	(10)	0%	2,866
Other benefits and allowances		20,261	19,589	37,395	2,793	38,617	37,395	1,222	3%	37,395
Payments in lieu of leave		14,403	15,000	15,000	614	14,758	15,000	(242)	-2%	15,000
Long service awards		27,890	26,922	26,762	2,568	30,958	26,762	4,196	16%	26,762
Post-retirement benefit obligations	2	39,393	41,000	41,000	637	637	41,000	(40,363)	-98%	41,000
Entertainment								-		
Scarcity								-		
Acting and post related allowance								-		
In kind benefits								-		
Sub Total - Other Municipal Staff		811,663	869,447	898,208	70,839	858,405	898,208	(39,803)	-4%	898,208
% increase	4		7.1%	10.7%						10.7%
Total Parent Municipality		853,530	917,196	945,925	74,231	900,132	945,925	(45,793)	-5%	945,925

Table 14: Councillor and staff benefits

As depicted in Table 14 above, Employee related costs is satisfactory and showing a variance of minus 11%. There is currently a moratorium on the filling of non-critical vacancies and on the sale of leave. 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 7% 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.

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 are not effective and the desired outcome to remain within budget, was not achieved for 2023/24 financial year. The same trend is transpiring 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 moratorium placed on recruitment should ideally curb employee related expenditure going forward. 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 since been revised to 40 hours, hopefully this will have a positive impact on 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.

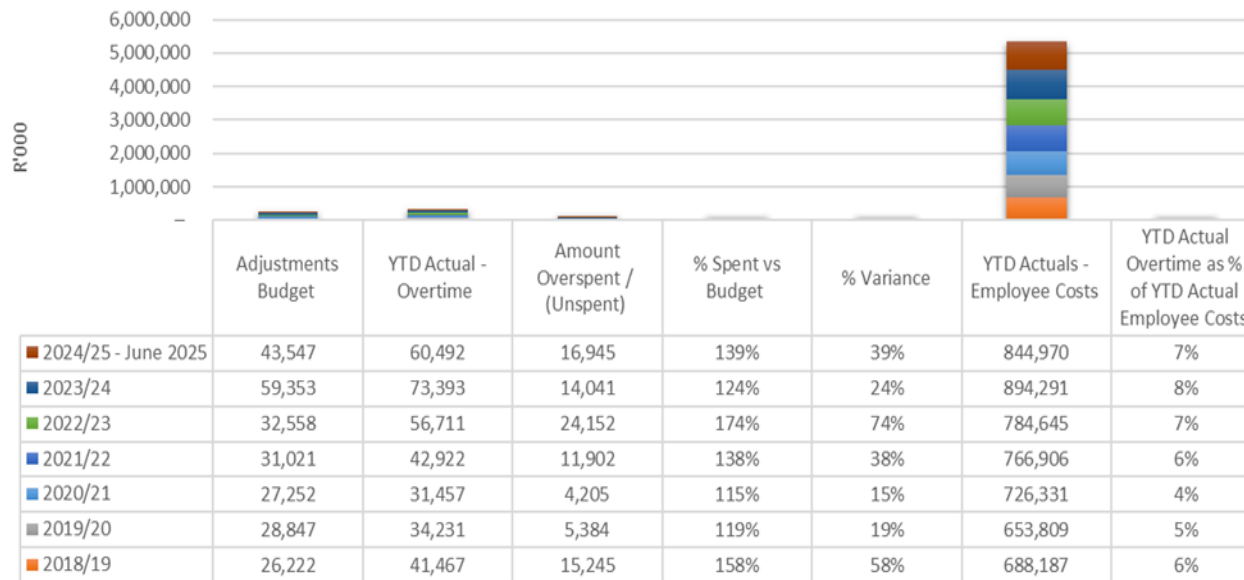
And indicated in Table 15 below, is the YTD Overtime expenditure per line item and also per Directorate as at end of May 2025.

Description per line item (Amount in Rand)	Original Budget	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Original Budget	% Spent of Adjustments Budget
MS: OVERTIME - NON STRUCTURED	33,762,000	34,362,000	7,762,036	56,433,620	167%	164%
MS: OVERTIME - STRUCTURED	8,785,180	9,185,180	317,847	4,058,096	46%	44%
Overtime as at 31 May 2025	42,547,180	43,547,180	8,079,882	60,491,716	142%	139%
Row Labels	Original Budget	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Original Budget	% Spent of Adjustments Budget
20-EXECUTIVE AND COUNCIL	330,000	330,000	302,705	940,656	285%	285%
21-MUNICIPAL AND GENERAL	-	-	-	-	advised	advised
22-MUNICIPAL MANAGER	-	-	7,271	28,861	advised	advised
23-CORPORATE SERVICES	1,937,000	1,937,000	664,386	5,039,320	260%	260%
24-COMMUNITY SERVICES	17,190,180	17,190,180	1,863,832	18,840,368	110%	110%
26-FINANCIAL SERVICES	1,021,000	1,021,000	252,429	3,319,677	325%	325%
27-STRATEGY, ECONOMIC DEVELOPMENT & PLANNING	877,000	877,000	103,012	1,273,835	145%	145%
28-INFRASTRUCTURE SERVICES	21,192,000	22,192,000	4,886,248	31,048,998	147%	140%
Grand Total	42,547,180	43,547,180	8,079,882	60,491,716	142%	139%

Table 15: Current YTD Overtime expenditure excl Night-shift allowance

Overtime was previously capped at 30 hours across most units within the municipality and this has been re-instated and curbed to 40 hours across all sections. The YTD Overtime expenditure is 139% spent versus the Adjustment budget, resulting in an unsatisfactory variance of 39% for the period under review, when compared to the ideal IYM percentage of 100%.

Chart 15.1: Overtime Actual vs Budget - 2017/18 to 2024/25



Indicated in Chart 12.1, is the actual Overtime versus Budget from 2018/19 to 2024/25 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 12.2 is the monthly and annual Overtime comparison from July 2018 to May 2025. There has been a substantial decrease in Overtime expenditure from 2018/19 to 2020/21. As reiterated, as a result of the lack in controls measures to curb Overtime, the YTD actual for 2023/24 financial year was R73,393 million. A 40-hour cap on Overtime has been instituted across all sections for 2024/25 financial year. The Overtime control implemented was marginally effective, it resulted in a R12.9 million reduction in Overtime expenditure when compared to the prior financial year.

Chart 12.1: Overtime Actual vs Budget

Chart 15.2: Monthly and Annual Overtime Comparison - Jul 2018 to June 2025

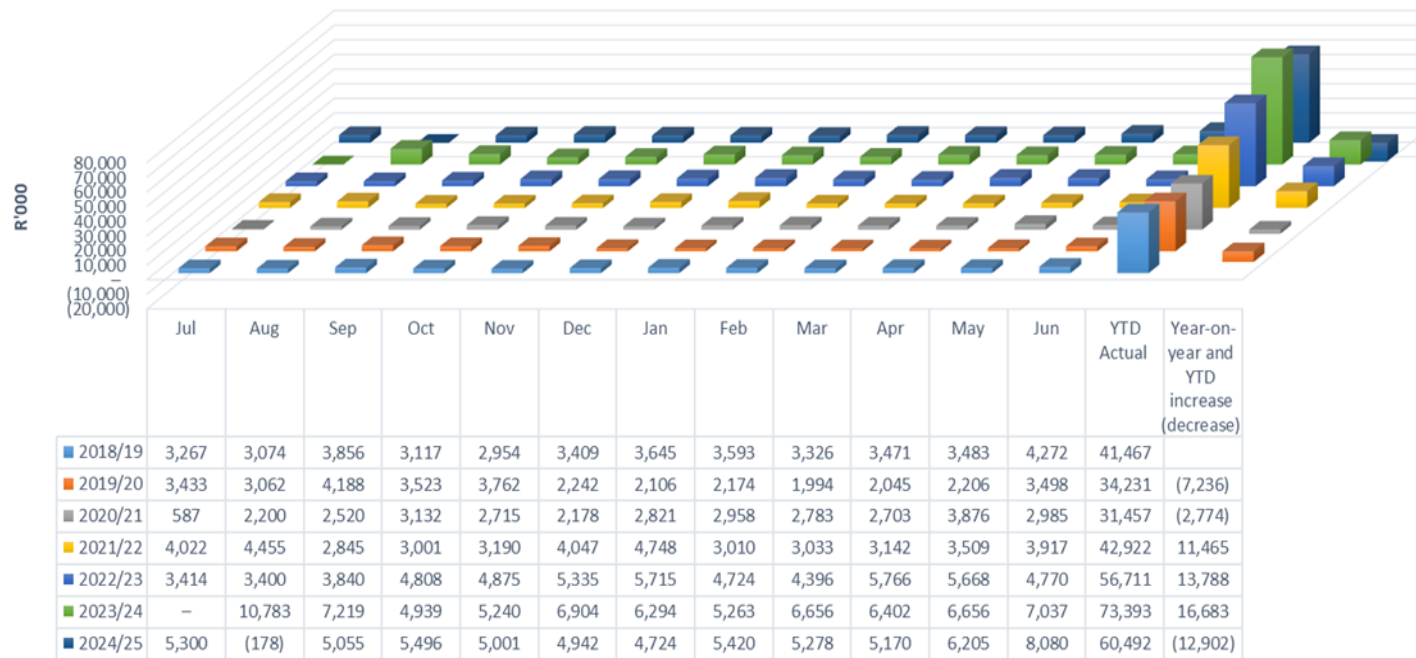


Chart 12.2: Monthly and Annual Overtime Comparison

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.

4.4 Bulk Purchases

Bulk Purchases Electricity, Water Inventory and Water Losses

❖ Indicated in Table 15.1 below, is the YTD expenditure on Bulk Purchases: Electricity. When compared to the IYM percentage of 100% as at end of June 2025, Bulk Purchases Electricity is showing a satisfactory variance minus of minus 1%.

Description	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Adjustments Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 100%
BULK PURCHASES: ELECTRICITY	910,118,000	182,040,362	901,044,950	99.00%	-1.00%
Total	910,118,000	182,040,362	901,044,950	99.00%	-1.00%

Table 15.1: Summary of YTD Bulk Electricity Expenditure

❖ Indicated in Table 15.2 below, is the Water inventory and Water losses which is showing a satisfactory variance of minus 1.5%, when compared to the ideal percentage of 100%. During the Adjustment budget for 2021/22 and advised by NT, Bulk purchases Water was split between Water Inventory and Water losses in the Statement of Financial Performance aligned to GRAP 12. A corrective journal for the actuals, for June 2025 for the recognition of Water inventory and losses was processed on the system. The billing for bulk water is spread over 9 months of the year from July to end of March of each year. The servitude (free water) allocation commences on the 1 of April of each year.

Description	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Adjustments Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 100%
INVENTORY - WATER	47,362,000	-2,114,784	45,246,011	95.53%	-4.47%
NON-REVENUE WATER LOSSES	91,938,000	9,236,297	91,981,867	100.05%	0.05%
Total	139,300,000	7,121,513	137,227,878	98.5%	-1.5%

Table 15.2: Summary of YTD Bulk Water Expenditure

Outstanding debt: ESKOM

ESKOM - Outstanding debt (R'000)	Sum of Invoice amount	Sum of Bulk Payments (2023/24 & 2024/25)	Sum of Interest written-off	Sum of Outstanding Balance	Sum of Arrear Debt	Sum of Interest Charges 2024/25
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	975,208	819,809	(69,632)	85,767	85,767	—
Jul-23	131,032	110,162	(8,736)	12,134	12,134	—
Aug-23	123,594	70,000	(10,784)	42,810	42,810	—
Sept-23	71,421	30,000	(10,598)	30,823	30,823	—
Oct-23	76,317	62,679	(13,638)	—	—	—
Nov-23	70,580	62,348	(8,232)	0	0	—
Dec-23	64,311	61,246	(3,065)	—	—	—
Jan-24	65,735	63,044	(2,691)	—	—	—
Feb-24	64,371	62,479	(1,893)	—	—	—
Mar-24	66,311	62,973	(3,338)	—	—	—
Apr-24	61,436	59,697	(1,739)	—	—	—
May-24	66,327	63,149	(3,178)	—	—	—
Jun-24	113,772	112,033	(1,739)	—	—	—
2024/25	1,055,591	745,817	—	309,774	177,804	19,389
Jul-24	148,333	148,333	—	—	—	274
Aug-24	127,601	72,000	—	55,601	55,601	155
Sept-24	71,087	71,087	—	—	—	1,749
Oct-24	73,508	73,508	—	—	—	2,766
Nov-24	69,974	25,000	—	44,974	44,974	2,160
Dec-24	71,859	71,859	—	—	—	1,730
Jan-25	75,732	73,853	—	1,879	1,879	1,879
Feb-25	68,070	68,070	—	—	—	1,066
Mar-25	72,107	72,107	—	—	—	1,733
Apr-25	68,058	30,000	—	38,058	38,058	1,809
May-25	77,292	40,000	—	37,292	37,292	2,094
Jun-25	131,970	—	—	131,970	—	1,975
Grand Total ESKOM	2,944,211	1,668,868	(107,114)	1,168,229	1,036,259	19,389

Table 16.1: Summary of outstanding ESKOM debt

Indicated in Table 16.1 above, is the total outstanding debt owed to Eskom amounting to R1,168,229 billion. It should be noted that R107,114 million interest charges were reversed, for interest charges from March 2023 to June 2024, as part of the municipal debt relief programme. This is a huge cost saving for the municipality and a substantial reduction in the municipality's Fruitless and Wasteful expenditure disclosure. The accounting treatment of this was done on the system until January 2024.

Interest reversed on the Eskom invoice for October 2024, for the period February to June 2024 must still be effected on the system. The total arrear debt amounts to R1,036,259 million summarized as follow 2021/22 (R523,811m); 2022/23 (R248,878m); 2023/24 (R85,767m) and 2024/25 (R177,804m). The total interest charges on overdue accounts for the current financial year amounted to R19,389 million which must be disclosed as Fruitless and Wasteful Expenditure for the year under review. Eskom confirmed that this interest will not be reversed as a result from the Municipality's default on the July and August 2024 winter bills. The budget on Interest on overdue accounts was corrected during the Adjustments budget.

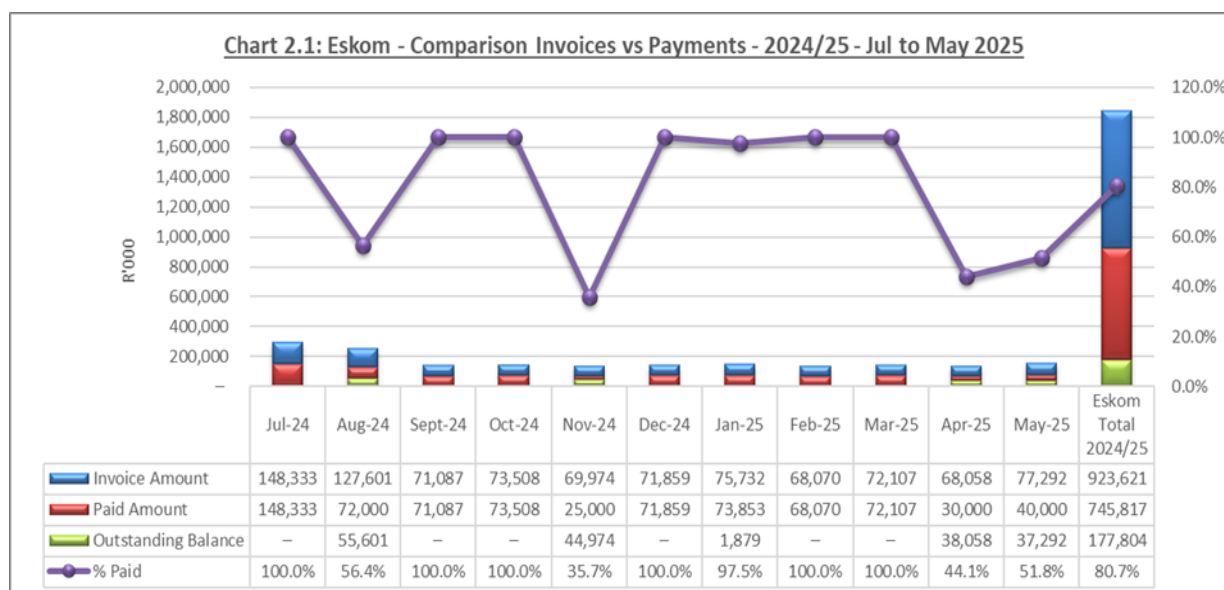


Chart 13.1: Eskom – Comparison Invoices vs Payments

Indicated in Chart 13.1 above, is the comparison of Eskom invoices versus payments for the 2024/25 financial year, from July 2024 to May 2025. The current account for June 2025 is excluded because it is not yet due and payable. It will also distort the percentage paid. The YTD actual until May 2025 show that 80.7% of invoices were settled, based on invoices raised of R923,621 million versus payments of R745,817 million. The interest charges for the invoices for July, September, October, December 2024, was paid on 8 May 2025. Interest charges for January 2025 remain unpaid. The percentage on partially paid invoices are August 2024 (56.4%); November 2024 (35.7%); April 2025 (44.1%) and May 2025 (51.8%). The total arrear outstanding balance for the 2024/25 financial year amounts to R177,804 million.

Outstanding debt: DWS

DWs - Outstanding debt (R'000)	Sum of Invoice amount	Sum of Bulk Payments (2023/24 & 2024/25)	Sum of Outstanding Balance	Sum of Arrear Debt
2021/22	126,431	88,873	37,558	37,558
INTEREST (APR-JUN)	6,191	–	6,191	6,191
Aug-21	15,075	15,075	–	–
Sept-21	15,795	15,795	–	–
Oct-21	15,275	15,275	–	–
Nov-21	14,523	14,523	–	–
Dec-21	11,108	11,108	–	–
Jan-22	17,098	17,098	–	–
Feb-22	16,437	–	16,437	16,437
Mar-22	14,930	–	14,930	14,930
2023/24	150,526	150,526	–	–
Jul-23	15,303	15,303	–	–
Aug-23	13,588	13,588	–	–
Sept-23	18,332	18,332	–	–
Oct-23	17,633	17,633	–	–
Nov-23	17,070	17,070	–	–
Dec-23	13,333	13,333	–	–
Jan-24	13,333	13,333	–	–
Feb-24	36,046	36,046	–	–
Mar-24	5,194	5,194	–	–
Jun-24	694	694	–	–
2024/25	159,576	71,722	87,854	87,854
Jul-24	17,724	17,724	–	–
Aug-24	16,698	16,698	–	–
Sept-24	18,973	18,973	–	–
Oct-24	17,504	–	17,504	17,504
Nov-24	17,504	–	17,504	17,504
Dec-24	15,681	–	15,681	15,681
Jan-25	20,396	–	20,396	20,396
Feb-25	18,328	18,328	(0)	(0)
Mar-25	16,769	–	16,769	16,769
Grand Total	436,534	311,121	125,412	125,412

Table 16.2: Summary of outstanding DWS debt

Indicated in Table 16.2 above, is the total outstanding debt owed to DWS which amounts to R125,412 million. The total debt must be concurred with the Department. The total arrear debt amounts to R125,412 million which pertains to outstanding invoices for 2021/22 (R37,558m) and 2024/25 (R87,854m). The balance for 2021/22 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 and the 2023/24 financial year, has been settled in full. For 2024/25 financial year the total debt outstanding is R87,854 million. The municipality defaulted on the October, November, December 2024 and January and March 2025 account. There is no current account for May 2025, due to the servitude (free water) period that commenced from 1 April 2025. Due to the servitude the municipality does not get billed for about three months from April 2025 to June 2025.

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 and 2023/24 financial year have since been settled in full.
- Settling the monthly debt instalment (municipality complied but defaulted for current year from July to January 2025, due to insufficient cash available from operations.

The other major reason why the municipality defaulted, was to prioritise the payment of outstanding invoices for 2023/24 financial year. This has yielded positive results because there are no outstanding invoices for 2023/24 financial year. For the 2023/24 financial year an average of R17m was paid to the Department. The municipality also managed to keep the 2024/25 account current but defaulted on the October, November, December 2024 and January and March 2025 invoices and incurred accumulative arrear debt for the current year of R87,854 million. A major cause of concern is the fact that the municipality is in arrears with R22 million on the debt repayment agreement. This amount would have settled already, if the municipality kept up with the repayment instalments.

- 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.

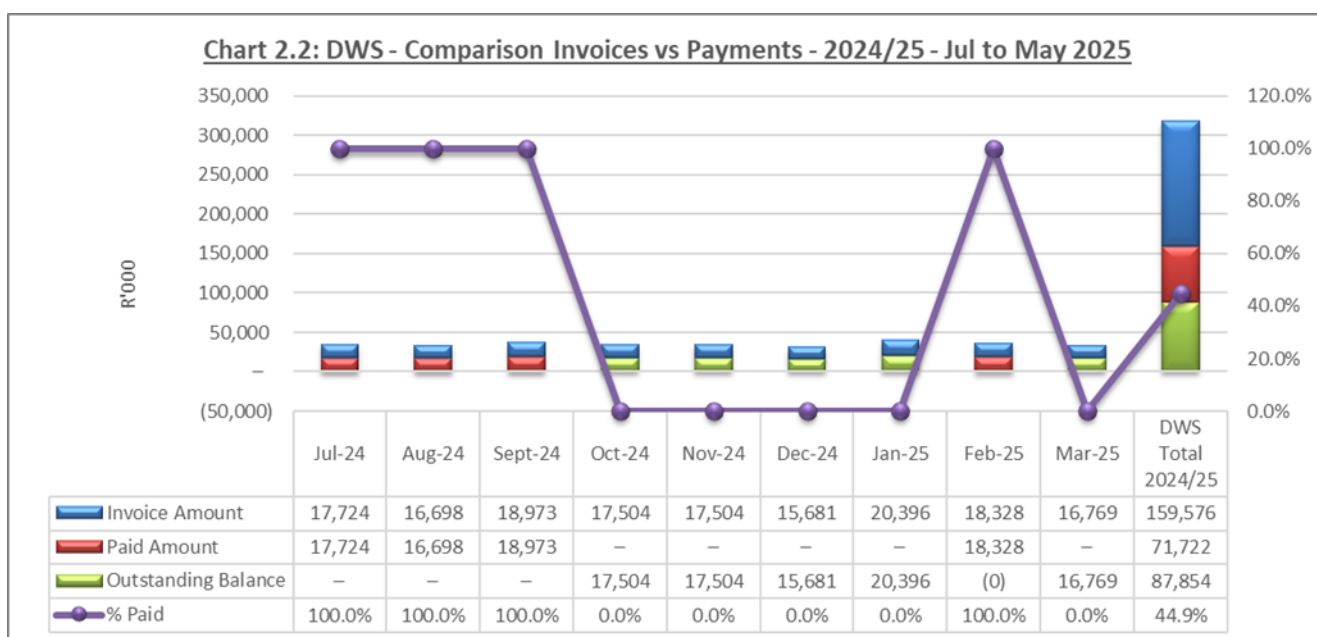


Chart 13.2: DWS - Comparison Invoices vs Payments

Indicated in Chart 13.2 is the comparison of DWS invoices versus payments for the 2024/25 financial year from July 2024 to March 2025. There is no current account for April and May 2025 because it falls within our servitude period. The YTD actual until March 2025 show that 44.9% of invoices were settled, based on invoices raised of R159,576 million versus payments of R71,722 million. Invoices for July to September 2024 were settled in full, whilst the invoices for October 2024 to January 2025 and March 2025 remain unpaid. The total arrear outstanding balance amounts to R87,854 million.

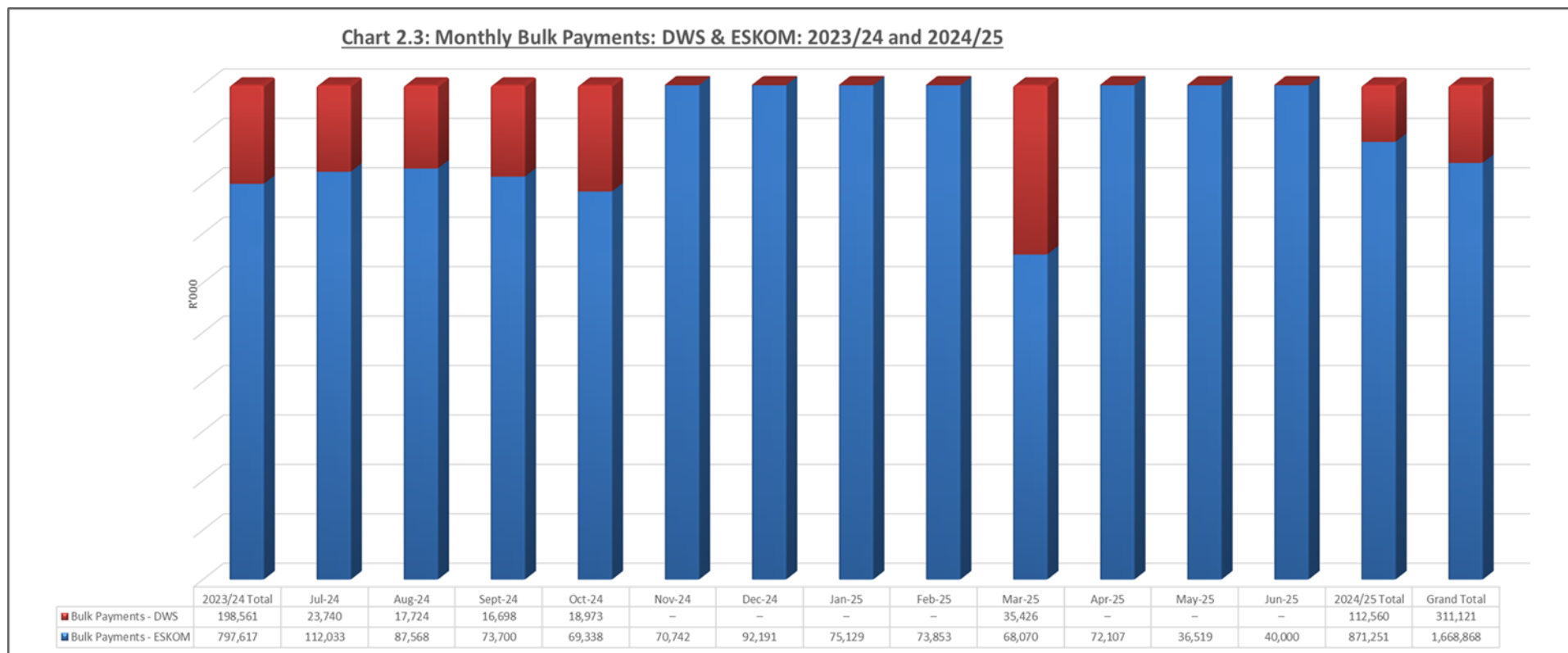


Chart 13.3: Monthly payments to DWS and ESKOM

Indicated in Chart 13.3 above, are the monthly payments made to DWS and ESKOM for 2023/24 and 2024/25 financial year as at 31 May 2025.

DWS - The invoice payments for 2023/24 amounts to R198,561 million, whilst payments for 2024/25 amounts to R112,560 million. The total payments amount to R311,121 million. The municipality has shown significant improvement over the last two financial years, with the average amount paid per month amounting to approximately R17 million for the 2023/24 financial year. The municipality ran into serious trouble for the 2024/25 financial year as five months (October 2024 to January 2025 and March 2025) are now outstanding. The debt agreement with DWS should have been paid up already but due to insufficient cash available this has not materialised. Urgent intervention is necessary to remedy the situation.

ESKOM The municipality settled an amount of R40 million during June 2025 on the May 2025 current account. The municipality had insufficient cash available from operations to settle the payment arrangement of R6,700 million. The total payments made for the 2023/24 financial year amounted to R797,617 million and for 2024/25 financial year the payments amount to R871,251 million, resulting in the total payments for both periods amounting to R1,668,868 billion. The municipality has been improving on payments made to Eskom from October 2023 account to June 2024. The high months remains a major concern. The municipality made partial payments on the July and August 2024 accounts and also partially settled the November account. The July 2024 account has been settled and only the interest remains outstanding. The municipality could not settle the April and May 2025 account in full.

Chart 3: Monthly & YTD comparison of Bulk Electricity and Water debt - Jun 2024 to Jun 2025

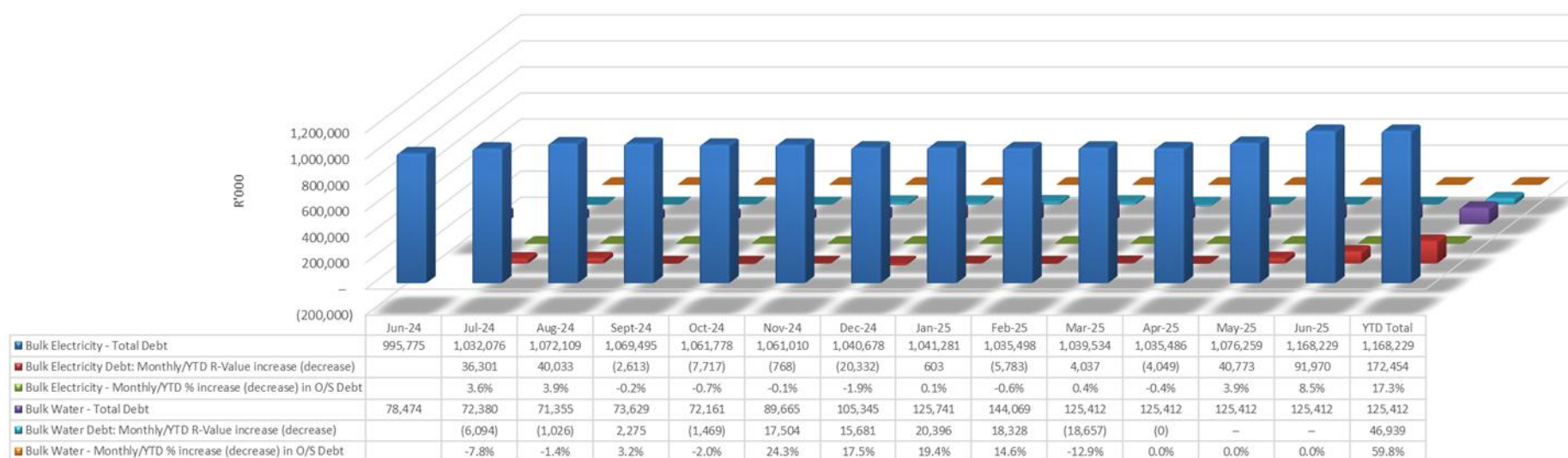


Chart 14: Monthly payments to DWS and ESKOM

Indicated in Chart 14 above, is the monthly and YTD comparison of Bulk electricity and Water debt.

ESKOM - From May 2025 to June 2025, debt owed to ESKOM increased by R91,970 million or 8.5%, from R1,076,259 billion to R1,168,229 billion. When comparing the total outstanding debt to June 2024, the outstanding debt increased by R172,454 million or 17.3%, from R995,775 million to R1,168,229 billion.

DWS - From May 2025 to June 2025, debt owed to DWS remained the same at R125,412 million. When comparing the total outstanding debt to June 2024, the outstanding debt increased by R46,939 million or 59.8% from R78,474 million to R125,412 million. The municipality has made significant strides in reducing the debt owed to DWS and managed to reduce the total debt by R71,775 million for the 2023/24 financial year. The positive trajectory is not transpiring for the current year, although the municipality started the financial year well, with the July to September 2024 accounts being settled in full, the municipality defaulted on the October, November, December 2024 and January and March 2025 accounts which remains unpaid. Serious remedial action will have to be taken by management to ratify this grave situation.

Indicated in the tables below is a reconciliation of the Eskom payment arrangement and DWS debt agreement.

ESKOM Amount subject to Payment arrangement Instalment of R6,700 million							R 163,062,000		
Period	Settlement Date	ELE No	Payment date	Invoice no	Monthly Instalment / Amount paid	Accumulative Payments	Outstanding Balance	% Paid	Arrear Monthly Instalments
	2024/01/02	77064505	2023/12/20	544917625256 - Jul 2023	R 2,262,000.00	R 2,262,000.00	R 160,800,000.00	1.39%	
1	2024/02/15	77065112	2024/02/20	544917625256 - Jul 2023	R 6,700,000.00	R 8,962,000.00	R 154,100,000.00	5.50%	
2	2024/03/15	77065709	2024/03/19	544917625256 - Jul 2023	R 6,700,000.00	R 15,662,000.00	R 147,400,000.00	9.60%	
3	2024/04/15						R 163,062,000.00	0.00%	
4	2024/05/15	77066657	2024/05/24	544917625256 - Jul 2023	R 13,400,000.00	R 29,062,000.00	R 134,000,000.00	17.82%	
5	2024/06/15	77067062	2024/06/21	544917625256 - Jul 2023	R 6,700,000.00	R 35,762,000.00	R 127,300,000.00	21.93%	
6	2024/07/31						R 163,062,000.00	0.00%	R 6,700,000.00
7	2024/08/31	77068429	2024/08/29	544917625256 - Jul 2023	R 6,700,000.00	R 42,462,000.00	R 120,600,000.00	26.04%	
8	2024/09/30	77068766	2024/09/30	544917625256 - Jul 2023	R 6,700,000.00	R 49,162,000.00	R 113,900,000.00	30.15%	
9	2024/10/31								R 6,700,000.00
10	2024/11/30								R 6,700,000.00
11	2024/12/31								R 6,700,000.00
12	2025/01/31								R 6,700,000.00
13	2025/02/28								R 6,700,000.00
14	2025/03/31								R 6,700,000.00
15	2025/04/30								R 6,700,000.00
16	2025/05/30								R 6,700,000.00
17	2025/06/30								R 6,700,000.00
TOTAL					R 49,162,000.00		R 113,900,000.00		R 67,000,000.00

As articulated in adjacent Table 6.4, the total amount that was subject to the payment arrangement was R163,062 million for the debt that accrued after March 2023. To date the municipality settled an amount of R49,162 million on the payment arrangement, resulting in the total current balance outstanding of R113,900 million. The municipality is in arrears with ten instalments amounting to R67,000 million.

Table 17.1: Summary of outstanding DWS debt

Debt agreement (Instalment R5,957,537.18)	Invoice amount	Arrear Debt	10 % Down Payment	Amount paid	Balance O/S on Debt Agreement
INTEREST CHARGES - APR TO JUN 2022	R 6,191,399.16	R 6,191,399.16			R 6,191,399.16
AUG 2021 BULK ACCOUNT	R 15,074,754.70	R 15,074,754.70		R 15,074,754.70	-
SEP 2021 BULK ACCOUNT	R 15,794,682.80	R 15,794,682.80		R 15,794,682.80	-
OCT 2021 BULK ACCOUNT	R 15,275,086.61	R 15,275,086.61		R 15,275,086.61	R -
NOV 2021 BULK ACCOUNT	R 14,522,530.48	R 14,522,530.48		R 14,522,530.48	R -
DEC 2021 BULK ACCOUNT	R 11,107,773.22	R 11,107,773.22		R 11,107,773.22	R -
JAN 2022 BULK ACCOUNT	R 17,098,078.18	R 17,098,078.18		R 17,098,078.18	R -
FEB 2022 BULK ACCOUNT	R 16,436,776.66	R 16,436,776.66		R -	R 16,436,776.66
MAR 2022 BULK ACCOUNT	R 14,930,212.48	R 14,930,212.48		R -	R 14,930,212.48
JUL 2022 BULK ACCOUNT	R 13,793,141.72	R 13,793,141.72		R 13,793,141.72	-
AUG 2022 BULK ACCOUNT	R 17,460,136.80	R 17,460,136.80		R 17,460,136.80	-
SEP 2022 BULK ACCOUNT	R 16,309,287.82		16,309,287.82	R 16,309,287.82	-
WRM LEVIES SEP 2022	R 82,471.24		82,471.24	R 82,471.24	-
Total Debt as per SPM	R 174,076,331.87	R 157,684,572.81	R 16,391,759.06	R 136,517,943.57	R 37,558,388.30
INTEREST CHARGES - APR TO JUN 2022	-R 6,191,399.16				-R 6,191,399.16
INTEREST PAID	-R 8,512,281.30				-R 8,512,281.30
TOTAL INTEREST CHARGES	-R 14,703,680.46				-R 14,703,680.46
NET OUTSTANDING	R 159,372,651.41			R 136,517,943.57	R 22,854,707.84

As articulated in the adjacent Table 6.5, the total debt amounted to R174,076 million, whilst the municipality settled an amount of R136,518 million resulting in an outstanding balance of R37,558 million. An amount of R14,704 million for interest incurred must still be written-off, resulting in a net outstanding balance of R22,855 million on the payment arrangement, which should have been settled in full already, if the municipality did not default on any payments.

Table 17.2: Summary of outstanding DWS debt

5.5 Aged Creditors

Part 5: Creditor Age Analysis										
R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Creditor Age Analysis										
Bulk Electricity	131,970	11.3%	37,292	3.2%	38,058	3.3%	960,909	82.3%	1,168,229	85.4%
Bulk Water	-	-	-	-	-	-	125,412	100.0%	125,412	9.2%
PAYE deductions	11,717	100.0%	-	-	-	-	-	-	11,717	.9%
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	8,291	100.0%	-	-	-	-	-	-	8,291	.6%
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	26,697	91.7%	1,965	6.8%	448	1.5%	-	-	29,110	2.1%
Auditor-General	32	100.0%	-	-	-	-	-	-	32	-
Other	841	3.4%	824	3.4%	904	3.7%	21,965	89.5%	24,534	1.8%
Medical Aid deductions	-	-	-	-	-	-	-	-	-	-
Total	179,548	13.1%	40,081	2.9%	39,410	2.9%	1,108,286	81.1%	1,367,326	100.0%

Table18: Supporting Table SC4: Aged Creditors

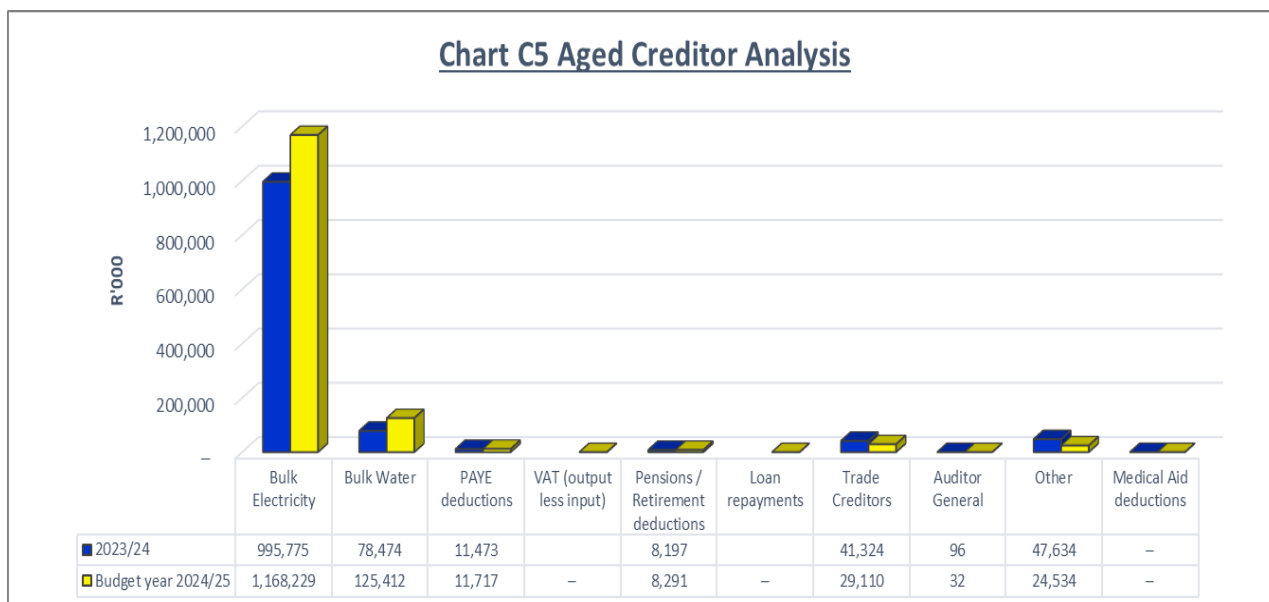


Chart 15: Aged Creditors Analysis

It should be noted that comparative figure for 2023/24 in Chart 13 is based on the outstanding creditors as at 30 June 2024 (prior year totals for the same period). Articulated in Table 11 above, is the age creditors analysis, which is standing at R1,367,326 billion owed to creditors. The analysis shows that 13.1% of creditors is owed between 0 to 30 days, whilst 81.1% of creditors is owed over 90 days. Bulk Electricity is the largest creditor at 85.4%.

Bulk Electricity – As at the 30 June 2025, the outstanding debt owed to ESKOM amounted to R1,168,229 billion.

Bulk Water – As at the 30 June 2025, the outstanding debt owed to DWS amounted R125,412 million. A payment agreement with DWS for the 2022/23 financial year was concluded for a period of 24 months as the municipality is participated in the Incentive scheme that the Department provided to municipalities. All invoices for 2022/23 and 2023/24 financial year were settled in full. The total outstanding debt must be concurred with the Department.

VAT – after the monthly VAT reconciliation, we claimed an amount of R6,289 million from SARS.

PAYE and Pension statutory deductions are paid over monthly to the relevant institutions on or before 7 July 2025.

Loan repayments – the bi-annual repayment for June 2025, was done before 30 June 2025 for the month under review.

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 R32 thousand.

Other creditors – includes Sundry creditors which were unpaid as at 30 June 2025.

Medical Aid deductions –medical aid contributions were settled on or before 30 June 2025 for the month under review.

5.6 Repairs and maintenance

The Adjusted budget for R&M amounts to R320,161 million and the preliminary outcome shows that 86.9% of the budget was spent as at 30 June 2025. Infrastructure and Services has been allocated just over 74% of the council's maintenance budget. The preliminary variance shows an under-expenditure of 13.1%, with Infrastructure services showing a negative variance of 10.9%. The preliminary outcome for the expenditure per service show that Roads performed well with 99.8% of the R&M budget spent at year end. All other services realised savings predominantly pertaining to fuel and inventory materials and supplies that was underspent at year end.

Repairs and maintenance enables the municipality to deliver much needed services to the people. Infrastructure requires continues maintenance to perform effectively.

The report below gives further breakdown of maintenance budget as allocated to various votes and the spending to date. Maintenance expenditure varies year on year as it is influenced by various factors such as seasons, temperatures and unforeseen circumstances that happens randomly such as aged network resulting in network failures. The lack of maintenance plans has a negative influence on budgeting and expenditure on R&M.

R&M Expenditure per Directorate as at 30 June 2025 (Amounts in Rand)	Original Budget	Adjustment Budget	YTD Actual	% Spent Original Budget	% Spent Adjustment Budget	% Variance Adjustment Budget
VOTE 1 - COUNCILLORS AND ADMIN	202 000	222 000	137 593	68,1%	62,0%	-38,0%
VOTE 2 - MUNICIPAL AND GENERAL	22 997 000	23 657 000	32 890 278	143,0%	139,0%	39,0%
VOTE 3 - MUNICIPAL MANAGER	117 000	177 000	135 100	115,5%	76,3%	-23,7%
VOTE 4 - CORPORATE SERVICES	10 568 000	3 618 000	1 986 599	18,8%	54,9%	-45,1%
VOTE 5 - COMMUNITY SERVICES	35 714 500	42 583 500	24 298 220	68,0%	57,1%	-42,9%
VOTE 6 - FINANCIAL SERVICES	2 368 000	3 833 000	1 898 704	80,2%	49,5%	-50,5%
VOTE 7 - STRATEGY & ECONOMIC DEVELOPMENT	6 381 000	8 301 000	4 848 172	76,0%	58,4%	-41,6%
VOTE 8 - INFRASTRUCTURE SERVICES	241 257 705	237 769 705	211 888 932	87,8%	89,1%	-10,9%
Grand Total	319 605 205	320 161 205	278 083 599	87,0%	86,9%	-13,1%

Table 19 : Budget per vote

R&M Expenditure per Service as at 30 June 2025 (Amounts in Rand)	Original Budget	Adjustment Budget	YTD Actual	% Spent Original Budget	% Spent Adjustment Budget	% Variance Adjustment Budget
2480 - REFUSE	21 500 000	21 460 000	12 936 156	60,2%	60,3%	-39,7%
2830 - ROADS	46 747 000	50 997 000	50 906 675	108,9%	99,8%	-0,2%
2840 - HOUSING	3 509 000	3 509 000	2 705 141	77,1%	77,1%	-22,9%
2850 - SEWERAGE	22 024 000	30 774 000	23 119 543	105,0%	75,1%	-24,9%
2860 - WATER	121 123 000	103 485 000	95 452 684	78,8%	92,2%	-7,8%
2880 - ELECTRICITY	51 537 000	52 677 000	40 571 231	78,7%	77,0%	-23,0%
Grand Total	266 440 000	262 902 000	225 691 430	84,7%	85,8%	-14,2%

Table 20 : Budget per service

6. CAPITAL EXPENDITURE

Please refer to notes on Capital Expenditure in Section 2.2.

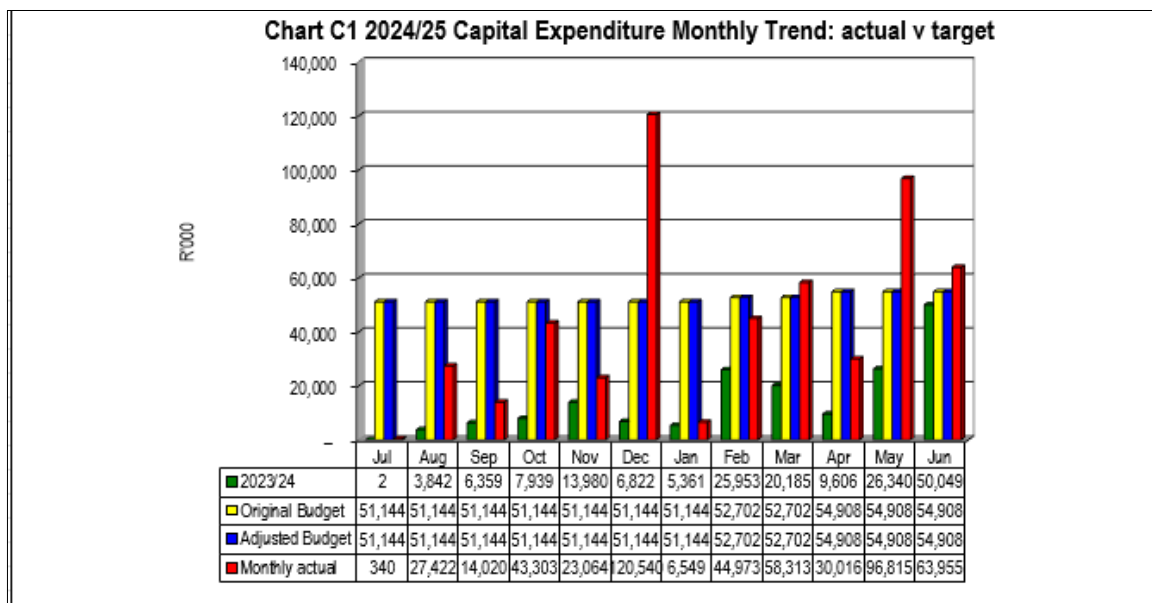


Chart 16.1: Capital Expenditure Monthly Trend: actual v target

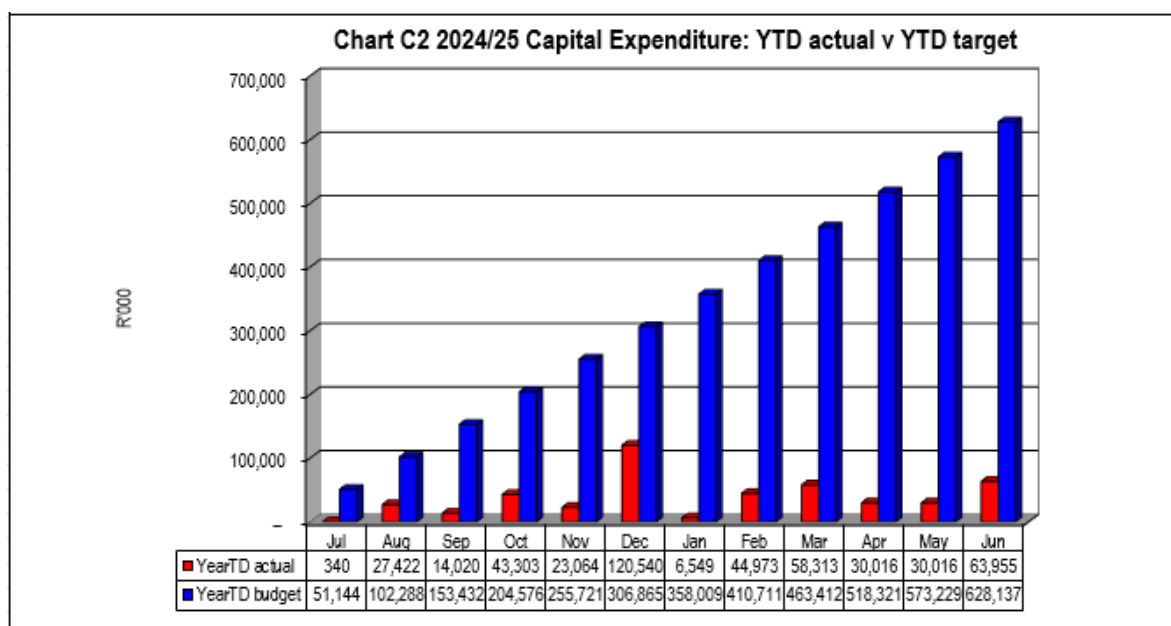


Chart 16.2: Capital Expenditure: YTD actual vs YTD target

6.1 Capital expenditure by project

Indicated in Table 21 below, is a list of projects with the applicable funding source compared to the Adjustment budget. Capital expenditure as at the end of June 2025 is not at a desired level. Capital expenditure requires constant monitoring from management to improve the final outcome. The actual monthly expenditure for June 2025 amounted to R65,857 million. The total YTD Capex amounts to R531,212 million. Please note that Commitments is excluded from the YTD actual. Capital expenditure is also exclusive of VAT.

Projects per funding source (R'000)	Original Budget	Adjusted Budget	Monthly Actuals	YTD Actuals	Commitments	% Original Bud	% Adjusted Bud
INTERNALLY GENERATED FUNDS	41,500	53,540	10,088	31,332	264	75.50%	58.52%
ACQ-COMPUTER EQUIPMENT REPLACEMENT	4,500	4,500	1,747	2,588	–	57.52%	57.52%
ACQ-FLEET REPLACEMENT	3,000	6,000	2,041	2,041	–	68.05%	34.02%
ACQ-FURNITURE AND OFFICE EQUIP REPLACEMENT	500	500	–	145	–	28.90%	28.90%
CAPITAL SPARES-ACQ-PREPAID METERS	1,000	1,000	–	–	–	0.00%	0.00%
DSITRIBUTION-ACQ-WAT METER REPLACEMENT	500	500	–	–	–	0.00%	0.00%
EMERGENCY LEAK REPAIR ON 6 MAJOR LEAKS	–	3,260	–	–	–	–	–
EMERGENCY METER INSTALLATIONS (PHASE 1)	20,466	–	–	–	–	0.00%	–
MR LEAK AND SLEAK DATA SYSTEM	484	324	4	248	–	51.20%	76.49%
NEW WTP MAJOR REFURBISH&AND BUILD WORKS	811	–	–	–	–	0.00%	–
PHDA PLANNING & SURVEYING	2,000	2,000	–	143	–	7.13%	7.13%
PIPE CONDITION ASSESS AND CATHOD PROTECT	479	872	–	538	264	112.24%	61.72%
RITCHIE SUBZONE SMART METER INSTALL	1,417	–	–	–	–	0.00%	#DIV/0!
SMARTBALL SURVEY PRIORITY LEAK REPAIRS	–	13,538	2,718	12,429	–	–	91.81%
TOWNSHIP ESTABLISHMENT VARIOUS WARDS	2,000	3,500	955	2,579	–	128.94%	73.68%
RUFURBISHMENT OF THE VINTAGE TRAM	1,500	750	–	246	–	16.38%	32.76%
PLANNING & DEVELOPMENT	1,500	1,761	758	758	–	50.55%	43.06%
RITCHIE PRIORITIZE LEAK DETECT & REPAIRS	1,342	–	–	–	–	0.00%	–
WASTE WATER RE-USE	–	1,035	–	–	–	–	0.00%
SWIMMING POOLS	–	2,500	1,864	2,214	–	#DIV/0!	88.57%
CARTERS GLEN SEWER PUMP STATION	–	7,500	–	7,403	–	#DIV/0!	98.70%
REFURBISHMENT SEWER & WATER LINES	–	4,000	–	–	–	#DIV/0!	0.00%
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	75,229	73,097	12,565	61,996	–	82.41%	84.81%
P-CIER RDS ROADS	17,500	17,500	3	15,689	–	89.65%	89.65%
PROJECT MANAGEMENT	2,349	–	–	–	–	0.00%	#DIV/0!
UPGRADE GRAVEL ROADS WARDS VARIOUS	17,500	15,886	1,374	14,544	–	83.11%	91.55%
LERATOPARK SEWER UPGRAD DOWNSTREAM INFRA	3,500	–	–	–	–	–	–
SPECIALISED FLEET REPLACEMENT	5,000	3,567	–	3,102	–	62.04%	86.96%
P-CNIN COM F FIRE/AMBUL	1,500	–	–	–	–	0.00%	–
UPGRADING OF SWIMMING POOLS	6,000	–	–	–	–	0.00%	–
ABLUTIONS KENILWORTH&PHUTANANG CEMETERY	2,000	2,000	249	1,461	–	73.06%	73.06%
FENCING OF FRANK RORO CRICKET FIELD	2,210	2,210	426	2,014	–	91.12%	91.12%
REFURBISHMENT OF HALLS	5,000	3,500	1,182	1,707	–	34.15%	48.78%
LINING OF STORMWATER CHANNELS WARD 16	7,670	7,260	4,315	6,511	–	84.88%	89.68%
CONSTRUCTION OLD SINK TOILETS	5,000	5,000	1,654	2,905	–	58.10%	58.10%
FLEET REPLACEMENT	–	6,173	–	5,368	–	–	86.96%
CONSTR OF SEWER P/LINE IN PHOMOLONG W15	–	10,000	3,363	8,696	–	–	86.96%
EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)	5,000	5,000	795	4,530	–	90.61%	90.61%
STREET LIGHTS REPLACE 125W MV with 36W L	5,000	5,000	795	4,530	–	90.61%	90.61%
RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)	492,000	492,000	41,449	431,501	–	87.70%	87.70%
EAST BYPASS REPLACE OF CORRODE10KM LINE	15,126	–	–	–	–	0.00%	–
EASTERN BYPASS REPAIR COATING AND REFURB	11,521	–	–	–	–	0.00%	–
EMERGENCY METER INSTALLATIONS (PHASE 1)	–	24,741	713	17,833	–	–	72.08%
KBY BULK METERS & PRESSURE MANAGEMENT	17,026	20,613	1,487	16,257	–	95.48%	78.87%
KBY NETWORK LEAK DETECTION & REPAIR PH 1	20,483	11,567	3,403	10,192	–	49.76%	88.11%
KBY NETWORK LEAK DETECTION & REPAIR PH 2	29,346	3,271	29	3,271	–	11.15%	100.00%
NEW WTP CLHORINE & DOSING WORKS UPGRADE	27,630	26,555	8,935	26,236	–	94.96%	98.80%
NEW WTP MAJOR REFURBISH&AND BUILD WORKS	–	5,226	2,569	4,499	–	–	86.09%
NEW WTW FILTER REFURBISH&BACKWASH SYSTEM	39,640	24,678	5,865	23,482	–	–	95.16%
NEWTOWN RESERVOIR EMERGENCY LEAK REPAIRS	7,531	11,027	3,669	9,386	–	124.63%	85.12%
OLD WTP CLHORINE & DOSING WORKS UPGRADE	83,369	44,359	5,362	35,156	–	42.17%	79.25%
OLD WTP MAJOR REFURBISH AND BUILD WORKS	16,173	4,477	23	2,329	–	14.40%	52.02%
POWER; ABSTRACTION & PUMPSTATION REPAIRS	37,378	35,842	3,286	32,940	–	88.13%	91.90%
RIVERTON TO MIDSTATION BULK PIPELINE REP	27,828	23,372	1,649	19,918	–	71.57%	–
SMARTBALL SURVEY PRIORITY LEAK REPAIRS	18,290	–	–	–	–	0.00%	–
WEST BYPASS LEAK REPAIRS AND REFURBISH	10,574	–	–	–	–	0.00%	–
WEST BYPASS REPLACE OF CORRODED SECTION	5,368	–	–	–	–	0.00%	–
WTW OHS & SECURITY MANAGEMENT	9,230	8,941	2,169	3,376	–	36.57%	37.76%
RITCHIE WTW UPGRADE AND BULK PIPELINE	48,296	7,915	1,170	7,610	–	–	96.15%
RITCHIE PRIORITIZE LEAK DETECT & REPAIRS	–	1,290	–	1,107	–	–	85.78%
SEC3 1200NEW STEEL MIDSTATION-NEWTON RES	67,191	24,171	1,121	22,882	–	34.05%	94.67%
BULK 1200 ND STEEL PIPELINE MAT: MBSC1/6	–	212,350	–	194,285	–	–	91.49%
NEWTON RESERVOIR COMPLEX OHS & SECURITY	–	1,160	–	657	–	–	56.65%
OHS & SECURITY MNGMNT (NEWTON) ELECTRIC	–	445	–	85	–	#DIV/0!	19.04%
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	–	4,500	959	1,853	–	#DIV/0!	41.17%
ELECTRIFICATION OF JACKSONVILLE	–	–	(894)	–	–	#DIV/0!	#DIV/0!
ELECTRIFICATION LERATO PARK	–	4,500	1,853	1,853	–	#DIV/0!	41.17%
Grand Total	613,729	628,137	65,857	531,212	264	86.55%	84.57%

Table 21: Detailed capital expenditure report

The YTD Actual on capital expenditure as at end of June 2025 amounted to R531,212 million which shows an unsatisfactory variance of 13.45% when compared to the YTD budgeted SDBIP target of R613,729 million and 86.55% spent. When compared to the Adjustment Budget of R628,137 million the target on capital expenditure percentage spent as contained in the SDBIP was set at 90% as at the end of the 4th Quarter.

When taking this into consideration, the total expenditure shows a negative variance of 15.43% and 84.57% spent for the period under review.

Spending on grants needs improvement. The percentage expenditure per funding source IUDG (84.81%), EEDSM (90.61%), RBIG (87.70%), INEP (41.17%). Funds for INEP was recently received. Spending on Internally generated funds is also 58.52% 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.

6.2 Capital Expenditure by Vote

Capital projects are analyzed by vote to ensure that the performance contracts of the executive management team include these projects. Further to this and as compelled by multi-year planning, projects may span over one year. The table below indicates single year and multi-year projects by vote.

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal And General		549,361	972,401	980,929	73,359	1,005,107	980,929	24,178	2.5%	980,929
Vote 03 - Municipal Manager		-	-	2,759	2,680	2,680	2,759	(79)	-2.9%	2,759
Vote 04 - Corporate Services		5,391	6,161	6,161	482	6,104	6,161	(57)	-0.9%	6,161
Vote 05 - Community Services		134,820	124,361	129,025	13,274	138,010	129,025	8,985	7.0%	129,025
Vote 06 - Financial Services		701,887	710,111	710,111	53,089	739,757	710,111	29,647	4.2%	710,111
Vote 07 - Strategy Econ Development And Planning		26,098	8,368	8,868	1,932	10,306	8,868	1,438	16.2%	8,868
Vote 08 - Infrastructure And Services		1,666,568	1,709,105	1,709,105	127,804	1,558,838	1,709,105	(150,267)	-8.8%	1,709,105
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	3,084,125	3,530,507	3,546,958	272,621	3,460,803	3,546,958	(86,155)	-2.4%	3,546,958
Expenditure by Vote	1									
Vote 01 - Executive & Council		59,615	60,855	60,895	4,770	57,745	60,895	(3,151)	-5.2%	60,895
Vote 02 - Municipal And General		400,410	403,603	508,523	78,511	458,048	508,523	(50,476)	-9.9%	508,523
Vote 03 - Municipal Manager		24,274	27,854	32,626	2,896	28,786	32,626	(3,840)	-11.8%	32,626
Vote 04 - Corporate Services		71,184	82,140	75,818	6,931	72,673	75,818	(3,145)	-4.1%	75,818
Vote 05 - Community Services		321,917	337,272	344,453	30,578	316,582	344,453	(27,871)	-8.1%	344,453
Vote 06 - Financial Services		134,722	166,217	174,232	11,317	142,970	174,232	(31,262)	-17.9%	174,232
Vote 07 - Strategy Econ Development And Planning		60,672	67,813	71,703	5,265	55,449	71,703	(16,254)	-22.7%	71,703
Vote 08 - Infrastructure And Services		1,724,624	1,782,750	1,929,538	305,413	1,823,337	1,929,538	(106,202)	-5.5%	1,929,538
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-7.6%	3,197,789
Surplus/ (Deficit) for the year	2	286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	44.7%	349,169

Table 22: Capital expenditure per vote

7. INVESTMENT PORTFOLIO ANALYSIS

The market value of the investment portfolio has been utilized and for the period ending 30 June 2025, the value of total investments made was R131,880 million. Partially or prematurely withdrawn investments amounted to R31,808 million. The investment top-up was zero rand for the month under review. 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, 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.	22,151
• 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.	7,408
• Unspent Capital grant receipts that was invested for the current year.	74,928
• Own funds invested - Ring-fenced Eskom income / If amount is NEGATIVE, it means that there is Grant funds in the main account	27,393
Total	131,880

NC091 Sol Plaatje - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June														
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 *	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														
Standard Bank 048466271-089		6 months	Call a/c	No	Variable	6.9	0			-	-	-	-	-
Standard Bank 04 846 6271- 090		48 hours	Notice	No	Fixed	8.85%	0	n/a		-	-	-	-	-
Standard Bank - 04 846 6271-092		6 months	Notice	No	Fixed	892.00%	0	n/a		128,321	720	(31,720)	-	97,321
Absa Bank 20-6295-4443		12 months	Notice	Yes	Fixed	9.71%	0		2023/06/28	7,401	62	(56)	-	7,408
Standard Bank - 04 846 6271-091		Monthly	Notice	No	Fixed	890.00%	0	n/a	2024/06/30	5,000	32	(32)	-	5,000
Standard Bank 048466271-088		12 months	Notice	No	Fixed	970.00%	0		2024/11/10	-	-	-	-	-
Standard Bank - 048466271-093		12 months	Fixed	No	Fixed	887.00%	0		2025/11/10	22,003	148	-	-	22,151
Municipality sub-total										162,725	963	(31,808)	-	131,880

Table 23: Supporting Table SC5: Investment portfolio

Chart 14: Call investment deposits incl interest for the period ending 30 June 2025

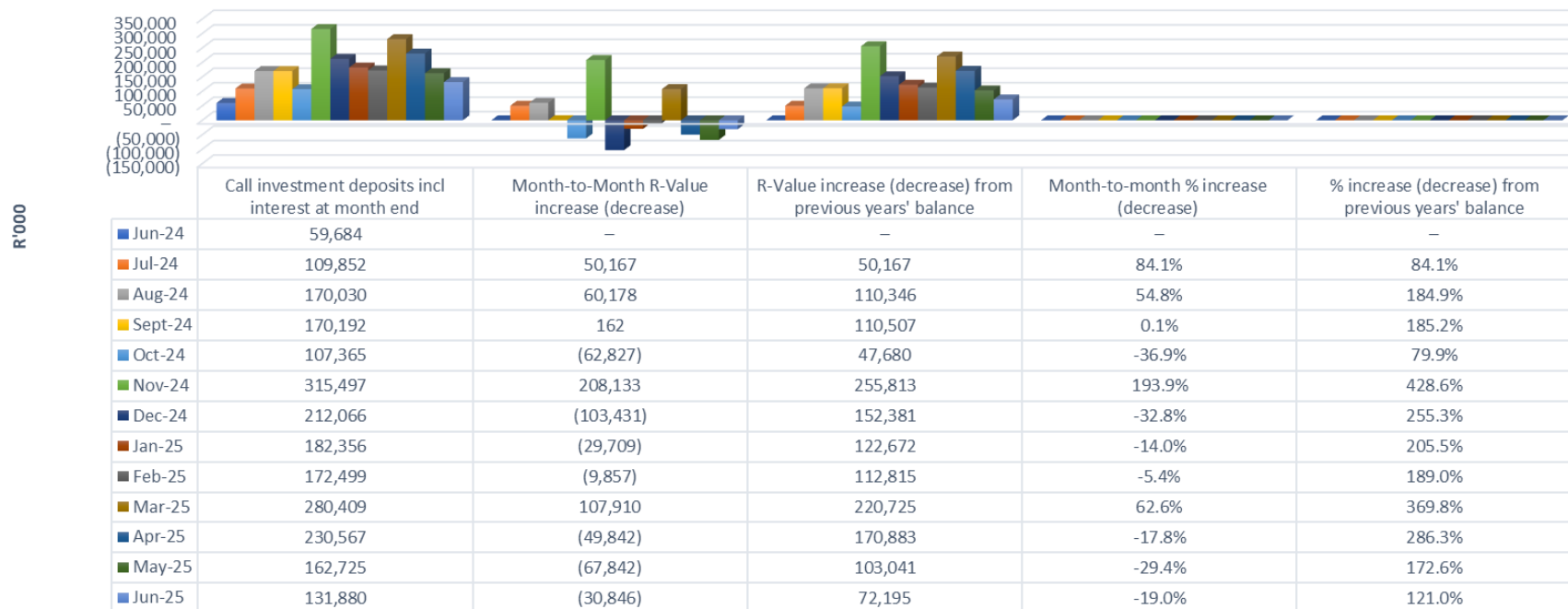


Chart 17: Call investment deposits at month-end

As indicated in the Chart 17 above from May 2025 to June 2025 investments incl interest decreased by R30,846 million (19.0)%, in respect of the month-to-month comparison. Investments increased by R72,195 million (121.0%) when compared to the previous years' balance of R59,684 million. The significant decrease relates to grant funds that were withdrawn to pay service providers. 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, 2023/24 and 2024/25 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

8. GRANTS AND SUBSIDIES RECEIVED

NC091 Sol Plaatje - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		271,713	290,671	294,090	3,813	289,882	294,090	(4,209)	-1.4%	294,090
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		263,135	282,104	282,104	-	278,134	282,104	(3,970)	-1.4%	282,104
Expanded Public Works Programme Integrated Grant		3,102	2,267	2,927	-	2,927	2,927	-	0.0%	2,927
Infrastructure Skills Development Grant		3,776	4,500	4,500	478	4,342	4,500	(158)	-3.5%	4,500
Integrated Urban Development Grant		-	-	2,759	2,680	2,680	2,759	(79)	-2.9%	2,759
Local Government Financial Management Grant	3	1,700	1,800	1,800	655	1,799	1,800	(1)	-0.1%	1,800
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		14,787	8,600	18,764	841	9,485	18,764	(9,279)	-49.4%	18,764
Capacity Building and Other Grants		8,979	8,600	9,264	588	8,303	9,264	(961)	-10.4%	9,264
Infrastructure Grant		5,808	-	9,500	252	1,182	9,500	(8,318)	-87.6%	9,500
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		215,206	-	-	-	-	-	-	-	-
ESKOM		210,375	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Higher Education SA (HESA)		-	-	-	-	-	-	-	-	-
Unspecified		4,831	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	501,707	299,271	312,854	4,653	299,367	312,854	(13,487)	-4.3%	312,854
Capital Transfers and Grants										
National Government:		133,753	572,229	574,597	56,992	567,720	574,597	(6,877)	-1.2%	574,597
Energy Efficiency and Demand Side Management Grant		6,000	5,000	5,000	705	5,000	5,000	-	0.0%	5,000
Integrated National Electrification Programme Grant		24,358	-	4,500	-	1,028	4,500	(3,472)	-77.2%	4,500
Integrated Urban Development Grant		63,395	75,229	73,097	12,847	69,693	73,097	(3,404)	-4.7%	73,097
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		40,000	492,000	492,000	43,441	492,000	492,000	-	0.0%	492,000
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		6,437	-	-	-	-	-	-	-	-
Specify (Add grant description)		6,437	-	-	-	-	-	-	-	-
Other grant providers:		18,850	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
European Union		18,850	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	159,040	572,229	574,597	56,992	567,720	574,597	(6,877)	-1.2%	574,597
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	660,747	871,500	887,451	61,646	867,087	887,451	(20,364)	-2.3%	887,451

Table 24: Supporting Table SC6 Transfers and Grants Receipts

Operational grant monies received for the month under review.

None

Capital grant monies received for the month under review.

None

There are some mapping errors pertaining to operational and capital grants, in respect of receipts. 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. The figure disclosed in the Statement of Financial Performance is mapped to supporting schedule SC6.

9. EXPENDITURE ON GRANTS AND SUBSIDIES RECEIVED

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 R29,962 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 R2,927 million. In addition to this, the municipality budgeted R15,000 million for this programme.

NC091 Sol Plaatje - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		237,196	229,671	275,060	45,804	262,078	275,060	(12,982)	-4.7%	275,060
Equitable Share		228,294	221,104	263,074	44,591	251,868	263,074	(11,206)	-4.3%	263,074
Expanded Public Works Programme Integrated Grant		3,426	2,267	2,927	38	2,483	2,927	(444)	-15.2%	2,927
Infrastructure Skills Development Grant		3,776	4,500	4,500	267	4,342	4,500	(158)	-3.5%	4,500
Integrated Urban Development Grant		-	-	2,759	160	1,586	2,759	(1,173)	-42.5%	2,759
Local Government Financial Management Grant		1,700	1,800	1,800	749	1,800	1,800	-	-	1,800
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		9,852	8,600	18,601	2,924	13,700	18,601	(4,901)	-26.3%	18,601
Capacity Building and Other Grants		7,625	8,600	9,251	441	8,305	9,251	(946)	-10.2%	9,251
Infrastructure Grant		2,227	-	9,350	2,483	5,395	9,350	(3,955)	-42.3%	9,350
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		247,048	238,271	293,661	48,728	275,778	293,661	(17,883)	-6.1%	293,661
Capital expenditure of Transfers and Grants										
National Government:		124,283	572,229	574,597	55,769	499,881	574,597	(74,716)	-13.0%	574,597
Energy Efficiency and Demand Side Management Grant		5,999	5,000	5,000	795	4,530	5,000	(470)	-9.4%	5,000
Integrated National Electrification Programme Grant		21,181	-	4,500	959	1,853	4,500	(2,647)	-58.8%	4,500
Integrated Urban Development Grant		57,349	75,229	73,097	12,565	61,996	73,097	(11,101)	-15.2%	73,097
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		39,754	492,000	492,000	41,449	431,501	492,000	(60,499)	-12.3%	492,000
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		6,000	-	-	-	-	-	-	-	-
Specify (Add grant description)		6,000	-	-	-	-	-	-	-	-
Other grant providers:		17,073	-	-	-	-	-	-	-	-
European Union		17,073	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		147,356	572,229	574,597	55,769	499,881	574,597	(74,716)	-13.0%	574,597
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		394,404	810,500	868,258	104,497	775,659	868,258	(92,599)	-10.7%	868,258

Table 25: Supporting Table SC7(1) Transfers and Grants Expenditure

(R'000)	Original Budget	Adjustment Budget	Monthly Actual	YTD Actual	Commitments	% Spent	
						Original	Adj Budget
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	75,229	73,097	12,565	61,996	-	82.4%	84.8%
EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)	5,000	5,000	795	4,530	-	90.6%	90.6%
RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)	492,000	492,000	41,449	431,501	-	87.7%	87.7%
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	-	4,500	959	1,853	-	-	41.2%
Grand Total	572,229	574,597	55,769	499,881	-	87.4%	87.0%

Table 26: Summary of expenditure per Grant

As indicated in Table 26 above, the YTD grant expenditure amounts to R499,881 million or 87.0% spent against the Adjusted capital grant allocation of R574,597 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, however there is improvement when compared to the prior year.

It should be noted that grant expenditure excludes VAT which will be recognized 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 2023/24 financial year was submitted to National Treasury. The rollover request was not approved by National Treasury. Indicated below is an extract of the reasons for the rejection.

“Your request to roll over the unspent amount of R3.9 million into the 2023/24 financial year by your municipality is not approved in terms of 21(2) of the 2023 Division of Revenue Act, (Act No. 5 of 2023) (DoRA), as amended by the Division of Revenue Amendment Act, (Act No. 24 of 2023) (DoRAA). The rejection is with respect to the Infrastructure Skills Development Grant (ISDG) (R1.2 million) and the Integrated National Electrification Programme (Municipal) Grant (R2.7 million) (INEP).

The National Treasury in assessing your roll over request used the criteria set out in Circular No. 128 of the Municipal Finance Management Act, 2003 (Act No.56 of 2003) as a guide for the consideration of the roll over submission by your municipality.

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

“Non submission of supporting documents as outlined in Circular No.128, i.e. copies of appointment letters of service providers and/ or tender documents for both ISDG and INEP. “

Table 27: Supporting Table SC7(2) - Expenditure against approved rollovers

Table 27 is not required.

10. FINANCIAL MANAGEMENT AND REPORTING

MFMA Section 52 (d) to require that the Executive Mayor reports on the financial state of affairs of the municipality. As such, financial ratios have been used to analyse the municipality's performance as at 30 June 2025. The municipality has used the financial ratios as published in MFMA Circular 71 that are aimed at replacing those that were promulgated in the Performance Regulations of 2001. The following is a summary of the outcomes of the analysis.

10.1 Assets Management

1. FINANCIAL POSITION					
A. Asset Management/Utilisation					
					Jun-25
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	18%
					Total Operating Expenditure
					Taxation Expense
					Total Capital Expenditure
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%	0%
					PPE, Investment Property and Intangible Impairment
					PPE at carrying value
					Investment property at carrying value
					Intangible Assets at carrying value
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) × 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	8%
					Total Repairs and Maintenance Expenditure
					PPE at carrying value
					Investment Property at Carrying value

10.2 Debtors Management

B. Debtors Management					
					TOTAL DEBTORS
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports, IDP and AR	95%	70%
					Gross Debtors closing balance
					4,250,087
					Gross Debtors opening balance
					3,656,067
					Bad debts written Off
					60,355
					Billed Revenue
					2,177,059
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	3%
					Consumer Debtors Bad debts written off
					60,355
					Consumer Debtors Current bad debt Provision
					1,761,104
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	417 days
					Gross debtors
					4,250,087
					Bad debts Provision
					1,761,104
					Billed Revenue
					2,177,059

10.3 Liquidity management

C. Liquidity Management					
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	0.60 Month
					Cash and cash equivalents
					131,121
					Unspent Conditional Grants
					9,622
					Overdraft
					-
					Short Term Investments
					-
					Total Annual Operational Expenditure
					2,424,390
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	2.41
					Current Assets
					2,983,798
					Current Liabilities
					1,236,330

10.4 Liability management

D. Liability Management					
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	1.10%
					Interest Paid
					17,765
					Redemption
					14,797
					Total Operating Expenditure
					2,955,589
					Taxation Expense
					-
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	31%
					Total Debt
					793,279
					Total Operating Revenue
					2,893,083
					Operational Conditional Grants
					299,367

10.5 Sustainability

E. Sustainability					
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	-4%
					Cash and cash Equivalents
					131,121
					Bank Overdraft
					-
					Short Term Investment
					-
					Long Term Investment
					-
					Unspent Grants
					9,622
					Net Assets
					-
					Share Premium
					-
					Share Capital
					-
					Revaluation Reserve
					-
					Fair Value Adjustment Reserve
					-
					Accumulated Surplus
					3,410,773

10.6 Efficiency

2. FINANCIAL PERFORMANCE					
A. Efficiency					
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	<div>-2%</div> <div>Total Operating Revenue</div> <div>2,893,083</div> <div>Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</div> <div>Total Operating Expenditure</div> <div>2,955,589</div> <div>Taxation Expense</div> <div>-</div>
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	<div>-20%</div> <div>Total Electricity Revenue</div> <div>984,572</div> <div>Total Electricity Expenditure</div> <div>1,178,788</div>
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	<div>-5%</div> <div>Total Water Revenue</div> <div>396,658</div> <div>Total Water Expenditure</div> <div>416,375</div>
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	<div>26%</div> <div>Total Refuse Revenue</div> <div>108,658</div> <div>Total Refuse Expenditure</div> <div>80,285</div>
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	<div>20%</div> <div>Total Sanitation and Water Waste Revenue</div> <div>144,843</div> <div>Total Sanitation and Water Waste Expenditure</div> <div>115,828</div>

10.7 Distribution losses and Revenue

B. Distribution Losses					
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	<div>25.80%</div> <div>Number of units purchased and/or generated</div> <div>468,050</div> <div>Number of units sold</div> <div>347,289</div>
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	<div>67.03%</div> <div>Number of kilolitres purchased and/or purified</div> <div>38,776</div> <div>Number of kilolitres sold</div> <div>12,785</div>

B. Distribution Losses					
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	<div>25.80%</div> <div>Number of units purchased and/or generated</div> <div>468,050</div> <div>Number of units sold</div> <div>347,289</div>
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	<div>67.03%</div> <div>Number of kilolitres purchased and/or purified</div> <div>38,776</div> <div>Number of kilolitres sold</div> <div>12,785</div>

C. Revenue Management						
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts) / previous number of Active Debtor Accounts x 100	Debtors System	None	Number of Active Debtors Accounts (Previous) Number of Active Debtors Accounts (Current)	1% 72,427 73,109
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue) / previous period's Total Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI	CPI Total Revenue (Previous) Total Revenue (Current)	12% 4.6% 3,098,877 3,460,803
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants - previous period's Total Revenue excluding capital grants) / previous period's Total Revenue excluding capital grants x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= CPI	CPI Total Revenue Excl. Capital (Previous) Total Revenue Excl. Capital (Current)	-2% 4.6% 2,939,837 2,893,083

10.8 Expenditure Management

D. Expenditure Management						
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days	Trade Creditors Contracted Services Repairs and Maintenance General expenses Bulk Purchases Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	152 days 846,199 49,689 232,838 320,619 901,045 531,212
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure Total Operating Expenditure Taxation Expense	5% 144,058 2,955,589 -
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%	Employee/personnel related cost Councillors Remuneration Total Operating Expenditure Taxation Expense	29.78% 845,480 34,551 2,955,589 -
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%	Contracted Services Total Operating Expenditure Taxation Expense	2% 49,689 2,955,589 -

10.9 Grant Dependency

E. Grant Dependency						
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None	Internally generated funds Borrowings Total Capital Expenditure	6% 31,332 - 531,212
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None	Internally generated funds Total Capital Expenditure	6% 31,332 531,212
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations) / Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None	Total Revenue Government grant and subsidies Public contributions and Donations Capital Grants	112% 2,893,083 299,367 - 567,720

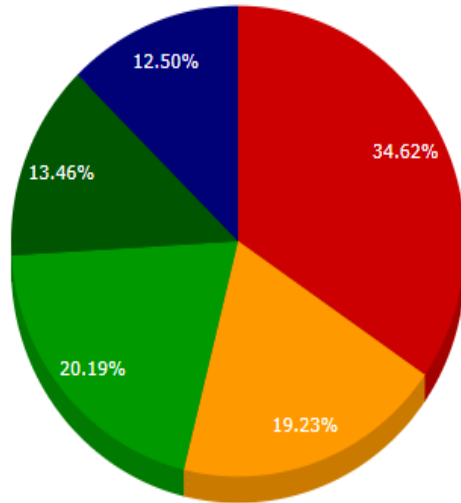
10.10 Budget Implementation

3. BUDGET IMPLEMENTATION						
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%	Actual Capital Expenditure Budget Capital Expenditure	85% 531,212 628,137
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%	Actual Operating Expenditure Budget Operating Expenditure	92.43% 2,955,589 3,197,789
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%	Actual Operating Revenue Budget Operating Revenue	97.33% 2,893,083 2,972,361
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%	Actual Service Charges and Property Rates Revenue Budget Service Charges and Property Rates Revenue	95% 2,177,059 2,298,365

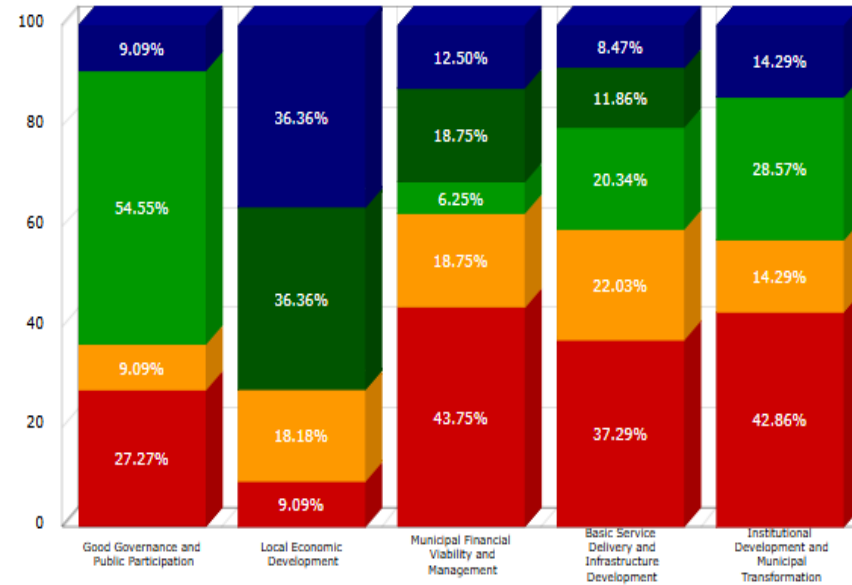
11. PRELIMINARY SDBIP PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2025

SUMMARY OF PERFORMANCE PER KEY PERFORMANCE AREA

Sol Plaatje Municipality



National KPA



	Sol Plaatje Municipality	National KPA				
		Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Basic Service Delivery and Infrastructure Development	Institutional Development and Municipal Transformation
Not Yet Applicable	-	-	-	-	-	-
Not Met	36 (34.62%)	3 (27.27%)	1 (9.09%)	7 (43.75%)	22 (37.29%)	3 (42.86%)
Almost Met	20 (19.23%)	1 (9.09%)	2 (18.18%)	3 (18.75%)	13 (22.03%)	1 (14.29%)
Met	21 (20.19%)	6 (54.55%)	-	1 (6.25%)	12 (20.34%)	2 (28.57%)
Well Met	14 (13.46%)	-	4 (36.36%)	3 (18.75%)	7 (11.86%)	-
Extremely Well Met	13 (12.50%)	1 (9.09%)	4 (36.36%)	2 (12.50%)	5 (8.47%)	1 (14.29%)
Did Not Occur	-	-	-	-	-	-
Total:	104	11	11	16	59	7
	100%	10.58%	10.58%	15.38%	56.73%	6.73%

11.1 Basic Service Delivery and Infrastructure Development

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL10	Improved Service Delivery	Number of reading outreach programmes conducted at all libraries by 30 June 2025	Number of outreach programmes held	15	29	B	N/A	N/A	LibrariesOutreachRegisterAprToJun2025.xlsx; OUTREACHBCFAPRJUN2025.pdf; OUTREACHGALAPRIL2025.pdf; StatsApril2025.xlsx; StatsMay2025.xlsx; StatsJune2025.xlsx	60	95	B
TL101	Improved Service Delivery	% Progress on the refurbishment of the Kamfersdam sewer and water lines by 30 June 2025	% Progress as per the annual project plan	100%	50%	R	Material is on site. Tender closes on the 31st of July 2025 for the pipe installation.	To accelerate the installation of the pipes.	To be uploaded	100%	50%	R
TL102	Improved Service Delivery	% Progress on the construction of Phomolong sewer pipeline by 30 June 2025	% Progress as per the annual project plan	100%	100%	G	N/A	N/A	To be uploaded	100%	100%	G
TL103	Improved Service Delivery	% Progress on the upgrade of the security at the Newton Reservoir Complex (Mechanical) by 30 June 2025	% Progress as per the annual project plan	100%	25%	R	Contract is at Re-advert. Contract was split into Civil and Electrical	Contractor to be appointment in the next financial year (25/26).	To be uploaded	100%	25%	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL104	Improved Service Delivery	% Progress on the upgrade of the security at the Newton Reservoir Complex (Electrical) by 30 June 2025	% Progress as per the annual project plan	100%	25%	R	Contract is at Re-advert. The contract was spilt into Civil and Electrical projects.	Contractor will be appointed in the next financial year 25/26	To be uploaded	100%	25%	R
TL105	Improved Service Delivery	Conduct a feasibility study on the waste water reuse by 30 June 2025	1 Feasibility study	1	1	G	N/A	N/A	To be uploaded	1	1	G
TL106	Improved Service Delivery	% Progress on the procurement and delivery of the bulk 1 200 ND steel pipeline by 30 June 2025	% Progress as per the annual project plan	100%	70%	R	To provide comments and corrective measures. The percentage provided cannot be confirmed. Pending report on goods purchased vs goods delivered.	To be provided	To be uploaded	100%	70%	R
TL107	Improved Service Delivery	% progress on the emergency repairs on six major leaks by 30 June 2025	% Progress as per the annual project plan	100%	100%	G	N/A	N/A	To be uploaded	100%	100%	G
TL108	Improved Service Delivery	% Progress on the construction phase for the Carters Ridge sewer pump station building with all electrical and mechanical equipment as per the Project Plan by 30 June 2025	% Progress as per the annual project plan	100%	56%	R	Phase 1 of the project has been completed. Phase 2 scheduled for completion. Due to budget availability only Phase 1 was completed	Phase 2 to be completed.	To be uploaded	100%	56%	R
TL109	Improved Service Delivery	% Completion for the construction of a Ring Main Unit (RMU) in Colville by 30 June 2025	% Completion of construction	100%	100%	G	N/A	N/A	COLVILLERMU.pdf	100%	100%	G

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL11	Improved Service Delivery	Limit unaccounted for electricity to less than 25% by 30 June 2025 {(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased} x 100}	% unaccounted for electricity by 30 June	25%	25%	G	N/A	N/A	[D485] GM : Budget and Treasury: ElectricityLossesM09.xlsx (June 2025)	25%	25%	G
TL110	Improved Service Delivery	% Completion for the construction of the 11 KV line in Ronald's vle by 30 June 2025	% Completion of construction	100%	96%	O	To be provided.	To be provided.	RONALDSVLEI.pdf	100%	96%	O
TL111	Improved Service Delivery	% Replacement of Internal water pipes in Main Rd, Reservoir Rd, Dalham Rd Carrington Rd, Central Rd and Broadway by 30 June 2025	% Replacement of internal water pipes	100%	100%	G	N/A	N/A	To be uploaded	100%	100%	G
TL112	Improved Service Delivery	Percentage progress on the upgrading and building of ablation blocks at Ritchie Cemetery by 30 June 2025	Percentage progress on the upgrading and building of the ablation blocks	100%	85%	O	Supply and delivery of additional container for Ritchie by the Supplier is outstanding. Fencing done. Concrete slab repaired. Septic tank connections will be made once container is installed Supplier of the container was appointed and delivered the container. Existing concrete	Septic tank to be covered after final checks of connections.	CemetriesMonthlyProgress2024Projects.xlsx; Jojotankconcreteslabreq.pdf; Ritchieablationblockreq April2025.pdf; Septictankplumbingapprovedreq.pdf Ritchieablationblock25June2025report.msg; Ritchieablationblockinvoice27June2025.msg	100%	85%	O

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
							slab was repaired. Jojo tank stand erected and delivered. Jojo tank delivered, connected and filled with water. Water and sanitation connected.					
TL113	Improved Service Delivery	Percentage construction for the embankment of the Frank Roro Cricket Pitch by 30 June 2025	Percentage construction for the embankment of the Frank Roro Cricket Pitch	100%	95%	O	The Pitch was waterlogged and vehicles could not access the area to deliver material for construction of embankment. This delayed the timeous completion of the project.	Outstanding work to be concluded in the 2025/26 financial year.	FrankRorodeliveryofmaterialforembankmentMay2025.msg; FrankRoroMonthlyProgress2024Projects.xlsx June2025PoEFrankRoro.msg	100%	95%	O
TL114	Improved Service Delivery	Number of households in Jacksonville to be connected to the electricity network by 30 June 2025	Number of households connected to the electricity network	183	0	R	Project under construction.	Project should be accelerated; the delay was due to the funds were in the fourth quarter during regazetting.	JACKSONVILLE.pdf	183	0	R
TL12	Improved Service Delivery	Limit unaccounted for water (Non-Revenue Water) to less than 40% by 30 June 2025 {(Number of Kiloliters Water Purified - Number of kiloliters Water Sold) / Number of kiloliters Water Purified x 100}	% unaccounted for water (Non-Revenue Water) annually	40%	0%	R	No updated	Not updated	WATERLOSSES2024-25.xlsx	40%	65.77%	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL13	Improved Service Delivery	99% water quality level achieved as per SANS 241 by 30 June 2025	% water quality level achieved as per SANS 241 criteria annually	99%	99%	G	N/A	N/A	BlueDrop4128rptsystem12Mcompliance110332025.pdf	99%	99%	G
TL14	Improved Service Delivery	80% waste water effluent quality level achieved as per National Effluent Quality Standards by 30 June 2025	% waste water effluent quality level achieved as per National Effluent Quality Standards, annually	80%	56%	R	The Homevale Wastewater Treatment Plant is not operating adequately	Business Plan was submitted to National Treasury and Department of Water and Sanitation. Appointed a Civil Engineer to do the scoping report.	Greendrop.pdf	80%	56%	R
TL15	Improved Service Delivery	Number of square meters of roads to be resealed by 30 June 2025	Square metres of road to be resealed	30 000	0	R	Project Completed in December 2024	Project Completed in December 2024.	TL15ResealDec24.pdf; TL15ResealroadsDec24.docx	90 000	90 000	G
TL16	Improved Service Delivery	Distance of kilometres of residential roads upgraded from gravel to a paved surface by 30 June 2025	Number of kilometres paved	4	4.60	G2	N/A	N/A	JuneMONTHLYREPORTUpgradeGravelRoad.pdf	4	4.60	G2
TL17	Improved Service Delivery	100% procurement of identified fleet as per the fleet replacement plan (number of vehicles delivered out of the number of vehicles identified for purchase x100) by 30 June 2025	Percentage of identified fleet delivered	100%	60%	R	To be provided	To be provided	Fleet.xlsx	100%	60%	R
TL18	Improved Service Delivery	Upgrade water infrastructure (replace 2 000 water meters) by 30 June 2025	Number of water meters replaced	2 000	2 022	G2	N/A	N/A	To be submitted	2 000	2 022	G2

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL19	Improved Service Delivery	Upgrade electricity infrastructure (replace 2 000 prepaid electricity meters) by 30 June 2025	Number of electricity meters replaced	2 000	15 453	B	N/A	N/A	Electricity: RT29.pdf	2 000	15 453	B
TL20	Improved Service Delivery	Number of road blocks conducted by 30 June 2025	Number of roadblocks conducted	2	2	G	N/A	N/A	Roadblocks.pdf RoadblocksShiftB .pdf	8	17	B
TL21	Improved Service Delivery	Number of stop and check points conducted to improve road safety by 30 June 2025	Number of stop and check points conducted	1 500	2 156	G2	N/A	N/A	StopChecks.pdf StopChecks.pdf StopChecks.pdf	6 000	10 099	B
TL22	Improved Service Delivery	Monthly inspections conducted at food premises to ensure compliance to legislation by 30 June 2025	Number of Inspections conducted	675	637	O	The target was not reached due to capacity challenges as per the norms and standards of the Health Act. The requirement is 28 Environmental Health Practitioners but currently only 7 positions are funded.	To engage management and Human Resources to address the capacity challenges identified.	Aprilsummaryreport.xls x Maysummaryreport.xlsx	2 700	3 439	G2
TL23	Improved Service Delivery	Monthly inspections conducted at non-food premises to ensure compliance to legislation by 30 June 2025	Number of Inspections conducted	300	23	R	Due to capacity challenges as per the norms and standards of the Health Act. The requirement is 28 Environmental Health Practitioners but currently only 7 positions are funded. Focus was more on food premises by EHP's.	To engage management and Human Resources to address the capacity challenges identified.	Aprilsummaryreport.xls x Maysummaryreport.xlsx Junesummaryreport.xls x	1 200	455	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL24	Improved Service Delivery	Number of water samples collected and submitted to the Laboratory by 30 June 2025	Number of water samples collected and submitted to the Laboratory	150	166	G2	N/A	N/A	Aprilsummaryreport.xls x Maysummaryreport.xlsx	600	615	G2
TL51	Improved Service Delivery	Replace 250W HPS luminaires with 100W LED luminaires by 30 June 2025	Number of luminaires replaced	262	285	G2	N/A	N/A	100WLEDs.pdf	262	285	G2
TL52	Improved Service Delivery	Replace 70W MV luminaires with 36W LED luminaires by 30 June 2025	Number of luminaires replaced	200	277	G2	N/A	N/A	36wLEDfor70wMV.pdf	200	277	G2
TL53	Improved Service Delivery	Replace 400W MV luminaires with 276W LED luminaires by 30 June 2025	Number of luminaires replaced	315	460	G2	N/A	N/A	[D513] City Engineer: Electricity: 276WLEDs.PDF (June 2025)	315	460	G2
TL58	Improved Service Delivery	Number of project management meetings conducted by the Project Management Unit by 30 June 2025	Number of meetings conducted	3	3	G	N/A	N/A	ProjectProgressMeeting s.pdf; ProgressMeetingNo2AttendanceRegisterSep2024.pdf	10	10	G
TL59	Improved Service Delivery	Number of Project Management Reports tabled at the Executive Management Team meetings by 30 June 2025	Number of reports tabled	3	3	G	N/A	N/A	AttendanceRegister-EMT19May.pdf; EMTAGN-19May2025.pdf; AttendanceRegister-EMT15April2025.pdf; EMTAGN-14APR2025.pdf; EMTAGN-26May2025.pdf; AttendanceRegisterEMT26May2025.pdf;	12	9	O

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
									CapitalProjectReportApril2025.pdf; CapitalProjectReportMay2025.pdf; CapitalProjectReportJune2025.pdf			
TL60	Improved Service Delivery	Percentage progress on the assessment of the pipe condition and cathodic protection by 30 June 2025	% Progress as per the annual project plan	100%	85%	O	Pipe Thickness and RUL assessment as well as Transient Analysis completed.	Surge Analysis and condition assessment of 2x600 Eastern Bypass Line towards Newton by August 2025.	PIPECONDITIONREPORT.pdf	100%	85%	O
TL62	Improved Service Delivery	% progress on the upgrade of the power supply and refurbishment of the abstraction pump station (Old and New Plant - Riverton) Ph 2 by 30 June 2025	% Progress as per annual project plan	100%	92.50%	O	The project was delayed due to manufacturing of infrastructure components.	Completion date for the project was revised to August 2025 and the service provider's contract was extended to end of August 2025.	TL62AYAMA-Extensionoftimeresponse-SPMBFI0123E2SC1.pdf	100%	92.50%	O
TL63	Improved Service Delivery	% Completion on the design work for Phase 1 of the Kimberley network leak detection and repair by 30 June 2025	% Progress as per annual project plan	0%	50%	B	N/A	N/A	LETTEROFACCEPTANCE.pdf; PROGRESSREPORTBFIPRMKRP1a-June2025.pdf	100%	50%	R
TL65	Improved Service Delivery	% Progress on the major refurbishment and building works for the Old Water Treatment Plant by 30 June 2025	% Progress as per annual project plan	100%	0%	R	Preliminary Engineering Design Report approved .	Project will be implemented in 2025/26 FY.	MWTWSC1andMWTWSC3DetailedDesignReport7-Dec2024Signed1.pdf	100%	0%	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL67	Improved Service Delivery	Percentage progress for the upgrading of storm water channels in various areas of Sol Plaatje municipal area by 30 June 2025	Percentage progress on upgrading of storm water channels	100%	72%	R	<p>Despite the setbacks experienced due to procurement delays, extreme weather conditions, and site-specific challenges related to working in live canals.</p> <p>The Lining of Earth Canals with Concrete Brickwalls in Ward 16 and Ward 17 has made substantial progress and is now well-positioned to meet its delivery targets. The commencement of concrete and brickwork activities in June 2025 marks a turning point in the project's timeline. With materials now secured, a skilled and experienced workforce on the ground, and water management strategies in place, the project has entered its most productive phase. All foundational and preparatory work has been completed, which will allow for continuous, uninterrupted implementation of the remaining works.</p>	The project is continuing in the new financial year and means will be made to complete the project.	[GalesheweCanalMonthlyReports.pdf	100%	72%	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL69	Improved Service Delivery	Number of old zinc toilets to be reconstructed by 30 June 2025	Number of old zinc toilets to be reconstructed	200	180	O	Project to be rolled over to the next Financial year.	Project to be concluded in the 1st Quarter of the FY of 2025/26	To be uploaded	200	180	O
TL70	Improved Service Delivery	Percentage completion of the fencing of Frank Roro cricket field by 30 June 2025	% Completion	0%	100%	B	N/A	N/A	FrankRoroMonthlyProgress202425Projects.xlsx	100%	100%	G
TL71	Improved Service Delivery	% Refurbishment of community halls Floors/Collville by 30 June 2025	Percentage progress on the refurbishment of community halls	100%	68%	R	Hall fenced off on 28 July 2024 and concluded in September 2024. Closed tender advert for repairs of Floors Hall. Business Plan and BoQ submitted to the funder for the approval of the scope of the Upgrade of Floors Hall. Contractor from panel of contractors that was finalised in February 2025 was appointed for the refurbishment of Floors Hall. SLA for awarding tender for Floors Hall upgrades drafted and signed by MM.	Project to be completed in new FY 2025/26	April2025progressreport.pdf HallsMonthlyProgress2024May2025.xlsx; FWFINCET62023PROJECT3SLA-MABALANEASEVENCONSTRUCTIONANDPROJECTS.msg; SocialcentrefencingclosureortMay2025.pdf FloorshallAppointmentMabalaneA7.pdf; FloorsHallpicsPoE1.docx; ProgressReportNo.1-SolplaatjieFloorsHall27 June.pdf	100%	68%	R
TL72	Improved Service Delivery	Percentage progress on the upgrading and building of ablution blocks at Kenilworth and Phutanang Cemeteries by 30 June 2025	Percentage progress as per project plan	100%	85%	O	Areas identified and cleared off. Concrete slab for the ablution blocks containers erected in January 2025. Contractor supplying ablution blocks containers appointed in February 2025 and SLA signed. Containers were	Water and sanitation to expedite the connections of the Kenilworth and Phutanang ablution blocks that were since installed in March 2025.	April2025progressreport.pdf ClosedoutreportKenilworthPhutanangCemeteries May2025.pdf; Ritchiefencingapproved requisition.pdf; Jojo tankconcreteslabreq.pdf;	100%	85%	O

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
							delivered in March 2025 and were fenced off. Challenges encountered with Water and Sanitation with the connections for the public to make use of the containers.		Septictankplumbingapprovedreq.pdf; CemtriesMonthlyProgr			
TL73	Improved Service Delivery	Percentage upgrade of the swimming pools (Karen Muir, Roodepan, Florianville and Galeshewe) by 30 June 2025	Percentage of pools upgraded as per the project plan	100%	80%		Submersible pumps and filters procured and delivered. Galeshewe swimming pool wall that was unstable was demolished and built. Roodepan swimming pools was operational after major repairs were done following vandalism. Tender for upgrades of 4 swimming pools advertised and closed on 21 May 2025. New pumps and chlorinators procured and installed. Tender closed bids exceeded available funds Contractors did not comply because they did not prove that they are not asbestos approved contractors which was a special condition. Security upgrades expedited	Funds to be sourced and the tender to be readvertised to appoint asbestos approved contractors due to some work involves the removal and safe disposal of asbestos products	Galeshewepoolwallbuilt.msg; April2025progressreport.pdf SwimmingPoolsMonthlyProgress2024May2025.xlsx Swimmingpoolssecurityupgradespics.msg; Swimmingpoolssecurityupgradeorder.jpg	100%	80%	

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL79	Improved Service Delivery	Replacement of 125W MV luminaires with 36W LED luminaires by 30 June 2025	Number of luminaires replaced	300	482	B	N/A	N/A	36wLEDfor125wMV.pdf	300	482	B
TL80	Improved Service Delivery	% Progress on the upgrade of the old Water Treatment Plant (WTP) chlorine and dosing works (Phase 2) by 30 June 2025	% Progress as per annual project plan	100%	71%	R	Delayed due to procurement processes.	Project to be completed in the next financial year. 25/26	JULY2025SPMBFIPRE 2SC2-2507July.pdf	100%	71%	R
TL81	Improved Service Delivery	% Progress on the upgrade of the new Water Treatment Plant (WTP) chlorine and dosing works (Phase 2) by 30 June 2025	% Progress as per annual project plan	100%	90.50%	O	Due to contractual issues and poor performance by the contractor resulted in the project to be delayed.	Extension of time has been granted for completion in the next financial year 25/26	SPMBFIPRE2SC3-2507July.pdf	100%	90.50%	O
TL82	Improved Service Delivery	% Progress on the installation of bulk water meters and pressure regulating valves Ph 2) by 30 June 2025	% Progress as per annual project plan	100%	99%	O	Project was on schedule for completion. Subsequently, the scope of work was extended, which resulted in the amendment of the project schedule.	Project to be completed in the first quarter of the 2025/26 financial year.	PROGRESSREPORTM KRSC1-June2025.pdf	100%	99%	O
TL85	Improved Service Delivery	Percentage completion on the leak repairs and refurbishment of the west by-pass bulk water pipe line by 30 June 2025	% Progress as per annual project plan	100%	0%	R	The Project is at Preliminary Engineering Design Stage	PED will be submitted 30 October 2026		100%	0%	R
TL86	Improved Service Delivery	Percentage progress on the repair of the bulk pipeline from Riverton to Mid station (Section 2) by 30 June 2025	% Progress as per annual project plan	100%	25%	R	Technical Evaluation Report is at BEC	Appointment to be concluded in August 2025	MBSC1-PEDREPORT.pdf	100%	25%	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL87	Improved Service Delivery	Percentage progress on the repair, coating and refurbishment of eastern by-pass bulk water pipe line (Section 2) by 30 June 2025	% Progress as per annual project plan	100%	0%	R	The Project is at Preliminary Engineering Design Stage	PED will be submitted 30 October 2026		100%	0%	R
TL88	Improved Service Delivery	Percentage progress on the replacement of the corroded 10 km east by-pass bulk water pipe line (Section 2) by 30 June 2025	% Progress as per annual project plan	100%	0%	R	Project at Preliminary Engineering Design Stage.	PED report will be submitted 30 November 2026		100%	0%	R
TL89	Improved Service Delivery	Percentage progress on the replacement of the corroded section of the west by-pass bulk water pipe line (Section 2) by 30 June 2025	% Progress as per annual project plan	100%	0%	R	Project at Preliminary Engineering Design Stage.	PED report will be submitted on the 30 November 2026		100%	0%	R
TL91	Improved Service Delivery	% progress on the repair of emergency leakages at the Newton reservoir by 30 June 2025	% Progress as per the annual project plan	100%	51%	R	All planning stages of the project have been completed. Contractor is currently on site.	Construction will be completed in the new financial year 2025/26	HTPelaTonaContractAear dLetter.pdf; E1SC5ProgressReportNo 4JULY2025.pdf	100%	51%	R
TL92	Improved Service Delivery	% Progress on the completion of the emergency water meter installation and procurement of a water quality monitoring hardware by 30 June 2025	% Progress as per annual project plan	100%	87%	O	The scope of work was extended, which resulted in the amndment of the project schedule.	Extension of time approved until August 2025.	TL92Extensionoftimere sponse- SPMBFI0123E2SC1.pdf; SPMBFIPRE1SC2-2507July.pdf	100%	87%	O

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL93	Improved Service Delivery	% Progress on the upgrade of the security at the Riverton water treatment works by 30 June 2025	% Progress as per the annual project plan	100%	87.50%	O	All planning stages of the project have been completed. Contractor has commenced with site establishment.	Construction will be completed in the 2025/26 financial year.	LetterofAcceptance-RMahangeandAssociates.pdf; SPMBFIPRE2PSP1A-2507July.pdf	100%	87.50%	O
TL94	Improved Service Delivery	% Completion on the repairs of Smart ball survey priority leaks by 30 June 2025	% Progress as per the annual project plan	0%	87.50%	B	N/A	N/A	E1SC4-2506June.pdf	100%	87.50%	O
TL95	Improved Service Delivery	% Development of a data system for the identification and repairs of leakages by 30 June 2025	% Progress as per the annual project plan	0%	0%	N/A	N/A	N/A	TL95SPMLeakProgressReportMarch2025.pdf	100%	100%	G
TL96	Improved Service Delivery	Development of a Strategy for the safeguarding of municipal assets to restrict vandalism of municipal infrastructure by 30 June 2025	Developed Strategy	1	1	G	N/A	N/A	ADTAppointmentLetterTOR.pdf; ApprovedSecurityStrategyforSPMJul25.pdf	1	1	G

Summary of Results: Basic Service Delivery and Infrastructure Development

R	KPI Not Met	0% <= Actual/Target <= 74.999%	22
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	13
G	KPI Met	Actual meets Target (Actual/Target = 100%)	12
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	7
B	KPI Extremely Well Met	150.000% <= Actual/Target	5
Total KPIs:			59

11.2 Municipal Financial Viability and Management

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL33	Establishment of healthy financial management	Number of indigent households earning less than R4 500 provided with free basic services (water, electricity, refuse and sanitation) by 30 June 2025	Number of indigent households provided with free basic services (water, electricity, refuse and sanitation)	11 800	7 390	R	Target could not be reached as there has not been an increase in indigent registrations.	Indigent number can be improved through campaigning and getting support from ward Councillors to identify Customers in need (on ground information advantage) ICT has to upload the new indigent list, hopefully in the new financial year it will increase.	BP956JUNE25.xlsx	11 800	7 390	R
TL34	Establishment of healthy financial management	Financial viability measured in terms of the municipality's ability to meet its debt obligations by 30 June 2025 (Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Debt to revenue by 30 June	10%	5%	B	N/A	N/A	[L3435NC091CSchedule 2025M12June2025.pdf	10%	5%	B
TL35	Establishment of healthy financial management	Maintain the current ratio of 2.10:1 against current assets of the municipality by 30 June 2025 (Current Assets / Current Liabilities)	Current ratio	2.10:1	2.41:1	G2	N/A	N/A	TL3435NC091CSchedule 2025M12June2025.pdf	2.10:1	2.41:1	G2
TL36	Establishment of healthy financial management	Reduce net debtor days to 300 days by 30 June 2025 ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Net debtor days	300	434	R	The target was not meant due to the lower collection rate which resulted in an escalation in outstanding debt.	The municipality must enforce its Credit Control Policy more stringently. The municipality appointed four debt collection companies to assist in its collection efforts.	COLLECTIONRATE2025-06JUNE2025.xlsx	300	434	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL37	Establishment of healthy financial management	Financial viability measured in terms of the available cash to cover fixed operating expenditure by 30 June 2025 (Cost coverage ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Cost coverage ratio by 30 June	01:01	0.59:1	R	Cashflow crisis, SPM has cash that can only cover 18 days of the month.	Full implementation of the Cost Containment policy and Credit Control policy.	CostcoverageratioJune2025Q4.xlsx	01:01	0.59:1	R
TL38	Establishment of healthy financial management	Number of planned BSC meetings conducted to process bids by 30 June 2025	Number of meetings conducted	6	8	G2	N/A	N/A	BSCApril2025agenda.pdf [BSCMeetingMAY2025.pdf BSCjune2025.pdf	24	27	G2
TL39	Establishment of healthy financial management	95% collection rate and ensure payment based on correct account by 30 June 2025 (receipts/ billingx100)	95% collection rate achieved	95%	76,80%	O	The target was not meant due to the lower collection rate.	The municipality must enforce its Credit Control Policy more stringently. The municipality appointed four debt collection companies to assist in its collection efforts.	COLLECTIONRATE2025-06JUNE2025.xlsx	95%	72,13%	O
TL40	Establishment of healthy financial management	Perform an annual cost analysis for each trading services for the new budget by 31 March 2025 (Water, Electricity, Sanitation and Refuse)	Cost analysis reports	0	0	N/A	N/A	N/A		1	1	G

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL41	Establishment of healthy financial management	75% reduction of irregular expenditure by 30 June 2025	% reduction of Irregular expenditure after condonement (Current year - Prior year) / Prior year)	75%	0%	R	Irregular expenditure has increased by R117 286 178 in the 2024-2025 financial year, primarily due to MPAC not finalizing their recommendation reports to council. however 90% of the expenditure relates to only 1 service provider & this expenditure should be resolved upon by the Accounting Officer and council by 30 June 2025.	MPAC meet regularly i.e. monthly & concluding on their investigations should ensure effective and efficient processing of irregular expenditure through council.	[GNSPECIALMPAC-10JULY2025.pdf	75%	0%	R
TL42	Establishment of healthy financial management	100% elimination of Fruitless & wasteful expenditure by 30 June 2025	% elimination of Fruitless and Wasteful expenditure after condonement (Current year - Prior year) / Prior year)	100%	0%	R	F&W expenditure has decreased by 14% year on year in the 2024-2025 financial year. the bulk i.e. 76% of this F&W relates to ESKOM debt.	MPAC meet regularly i.e. monthly & concluding on their investigations should ensure effective and efficient processing of irregular expenditure through council.	AGNSPECIALMPAC-10JULY2025.pdf	100%	0%	R
TL43	Establishment of healthy financial management	Elimination of Unauthorized expenditure by 30 June 2025	% of Unauthorised expenditure after condonement against total operational expenditure x100	100%	0%	R	Unauthorized expenditure amounting to R29 260 981 still exist as a balance as at 30 June 2025. This has been carried over from from 30 June 2024. No additional expenditure has been incurred in the financial year 2024-2025.	Council has mandated MPAC to investigate the unauthorized expenditure balance & MPAC has resolved to write-off the amount as irrecoverable as the report submitted by management is acceptable to it. strict application of the accounting treatment of suppressed interest in terms of Treasury's circular 124 should ensure no further unauthorized expenditure is incurred.	Q1-Q3UIFWREGISTERJULY2024-JUNE2025asatAPRIL2025.xlsx] Q1-Q4UIFWREGISTERJULY2024-JUNE2025asat30JUNE2025.xlsx; AGNSPECIALMPAC-10JULY2025.pdf; ANNEXSPECIALMPAC-10JULY2025.pdf	100%	0%	R

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL44	Establishment of healthy financial management	% Submission of financial, non-financial mSCOA data strings and documents on the Go Muni web-based application by the set deadlines provided by National Treasury by 30 June 2025. (All reports to be uploaded within 10 working days after the month-end)	% of reports loaded on the Go Muni application	100%	98%	O	Certain departments did not submit the required documents to be uploaded on Go Muni.	Line Managers to be requested to submit documents to be uploaded within set time frame.	[santscrcupldm1NC091.xlsx	100%	98,25%	O
TL50	Establishment of healthy financial management	Reduce Trade Creditors Payment Period to 300 days by 30 June 2025 (Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Creditors Payment Period (Trade Creditors)	300	143,13	B	N/A	N/A	D1244.docx	300	143,13	B
TL8	Establishment of healthy financial management	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2025 (Total actual amount spent on capital projects/Total amount budgeted for capital projects) X100	% of Capital budget spent by 30 June {Actual amount spent on capital projects /Total amount budgeted for capital projects} X100}	90%	84,60%	O	Capex extremely poor requires serious intervention.	Line Managers should plan and submit procurements plans timeously and tender committees should meet on a regular basis.	CapitalJune2025Q4.xlsx	90%	84,60%	O
TL9	Establishment of healthy financial management	The percentage of the total municipal operational budget spent by 30 June 2025 ((Actual amount spent on total operational budget/Total operational budget) X100)	% of the total municipal operational budget spent by 30 June	90%	92%	G2	N/A	N/A	Opex.June2025Q4.xlsx	90%	92%	G2

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL98	Establishment of healthy financial management	Prepare and submit the Asset Register for the FY 2024/25 to the Auditor General by 31 August 2025	Approved Asset Register submitted to the Auditor General	1	0	R	To be submitted on 31 August 2025			1	0	R

Summary of Results: Municipal Financial Viability and Management

R	KPI Not Met	0% <= Actual/Target <= 74.999%	7
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	3
G	KPI Met	Actual meets Target (Actual/Target = 100%)	1
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	3
B	KPI Extremely Well Met	150.000% <= Actual/Target	2
Total KPIs:			16

11.3 Local Economic Development

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL1	Economic growth through promoting Sol Plaatje	Create full-time equivalents through EPWP initiatives by 30 June 2025	Number of full-time equivalents created by 30 June	173	77	R	Other projects that are supposed to contribute to the FTEs are not showing on the PB01 report due to the system error from Public	Other projects that are supposed to contribute to the FTEs are not showing on the PB01 report due to the system error from Public Works side	EPWPFTEReport.pdf	553	1 154	B

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
	Municipality as an economic hub						Works side hence we could only report 77 FTEs.	hence we could only report 77 FTEs.				
TL100	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Number of workshops provided to SMMEs by 30 June 2025	Number of workshops provided to SMMEs	5	18	B	N/A	N/A	1ComputerEndUserNQFWorkshopReportMay20251.pdf; 2EskomSPMSDLIConsolidatedpresentation.pdf; 3FilmVideographyTrainingWorkshopReport28May2025.pdf; 4TrainingProjectManagementReport2025.pdf; REPORTONTENDERTRAININGWORKSHOPFORSMMEs.docx; AttendanceregisterProjectmantraining.pdf; FVAttendancereg.pdf	5	18	B
TL2	Economic growth through promoting Sol Plaatje Municipality as an economic hub	To process 80% category 1 land-use applications received until 30 April through Municipal Planning Tribunal by 30 June 2025	% of category 1 land use applications processed	80%	74%	O	To be submitted	To be submitted	FinalMAY2024-APRIL2025CATEGORY01LANDUSEAPPLICATIONS untilApril2025.doc	80%	74%	O
TL3	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Number of processed building plans received before 1 July 2024	Number of building plans processed	200	201	G2	N/A	N/A	[D393] Manager: Urban Planning: FY24-25BacklogPOE.pdf (June 2025)	200	201	G2

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL4	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Ensuring a response time of 11 weeks for building plans submissions received in the 2024/25 financial year for buildings / architectural buildings less than 500m2 (number of plans received / divided by number of weeks to process	Average response time in weeks to process building plans	11	7,4	B	N/A	N/A	KIPProcessedApplications24-25FY1stquarter.pdf; KIPProcessedApplications24-25FY2ndquarter.pdf; KIPProcessedApplications24-25FY3rdquarter.pdf; KIPProcessedApplications24-25FY4thquarter.pdf	11	7,4	B
TL5	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Ensuring a response time of 11 weeks for building plans submissions received in the 2024/25 financial year for buildings / architectural buildings greater than 500m2 (number of plans received / divided by number of weeks to process	Average response time in weeks to process building plans	11	4	B	N/A	N/A	KIPProcessedApplications24-25FY1stquarter.pdf; KIPProcessedApplications24-25FY2ndquarter.pdf; KIPProcessedApplications24-25FY3rdquarter.pdf; KIPProcessedApplications24-25FY4thquarter.pdf	11	4	B
TL55	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Number of marketing and promotion of tourist attractions conducted by 30 June 2025	Number of programmes conducted	4	5	G2	N/A	N/A	AfricaTravelIndabaReport2025.pdf; DiamondsandDoringsCloseOutV3.pdf	4	5	G2
TL56	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Number of signage upgraded by 30 June 2025	Number of signs upgraded	10	12	G2	N/A	N/A	Tooursign.jpg; Toursign.jpg; tour.jpg	10	12	G2

KPI REF	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL57	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Percentage completion for the upgrading of the tram by 30 June 2025	% Completion as the annual project plan	100%	92%	O	92% of tasks were accomplished according to the project plan.	8% outstanding being: 1.To present to the adjudication committee as the final arbiter and to appoint the successful bidder and 2. To prepare the appointment letter.	20250807093003059.pdf; 20250807093115418.pdf; 20250807093333586.pdf; 20250807093420748.pdf; 20250807093457330.pdf; 20250807093642425.pdf	100%	92%	O
TL7	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Number of erven planned and surveyed by 30 June 2025	Number of erven planned and surveyed	1 000	1 025	G2	N/A	N/A	Physical file available too large to be uploaded on system	1 000	1 025	G2
TL99	Economic growth through promoting Sol Plaatje Municipality as an economic hub	Conduct a Feasibility Study for the Carters Glen Precinct by 30 June 2025	1 Feasibility Study	1	0	R	Faunal study was submitted to the Department of Environmental Affairs wherein the department was satisfied with the study. The outstanding studies include ecological studies, de-watering studies and cumulative studies.	To follow up on the additional studies and ensure all studies are completed and submitted in the 2025/26 FY.	18-2024Project6ResidentialDevelopment-AdditionalEcologicalWalkthrough002.pdf	1	0	R

Summary of Results: Local Economic Development

R	KPI Not Met	0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	2
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	4
B	KPI Extremely Well Met	150.000% <= Actual/Target	4
Total KPIs:			11

11.4 Municipal Institutional Development and Transformation

KPI Ref	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL45	Improved Institutional Management	Ensure that the actual spending on employee related costs does not exceed 33% of the total expenditure by 30 June 2025 (employee related costs and councillors remuneration/total operating expenditure x100)	Employee cost as a percentage of total operating cost	33%	29,78%	B	N/A	N/A	EmployeeCostsJune2025Q4.xlsx	33%	29,78%	B
TL46	Improved Institutional Management	Limit vacancy rate to 20% of funded post by 30 June 2025 ((Number of funded posts vacant divided by budgeted funded posts) x 100)	Number of funded posts vacant divided by budgeted funded posts x 100	20%	8,15%	R	Due to the financial constraints faced by the municipality and moratorium that was placed on filling vacant positions only the following positions were filled: Executive Director Infrastructure & Services Executive Director Corporate Services Senior Internal Auditor Chief Financial Officer	Uplift the moratorium and fill critical funded positions in the next financial year	TL46Vacancyrate.pdf	20%	8,15%	R

KPI Ref	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL47	Improved Institutional Management	Review the Workplace Skills Plan and submit plan to LGSETA by 30 April 2025	Workplace Skills Plan submitted to LGSETA by 30 April	1	1	G	N/A	N/A	Development: Report2.pdf	1	1	G
TL48	Improved Institutional Management	Co-ordinate bi-annual performance assessments of the MM and managers reporting directly to the MM by 30 June 2025	Performance assessments conducted twice per year	0	0	N/A	Assessment could not take place due to unavailability of the Panel members	Once a date has been confirmed, assessments will take place. Assessments only took place on the 2nd of July 2025.		2	0	R
TL49	Improved Institutional Management	% Completion of the appointed Sec 56 and 57 Managers performance agreements by 16 August 2025	% of Performance agreements developed, submitted and publicized	0%	0%	N/A	N/A	N/A	PerfAgreementEDCommunityServ.pdf; PerformanceAgreement202425EDSEDP.pdf; MMPerfAgreement202425.pdf	100%	100%	G
TL78	Improved Institutional Management	To implement ICT systems and technology to enable the municipality to deliver excellent customer experience by 30 June 2025	Percentage implementation of the ICT operational plan	100%	90%	O	A contractor was appointed through a competitive tender process for a period of 36 months. The contract was signed on 1 July 2025, 90% of the preparatory work was completed.	The remaining 10% will be completed in the next financial year.	ICTTL78.pdf; TL78SDBIPREPORTING2425.pdf	100%	90%	O

KPI Ref	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025							Overall Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R	
TL97	Improved Institutional Management	Review Organogram to aligned with strategy and comply with R890 by 30 June 2025	Organogram reviewed by 30 June 2025	1	0	R	Still in consultations with Service provider and SALGA to finalise the alignment. The Municipal Prototype was finalized by Lekoko Consulting on March 2025. Thereafter they also submitted a costing schedule. HR has been aligning the structure with the prototype. Post titles, number of posts, names of employees and T scales are being captured on the structure.	Will ensure organogram aligned accordingly by 30 June 2025. This exercise is complex. We are also making good progress to accommodate the workers to be absorbed. This has delayed the finalisation of the structure as section supervisors must be called in to verify all the warm bodies. Once finalised the structure it will be costed and tabled to the council via the sub-committee. Once Council approves it, it will then be submitted to the MEC for ratification. Planned date 30 September 2025.		1	0	R	

Summary of Results: Institutional Development and Municipal Transformation

R	KPI Not Met	0% <= Actual/Target <= 74.999%	3
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	2
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs:			7

11.5 Good Governance and Public Participation

KPI Ref	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Preliminary Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL25	Good, clean and transparent governance and public participation	Compile the final Annual Report for submission to council by 31 March 2025	Final Annual Report submitted to council by 31 March	0	0	N / A	The report was tabled to Council and MPAC. MPAC conducted site inspections. The Oversight report has not been tabled to Council.	Oversight Report and Annual Report will be tabled at the Council meeting scheduled for August 2025.	ItemDraftARMPAC.docx	1	0	R
TL26	Good, clean and transparent governance and public participation	Develop a Risk Based Audit Plan and submit to the audit committee for consideration by 30 June 25	Risk Based Audit Plan developed and submitted to the audit committee by 30 June	1	1	G	N/A	N/A	3.SolPlaatjeMunicipalityIAPlan202526to202728.docx; Signedoriginalsofchartersand documents.pdf; 5.ACMinutes14.05.25Draft.docx	1	1	G
TL27	Good, clean and transparent governance and public participation	Report quarterly on the progress of risk mitigation to the MM and EMT by 30 June 2025	Quarterly reports on strategic risk register	1	1	G	N/A	N/A	4thQSTRATEGICRISKREGISTER2024-25.xlsx	4	4	G
TL28	Good, clean and transparent governance and public participation	Number of audits conducted as per the internal audit plan by 30 June 2025	Number of internal audits conducted	5	2	R	Overall 13 audits have been completed for the financial period under review. The 2 audits completed which have not been reported as part of IGNITE is as follows: Insufficient Supplier Management Efficient System Development and Change Management	The IA function need to focus on completing audits and adding value to the municipality by providing relevant timely audit reports. Audit turn around time need to be improved.	FinalAdvisoryReportforSDLCandChangeManagementV03.docx FinalReportSupplierManagementV03.docx	20	15	O

KPI Ref	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Preliminary Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL29	Good, clean and transparent governance and public participation	Number of audit committee meetings conducted by 30 June 2025	Number of audit committee meetings conducted	1	1	G	N/A	N/A	5.ACMinutes14.05.25Draft.docx	4	6	B
TL30	Good, clean and transparent governance and public participation	Develop and submit an audit action plan to the MM to address matters raised by the auditor general within 60 days after the end of the audit	Developed and submitted audit action plan	0	0	N / A	N/A	N/A	[AuditActionPlanPresentation23-01-25..pptx	1	1	G
TL31	Good, clean and transparent governance and public participation	Compile the final IDP and submit to council by 31 May 2025	Final IDP submitted to Council by 31 May	1	1	G	N/A	N/A	FINALIDP2025262.pdf; CouncilApprovalFinalIDPBudget202526-Copy.pdf	1	1	G
TL32	Good, clean and transparent governance and public participation	To disseminate on a monthly basis the electronic municipal newsletter through social media platforms by 30 June 2025	Monthly distribution	3	0		1 Newsletter was developed and distributed in September 2024. No newsletter could be distributed further due to the inability to access a graphic designer.	The services of a professional graphic designer will be sourced in the new FY 2025/26.	TheResident-NewspaperDemo.pdf TheResidentNewsLetter-Issue01September2024.pdf	12	1	R
TL74	Good, clean and transparent governance and public participation	Compile the final SDBIP and submit to council by 28 June 2025	Final signed SDBIP	1	1	G	N/A	N/A	ApprovedSDBIP202526.pdf	1	1	G

KPI Ref	Strategic Objective	KPI Name	Unit of Measurement	Quarter ending June 2025						Overall Preliminary Performance for Quarters ending September 2024 to June 2025		
				Target	Actual	R	Performance Comment	Corrective Measures	POE Attachment	Target	Actual	R
TL75	Good, clean and transparent governance and public participation	Review of the Indigent Burial Policy by 30 June 2025	Draft Indigent Burial Policy	1	1	G	N/A	N/A	IndigentPolicyCouncilItem.docx	1	1	G
TL76	Good, clean and transparent governance and public participation	Review of the Integrated Waste Management Plan (IWMP) and municipal waste by-laws to align with the National Waste Management Strategy by 30 June 2025	Draft IWMP and municipal waste by-laws	1	0	R	The target could not be achieved, as we were intending to utilize the pool of contractors to appoint a consultant to review and update the 2018 IWMP. The current consultant was appointed on a three-year contract with the Municipality. However, they were unable to assist with the IWMP as the scope of work under their existing contract did not include it. BTO advised that amending the scope to incorporate the IWMP would lead to increased costs, and the request to revise the scope was therefore declined.	Terms of Reference (ToR) for the review of the IWMP will be submitted for advertising on the web quote system. A successful bidder will then be appointed to carry out the work in the FY 2025/26,		1	0	R

Summary of Results: Good Governance and Public Participation

R	KPI Not Met	0% <= Actual/Target <= 74.999%	3
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	6
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs:			11

12. OTHER SUPPORTING DOCUMENTS

No additional information for June 2025 is applicable. Please be advised that all figures are preliminary figures as the municipality is still busy with year-end procedures.

13. CONCLUSION

This report meets the Section 52(d) requirement of the MFMA (Act 56 of 2003) that the Executive Mayor must submit a report to council within 30 days of the end of each quarter on the implementation of the budget and the financial state of affairs of the municipality.

Communication

In compliance to legislative requirements Section 52(d) of the MFMA, (Act 56 of 2003) 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/CityManagement/Reporting/Pages/SDBIP.aspx>

14. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

Quality Certificate

I, **SB Matlala**, the Municipal Manager of Sol Plaatje 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 quarter ended **30 JUNE 2025** has been prepared in accordance with the Municipal Finance Management Act, Act 56 of 2003 and regulations made under that Act.

Print name: MR SB MATLALA

Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature:



Date: 15 August 2025

ANNEXURE A – SCHEDULE C – TABLES

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

NC091 Sol Plaatje - Table C1 Monthly Budget Statement Summary - M12 June

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	656,442	687,320	687,320	50,649	712,817	687,320	25,498	4%	687,320
Service charges	1,331,093	1,611,046	1,611,046	120,139	1,464,242	1,611,046	(146,804)	-9%	1,611,046
Investment revenue	16,116	9,000	9,000	2,537	20,635	9,000	11,635	129%	9,000
Transfers and subsidies - Operational	501,707	299,271	312,854	4,653	299,367	312,854	(13,487)	(0)	312,854
Other own revenue	419,726	351,642	352,142	37,650	396,022	352,142	43,881	12%	—
Total Revenue (excluding capital transfers and contributions)	2,925,084	2,958,278	2,972,361	215,629	2,893,083	2,972,361	(79,278)	-3%	2,972,361
Employee costs	894,291	950,863	952,667	72,675	845,480	952,667	(107,187)	-11%	952,667
Remuneration of Councillors	33,869	37,077	37,077	2,743	34,551	37,077	(2,526)	-7%	37,077
Depreciation and amortisation	76,441	89,700	89,700	—	55,952	89,700	(33,748)	-38%	89,700
Interest	122,651	17,774	78,195	9,044	37,362	78,195	(40,832)	-52%	78,195
Inventory consumed and bulk purchases	1,057,341	1,216,905	1,230,279	211,479	1,179,129	1,230,279	(51,151)	-4%	1,230,279
Transfers and subsidies	2,526	3,660	3,660	3	2,807	3,660	(853)	-23%	3,660
Other expenditure	610,299	612,526	806,211	149,738	800,308	806,211	(5,904)	-1%	806,211
Total Expenditure	2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-8%	3,197,789
Surplus/(Deficit)	127,666	29,774	(225,428)	(230,052)	(62,506)	(225,428)	162,922	-72%	(225,428)
Transfers and subsidies - capital (monetary allocations)	159,040	572,229	574,597	56,992	567,720	574,597	(6,877)	-1%	574,597
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	45%	349,169
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	45%	349,169
Capital expenditure & funds source									
Capital expenditure	176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137
Capital transfers recognised	147,356	572,229	574,597	55,769	499,881	574,597	(74,716)	-13%	574,597
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	29,082	41,500	53,540	10,088	31,332	53,540	(22,209)	-41%	53,540
Total sources of capital funds	176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137
Financial position									
Total current assets	2,664,713	5,672,764	5,453,942		2,983,798				5,453,942
Total non current assets	2,360,035	2,874,231	2,888,639		2,835,296				2,888,639
Total current liabilities	929,931	3,917,118	3,917,118		1,236,330				3,917,118
Total non current liabilities	1,111,983	410,208	458,628		1,097,187				458,628
Community wealth/Equity	2,982,833	3,432,159	3,174,826		3,485,577				3,174,826
Cash flows									
Net cash from (used) operating	(521,938)	2,970,625	2,865,092	1,594	506,637	2,865,092	2,358,455	82%	2,865,092
Net cash from (used) investing	(159,367)	—	(7,789)	(63,797)	(524,082)	(7,789)	516,293	-66239%	(7,789)
Net cash from (used) financing	660,387	—	—	58	574	—	(574)	#DIV/0!	—
Cash/cash equivalents at the month/year end	88,618	3,071,442	2,958,120	(90,023)	96,856	2,958,120	2,861,265	97%	2,971,030
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	179,010	109,023	95,205	94,480	84,750	79,340	500,420	3,107,859	4,250,087
Creditors Age Analysis									
Total Creditors	179,548	40,081	39,410	16,972	10,817	22,282	151,368	906,866	1,367,326

NC091 Sol Plaatje - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M 12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		1,257,109	1,689,473	1,698,001	126,990	1,751,776	1,698,001	53,775	3%	1,698,001
Executive and council		549,361	972,401	980,929	73,359	1,005,107	980,929	24,178	2%	980,929
Finance and administration		707,747	717,072	717,072	53,631	746,669	717,072	29,597	4%	717,072
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		48,267	42,989	47,653	4,197	47,451	47,653	(202)	0%	47,653
Community and social services		12,642	12,138	12,802	820	11,505	12,802	(1,297)	-10%	12,802
Sport and recreation		2,639	2,720	2,720	520	3,218	2,720	498	18%	2,720
Public safety		276	540	540	17	818	540	278	51%	540
Housing		28,843	27,501	27,501	2,840	31,910	27,501	4,409	16%	27,501
Health		3,867	90	4,090	-	-	4,090	(4,090)	-100%	4,090
<i>Economic and environmental services</i>		37,710	18,976	22,235	4,718	14,640	22,235	(7,595)	-34%	22,235
Planning and development		22,952	5,956	9,215	3,014	10,008	9,215	793	9%	9,215
Road transport		14,758	13,020	13,020	1,704	4,632	13,020	(8,388)	-64%	13,020
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,730,934	1,767,977	1,767,977	134,084	1,634,731	1,767,977	(133,246)	-8%	1,767,977
Energy sources		1,163,247	1,164,299	1,164,299	84,532	984,572	1,164,299	(179,728)	-15%	1,164,299
Water management		352,402	398,115	398,115	28,106	396,658	398,115	(1,457)	0%	398,115
Waste water management		121,173	118,290	118,290	12,256	144,843	118,290	26,553	22%	118,290
Waste management		94,112	87,272	87,272	9,191	108,658	87,272	21,386	25%	87,272
<i>Other</i>	4	10,104	11,092	11,092	2,632	12,205	11,092	1,113	10%	11,092
Total Revenue - Functional	2	3,084,125	3,530,507	3,546,958	272,621	3,460,803	3,546,958	(86,155)	-2%	3,546,958
Expenditure - Functional										
<i>Governance and administration</i>		734,453	755,594	865,627	78,398	767,170	865,627	(98,457)	-11%	865,627
Executive and council		472,647	477,043	584,053	83,143	530,003	584,053	(54,050)	-9%	584,053
Finance and administration		256,237	271,754	274,747	(4,824)	232,998	274,747	(41,749)	-15%	274,747
Internal audit		5,569	6,797	6,827	79	4,169	6,827	(2,659)	-39%	6,827
<i>Community and public safety</i>		201,954	207,313	214,494	18,009	194,578	214,494	(19,916)	-9%	214,494
Community and social services		48,586	49,027	51,863	5,530	48,073	51,863	(3,790)	-7%	51,863
Sport and recreation		66,863	63,043	63,143	5,068	63,328	63,143	185	0%	63,143
Public safety		44,135	45,933	46,033	3,703	41,945	46,033	(4,088)	-9%	46,033
Housing		21,956	28,042	28,042	2,226	22,558	28,042	(5,484)	-20%	28,042
Health		20,412	21,267	25,412	1,481	18,674	25,412	(6,738)	-27%	25,412
<i>Economic and environmental services</i>		170,731	183,093	192,175	13,595	177,583	192,175	(14,593)	-8%	192,175
Planning and development		46,192	55,644	60,476	2,356	47,064	60,476	(13,413)	-22%	60,476
Road transport		123,669	126,551	130,801	11,165	129,612	130,801	(1,189)	-1%	130,801
Environmental protection		870	898	898	74	907	898	9	1%	898
<i>Trading services</i>		1,666,266	1,753,665	1,896,203	333,540	1,791,276	1,896,203	(104,927)	-6%	1,896,203
Energy sources		1,101,328	1,151,651	1,246,140	238,847	1,178,788	1,246,140	(67,351)	-5%	1,246,140
Water management		363,718	395,412	434,712	66,654	416,375	434,712	(18,337)	-4%	434,712
Waste water management		122,085	119,433	128,183	18,544	115,828	128,183	(12,355)	-10%	128,183
Waste management		79,135	87,170	87,170	9,496	80,285	87,170	(6,884)	-8%	87,170
<i>Other</i>		24,014	28,839	29,289	2,138	24,982	29,289	(4,307)	-15%	29,289
Total Expenditure - Functional	3	2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-8%	3,197,789
Surplus/ (Deficit) for the year		286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	0.4469049	349,169

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal And General		549,361	972,401	980,929	73,359	1,005,107	980,929	24,178	2.5%	980,929
Vote 03 - Municipal Manager		-	-	2,759	2,680	2,680	2,759	(79)	-2.9%	2,759
Vote 04 - Corporate Services		5,391	6,161	6,161	482	6,104	6,161	(57)	-0.9%	6,161
Vote 05 - Community Services		134,820	124,361	129,025	13,274	138,010	129,025	8,985	7.0%	129,025
Vote 06 - Financial Services		701,887	710,111	710,111	53,089	739,757	710,111	29,647	4.2%	710,111
Vote 07 - Strategy Econ Development And Planning		26,098	8,368	8,868	1,932	10,306	8,868	1,438	16.2%	8,868
Vote 08 - Infrastructure And Services		1,666,568	1,709,105	1,709,105	127,804	1,558,838	1,709,105	(150,267)	-8.8%	1,709,105
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	3,084,125	3,530,507	3,546,958	272,621	3,460,803	3,546,958	(86,155)	-2.4%	3,546,958
Expenditure by Vote	1									
Vote 01 - Executive & Council		59,615	60,855	60,895	4,770	57,745	60,895	(3,151)	-5.2%	60,895
Vote 02 - Municipal And General		400,410	403,603	508,523	78,511	458,048	508,523	(50,476)	-9.9%	508,523
Vote 03 - Municipal Manager		24,274	27,854	32,626	2,896	28,786	32,626	(3,840)	-11.8%	32,626
Vote 04 - Corporate Services		71,184	82,140	75,818	6,931	72,673	75,818	(3,145)	-4.1%	75,818
Vote 05 - Community Services		321,917	337,272	344,453	30,578	316,582	344,453	(27,871)	-8.1%	344,453
Vote 06 - Financial Services		134,722	166,217	174,232	11,317	142,970	174,232	(31,262)	-17.9%	174,232
Vote 07 - Strategy Econ Development And Planning		60,672	67,813	71,703	5,265	55,449	71,703	(16,254)	-22.7%	71,703
Vote 08 - Infrastructure And Services		1,724,624	1,782,750	1,929,538	305,413	1,823,337	1,929,538	(106,202)	-5.5%	1,929,538
Vote 09 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-7.6%	3,197,789
Surplus/ (Deficit) for the year	2	286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	44.7%	349,169

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		886,092	1,099,199	1,099,199	82,181	942,751	1,099,199	(156,448)	-14%	1,099,199
Service charges - Water		276,094	343,685	343,685	21,439	322,312	343,685	(21,373)	-6%	343,685
Service charges - Waste Water Management		93,794	95,890	95,890	9,434	113,767	95,890	17,878	19%	95,890
Service charges - Waste management		75,114	72,271	72,271	7,085	85,412	72,271	13,140	18%	72,271
Sale of Goods and Rendering of Services		15,100	15,955	16,455	2,635	18,797	16,455	2,342	14%	16,455
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		258,041	120,030	120,030	15,430	166,017	120,030	45,987	38%	120,030
Interest from Current and Non Current Assets		16,116	9,000	9,000	2,537	20,635	9,000	11,635	129%	9,000
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		28,851	27,740	27,740	2,858	32,057	27,740	4,317	16%	27,740
Licence and permits		670	1,200	1,200	63	660	1,200	(540)	-45%	1,200
Operational Revenue		3,202	3,773	3,773	361	3,152	3,773	(622)	-16%	3,773
Non-Exchange Revenue										
Property rates		656,442	687,320	687,320	50,649	712,817	687,320	25,498	4%	687,320
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		56,767	32,143	32,143	3,324	27,902	32,143	(4,241)	-13%	32,143
Licence and permits		6,500	8,000	8,000	986	9,074	8,000	1,074	13%	8,000
Transfers and subsidies - Operational		501,707	299,271	312,854	4,653	299,367	312,854	(13,487)	-4%	312,854
Interest		-	91,900	91,900	8,800	103,759	91,900	11,859	13%	91,900
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		49,299	50,900	50,900	1,135	27,322	50,900	(23,578)	-46%	50,900
Gains on disposal of Assets		17,071	-	-	2,060	7,131	-	7,131	#DIV/0!	-
Other Gains		(15,774)	-	-	0	151	-	151	#DIV/0!	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)										
		2,925,084	2,958,278	2,972,361	215,629	2,893,083	2,972,361	(79,278)	-3%	2,972,361
Expenditure By Type										
Employee related costs		894,291	950,863	952,667	72,675	845,480	952,667	(107,187)	-11%	952,667
Remuneration of councillors		33,869	37,077	37,077	2,743	34,551	37,077	(2,526)	-7%	37,077
Bulk purchases - electricity		787,457	897,300	910,118	182,040	901,045	910,118	(9,073)	-1%	910,118
Inventory consumed		269,884	319,605	320,161	29,439	278,084	320,161	(42,078)	-13%	320,161
Debt impairment		333,146	355,246	475,246	118,812	475,246	475,246	-	-	475,246
Depreciation and amortisation		76,441	89,700	89,700	-	55,952	89,700	(33,748)	-38%	89,700
Interest		122,651	17,774	78,195	9,044	37,362	78,195	(40,832)	-52%	78,195
Contracted services		45,090	40,731	66,516	5,781	49,689	66,516	(16,827)	-25%	66,516
Transfers and subsidies		2,526	3,660	3,660	3	2,807	3,660	(853)	-23%	3,660
Irrecoverable debts written off		-	-	-	(1)	-	-	-	-	-
Operational costs		142,363	151,549	172,511	15,410	182,740	172,511	10,229	6%	172,511
Losses on Disposal of Assets		1,022	-	-	-	-	-	-	-	-
Other Losses		88,679	65,000	91,938	9,736	92,632	91,938	694	1%	91,938
Total Expenditure										
		2,797,419	2,928,505	3,197,789	445,681	2,955,589	3,197,789	(242,200)	-8%	3,197,789
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		159,040	572,229	574,597	56,992	567,720	574,597	(6,877)	(0)	574,597
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	(0)	-
Surplus/(Deficit) after capital transfers & contributions										
Income Tax		286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	0	349,169
Surplus/(Deficit) after income tax										
Share of Surplus/Deficit attributable to Joint Venture		286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	0	349,169
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality										
Share of Surplus/Deficit attributable to Associate		286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	0	349,169
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year										
		286,706	602,003	349,169	(173,060)	505,215	349,169	156,045	0	349,169

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	1,500	2,500	1,864	2,214	2,500	(286)	-11%	2,500
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	5,000	3,500	1,182	1,707	3,500	(1,793)	-51%	3,500
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ DevelopmentAnd Planning		24,020	2,000	2,000	-	143	2,000	(1,858)	-93%	2,000
Vote 08 - Infrastructure And Services		105,329	533,450	581,000	57,523	505,975	581,000	(75,024)	-13%	581,000
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	129,348	541,950	589,000	60,570	510,040	589,000	(78,960)	-13%	589,000
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		12,646	23,000	26,241	4,993	17,284	26,241	(8,956)	-34%	26,241
Vote 03 - Municipal Manager		-	2,349	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	2,210	2,210	426	2,014	2,210	(196)	-9%	2,210
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ DevelopmentAnd Planning		-	3,000	2,511	758	1,004	2,511	(1,507)	-60%	2,511
Vote 08 - Infrastructure And Services		34,444	41,220	8,176	(889)	871	8,176	(7,305)	-89%	8,176
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	47,089	71,779	39,137	5,288	21,173	39,137	(17,965)	-46%	39,137
Total Capital Expenditure		176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137
Capital Expenditure - Functional Classification										
Governance and administration		12,646	24,500	28,741	6,857	19,499	28,741	(9,242)	-32%	28,741
Executive and council		12,646	24,500	28,741	6,857	19,499	28,741	(9,242)	-32%	28,741
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	7,210	5,710	1,608	3,721	5,710	(1,989)	-35%	5,710
Community and social services		-	5,000	3,500	1,182	1,707	3,500	(1,793)	-51%	3,500
Sport and recreation		-	2,210	2,210	426	2,014	2,210	(196)	-9%	2,210
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		69,228	48,519	44,407	6,450	37,644	44,407	(6,763)	-15%	44,407
Planning and development		24,020	5,849	3,761	758	901	3,761	(2,860)	-76%	3,761
Road transport		45,208	42,670	40,646	5,692	36,744	40,646	(3,903)	-10%	40,646
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		94,564	532,000	548,529	50,942	470,103	548,529	(78,427)	-14%	548,529
Energy sources		27,354	6,000	10,500	1,755	6,383	10,500	(4,117)	-39%	10,500
Water management		62,534	517,500	511,529	44,171	444,716	511,529	(66,813)	-13%	511,529
Waste water management		4,676	8,500	26,500	5,016	19,003	26,500	(7,497)	-28%	26,500
Waste management		-	-	-	-	-	-	-	-	-
Other		-	1,500	750	-	246	750	(504)	-67%	750
Total Capital Expenditure - Functional Classification	3	176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137
Funded by:										
National Government		124,283	572,229	574,597	55,769	499,881	574,597	(74,716)	-13%	574,597
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		6,000	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		17,073	-	-	-	-	-	-	-	-
Transfers recognised - capital		147,356	572,229	574,597	55,769	499,881	574,597	(74,716)	-13%	574,597
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		29,082	41,500	53,540	10,088	31,332	53,540	(22,209)	-41%	53,540
Total Capital Funding		176,438	613,729	628,137	65,857	531,212	628,137	(96,925)	-15%	628,137

NC091 Sol Plaatje - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		113,726	3,254,222	3,185,201	131,121	3,185,201
Trade and other receivables from exchange transactions		1,422,525	1,274,325	1,154,525	1,533,707	1,154,525
Receivables from non-exchange transactions		860,075	927,844	897,844	989,954	897,844
Current portion of non-current receivables		–	–	–	–	–
Inventory		112,013	60,701	60,701	107,290	60,701
VAT		155,736	155,542	155,542	221,541	155,542
Other current assets		638	129	129	184	129
Total current assets		2,664,713	5,672,764	5,453,942	2,983,798	5,453,942
Non current assets						
Investments						
Investment property		201,266	221,645	223,406	204,578	223,406
Property, plant and equipment		2,100,106	2,625,801	2,639,198	2,576,401	2,639,198
Biological assets						
Living and non-living resources						
Heritage assets		12,071	13,571	12,821	12,317	12,821
Intangible assets		46,592	13,214	13,214	42,000	13,214
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		2,360,035	2,874,231	2,888,639	2,835,296	2,888,639
TOTAL ASSETS		5,024,748	8,546,994	8,342,581	5,819,093	8,342,581
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		48,699	47,570	47,570	50,451	47,570
Trade and other payables from exchange transactions		642,151	3,667,581	3,667,581	846,199	3,667,581
Trade and other payables from non-exchange transactions		4,057	–	–	20,913	–
Provision		788	788	788	788	788
VAT		234,236	201,179	201,179	317,978	201,179
Other current liabilities		–	–	–	–	–
Total current liabilities		929,931	3,917,118	3,917,118	1,236,330	3,917,118
Non current liabilities						
Financial liabilities		808,076	152,895	201,315	793,279	201,315
Provision		303,908	257,313	257,313	303,908	257,313
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		1,111,983	410,208	458,628	1,097,187	458,628
TOTAL LIABILITIES		2,041,915	4,327,326	4,375,747	2,333,516	4,375,747
NET ASSETS	2	2,982,834	4,219,668	3,966,834	3,485,577	3,966,834
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2,908,029	3,368,093	3,110,760	3,410,773	3,110,760
Reserves and funds		74,804	64,066	64,066	74,804	64,066
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2,982,833	3,432,159	3,174,826	3,485,577	3,174,826

NC091 Sol Plaatje - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		507,798	676,122	676,122	36,193	468,755	676,122	(207,367)	-31%	676,122
Service charges		1,185,680	1,513,446	1,543,246	102,886	1,254,565	1,543,246	(288,681)	-19%	1,543,246
Other revenue		(54,233)	92,337	94,837	56,673	1,084,783	94,837	989,946	1044%	94,837
Transfers and Subsidies - Operational		306,662	299,271	311,530	4,986	308,416	311,530	(3,114)	-1%	311,530
Transfers and Subsidies - Capital		142,936	572,229	570,097	(2,759)	574,597	570,097	4,500	1%	570,097
Interest		3,927	-	-	1,876	29,685	-	29,685	#DIV/0!	-
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(2,614,989)	(182,780)	(270,320)	(198,261)	(3,216,284)	(270,320)	2,945,964	-1090%	(270,320)
Interest		281	-	(60,420)	-	2,121	(60,420)	(62,541)	104%	(60,420)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(521,938)	2,970,625	2,865,092	1,594	506,637	2,865,092	2,358,455	82%	2,865,092
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		17,071	-	-	2,060	7,131	-	7,131	#DIV/0!	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(176,438)	-	(7,789)	(65,857)	(531,212)	(7,789)	523,424	-6720%	(7,789)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(159,367)	-	(7,789)	(63,797)	(524,082)	(7,789)	516,293	-6629%	(7,789)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		661,955	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(1,569)	-	-	58	574	-	574	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		660,387	-	-	58	574	-	(574)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(20,918)	2,970,625	2,857,303	(62,145)	(16,870)	2,857,303			2,857,303
Cash/cash equivalents at beginning:		109,536	100,817	100,817	(27,878)	113,726	100,817			113,726
Cash/cash equivalents at month/year end:		88,618	3,071,442	2,958,120	(90,023)	96,856	2,958,120			2,971,030

The BTO made a concerted effort to align the Cash and equivalents of A6 and A7 for the Adjustment budget for 2024/25 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 R131,121 million as per the Cash book balance.**