

## In-Year Report of the Municipality

Prepared in terms of the Local Government: Municipal Finance Management Act (56 of 2003); Municipal Budget and Reporting Regulations<sup>4</sup>; Government Gazette 32141,  
17 May 2009

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### **SECT 72 - MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT JULY 2021 TO DECEMBER 2021**

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

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## Legislative Framework

This report has been prepared in terms of the following enabling legislation.

### The Municipal Finance Management Act-Number 56 of 2003

#### Section 72: Mid-Year Budget and Performance Assessment

- (1) The accounting officer of a municipality must by 25 January of each year—
  - (a) assess the performance of the municipality during the first half of the financial year, taking into account—
    - (i) the monthly statements referred to in section 71 for the first half of the financial year;
    - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
    - (iii) the past year's annual report, and progress on resolving problems identified in the annual report and
    - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
  - (b) submit a report on such assessment to—
    - (i) the mayor of the municipality; (ii)the National Treasury; and
    - (iii) the relevant provincial treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (10) of this section.
- (3) The accounting officer must, as part of the review—
  - (a) make recommendations as to whether an adjustments budget is necessary; and
  - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Reports on failure to adopt or implement budget-related and other policies

#### Section 54: Budgetary control and early identification of financial problems

- (1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must—
  - (a) consider the statement or report;
  - (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
  - (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
  - (d) issue any appropriate instructions to the accounting officer to ensure—
    - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and

- (ii) that spending of funds and revenue collection proceed in accordance with the budget
  - (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; and
  - (f) in the case of a section 72 report, submit the report to the council by 31 January of each year.
- (2) If the municipality faces any serious financial problems, the mayor must—
- (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include—(i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;
  - (ii) the tabling of an adjustments budget or
  - (iii) steps in terms of Chapter 13; and
- (b) alert the council and the MEC for local government in the province to those problems.
- (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

## **Local Government: Municipal Finance Management Act,2003**

### **Municipal Budget and Reporting Regulations**

#### **Format of a mid-year budget and performance assessment**

33. A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

#### **Publication of mid-year budget and performance assessments**

- 34.(1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.
- (2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including—
- (a) summaries in alternate languages predominant in the community, and
  - (b) information relevant to each ward in the municipality.

#### **Submission of mid-year budget and performance assessments**

35. The Municipal Manager must submit to the National Treasury and the relevant Provincial Treasury, in both printed and electronic form –
- (a) the mid-year budget and performance assessment by 25 January of each year; and
  - (b) any other information relating to the mid-year budget and performance assessments as may be required by the National Treasury.

## PART 1 MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT

This report has been prepared in terms of the Local Government: Municipal Finance Management Act Number 56 of 2003: Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

### Section 1-Mayors Report

#### Mayor's report

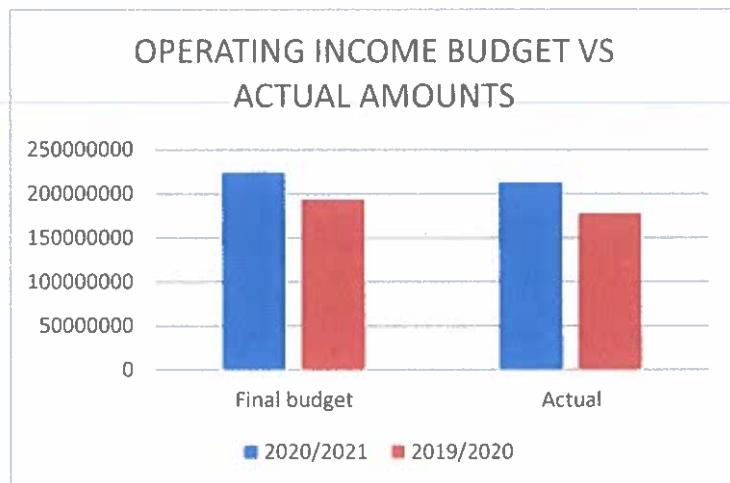
For the mid-year budget and performance assessment, the mayor's report must also provide –

- (a) a summary of the past year's annual report, and progress on resolving problems identified in the annual report and the audit report;
- (b) a summary of any potential impact of the national adjustments budget and the relevant provincial
- (c) a recommendation as to whether an adjustments budget for the municipality is necessary

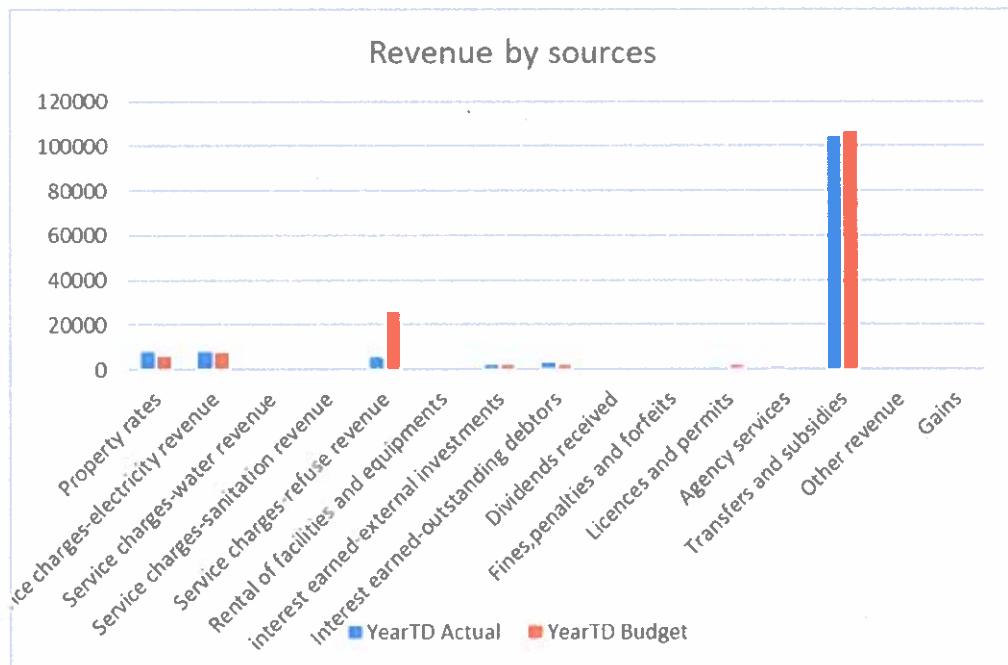
#### 1.1.1: Summary of the previous year's annual report (a)

##### (a) Performance against Budgets

The Operating Income Budget versus Actual for 2020 as well as the 2021 financial years, the Operating Income budget has increased by (20%) R35,418 million from R177,127 million to R212,545 million. Operating revenue budget of R193,730 million in 2020 and R224,206 million in 2021, resulting in a positive variance of 16%(R30,476 million) thereby showing that the municipality is largely on par with the revenue generation targets set out for the mid-year.



## MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

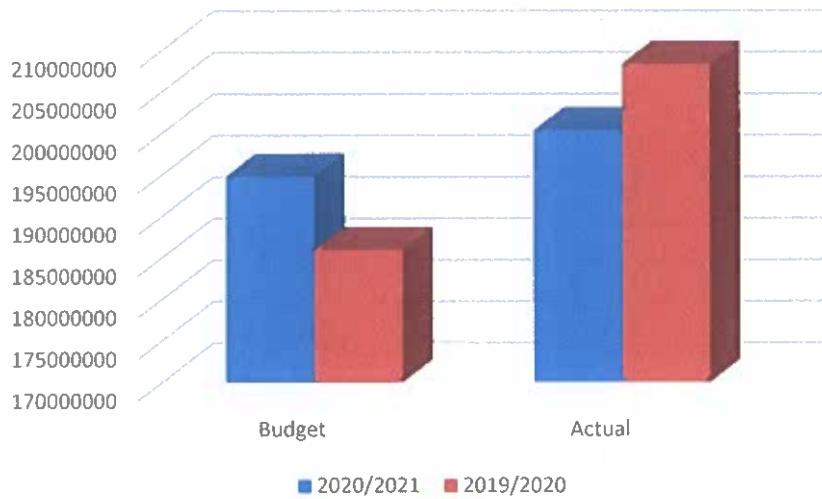


The Operating Expenditure Budget versus Actual for 2019/20 as well as the 2020/21 financial year. The Operating Expenditure has decreased by (3,85%) R8,014 million from R208,352 million to R200,338 million.

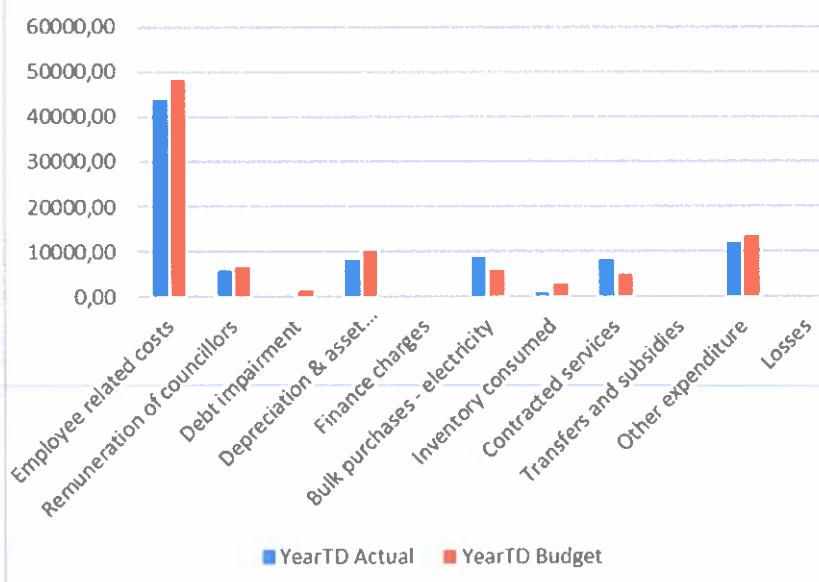
Operating expenditure budget of R185,961 million in 2020 and R194,803 million in 2021 increased by (4,75%)R8,842 million.

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Operating Expenditure Budget vs Actual  
Amounts



Expenditure by Type



The amount spent exceeds the amount budgeted and this is mainly due to the derecognition of the landfill site as well as raising of the provision for bad debts.

**(b) Percentage of Capital Budget Spent**

86% of the budgeted amount was spent during 2020/21 financial year and in 2021/22 131% of the capital budget to date was spent in the mid-year. The 8% and 6% under expenditure was on internally generated funds as 100 % of the MIG grant was utilized during the 2 years. The Capital Expenditure increased by (R16,253 million) 22% from the 2020/21 to the 2021/22 financial year from R73,029 million to R53,776 million.

**1.1.2 Financial status or risks facing the municipality**

Cash flow projections were received from the Budget section for operating expenditure and incorporated into the variance calculations i.e. operating expenditure variances are not merely divided by 12 then multiplied by the relevant number of months. These projections are based on past spending trends unless otherwise indicated by the relevant department.

As at December 2021, the municipality had surplus funds due to the following reasons:-

- Second trench of equitable share was received early in December and it is yet to be fully spent.
- Over collection in own revenue sources, where 69% of the Annual Target had been collected at mid-year.
- Linkage of expenditure trends to service delivery targets has resulted in smoothing over of expenditure, this has resulted in better forecasting and straight line expenditure trends.

Improved monitoring of grants resulting good performance and reduction of possibility of rollovers.

**The net cash inflow or outflow for the period is the difference between the opening and the closing balance of the municipality's cash. Only cash flow items are considered in the cash flow statement i.e. depreciation is excluded.**

The available cash on hand as at end of December was R114.453 million and R6.386 million of these funds ring fenced for conditional grants.

**Performance Indicators**

Ratios are used to analyse trends and to interpret the municipality's financial viability, the result of which can prevent an undesired financial position in the future.

o **Liquidity ratio**

**Liquidity ratio** provides an indication of the Emalahleni's ability to pay its short-term debts like suppliers within twelve months using the cash in the bank.

The ratio measures the municipality's ability to pay its short term debts in the short-term (viability of an entity). There are two liquidity ratios: current ratio and the asset test ratio. Both ratios focus on current assets (debtors, bank and cash, inventory) and current liabilities (trade and sundry, provisions, accruals). Both ratios are above the acceptable norm. These ratios indicate the financial viability of the institution. The ratios are above the norm as the municipality's current assets are greater than its current liabilities.

As at the end of December, the Municipality reflected a current ratio 2.11:1, while the acid test ratio indicated of 2.10:1. The current ratio is slightly on par the norm of 2:1 while the Acid Test ration is above the norm of 1:1. These norms are the generally accepted benchmarks used both by National Treasury and the private sector.

The ratio indicates that the Municipality has enough cash to able to pay its debts when due. This is as a direct consequence of the cash and investments alone balance being R114.453 million, while the total current liabilities are R68.953 million.

The cash reserves have in the past being used to fund budget deficits as the municipality has performed poorly its own revenue collection in order to cover operating costs and is grant dependant.

**Revenue management – collection rate**

**Revenue management – collection rate** – Amounts to 69% of the total budget at mid-year, this has been largely due to collection of long outstanding debts on government properties.

**Other indicators –repairs & maintenance and asset maintenance rate**

**Other indicators – repairs & maintenance and asset maintenance rate** – The Municipality has a construction plant & machinery as part of its high value assets, however its functionality is a challenge. The municipality has entered into a Service Level Agreement with Department of Transport which assists in maintenance of municipal & provincial roads.

**Debtors and billing**

This report is used to report on Council's revenue collection rates. The debtors age analysis indicates that 72% of the total debt due is reflected within the 90+ days category. The domestic debtor group constitutes 73% of the total debt. The second largest class of debtor category is Business at 10% of the total debt.

Interest of 1% is charged on accounts that are past 30 days due. The total interest levied amounts to R 31 613 825.51, this constitutes 30% of the total debt.

**Trend analysis for revenue recovery rate**

Comparing the graphs in the financial dashboard for the past three years i.e. 2020, 2019 and 2018 the following similarities were noted;

- The debt collection strategy was not implemented resulting in low collection rates.
- The collection strides are reported to the council structures on a quarterly basis. There has been an improvement of collection rate which is currently at 69%, this has been achieved through aggressive strategies which include disconnections for defaulting debtors.

**Investments**

The municipality is currently utilising short-term investment to generate much needed excess funds. Quotations are sourced from different financial institutions and investments are spread to manage the risk. The balance at the end of December amounted to R 65.031 million.

The cash disclosed here is cash that relates to committed projects both funded internally and externally. Council invests the cash in these investment accounts until utilisation.

**Staff Costs**

Employee costs represent 54% of the total operating budget. Some of the personnel can be linked to service delivery activities, like plant operators. Furthermore, employee costs represent 56% of the total operating costs for the year to date.

This is as a result of the employee costs being the greatest operating cost. The ratio is to be monitored to

ensure that employee costs are indicative of the level of service that is to be delivered.

Actual employee costs are constant from month to month (fixed) and usually only fluctuate with appointments or resignations, while other operating costs vary from month to month based on demand and procurement processes.

It must however be noted that the other operating expense line items are significantly under-spent i.e. contracted services, bulk purchases and repairs and maintenance, hence the ratio would be lower if the total operating expenditure would increase. If more expenditure had been incurred, the year to date ratio would have been lower and in line with the budgeted percentage.

#### **Project expenditure**

5% of internally generated project expenditure has been spent as at the end of December 2021. The amount still to be spent is for 2 vehicles and computer equipment which is yet to be delivered to the municipality.

- Challenges still exist with the mSCOA financial system that is still difficult to use by the internal users, resulting in overreliance on external service providers.
- Non-cooperation from residential consumers, resulting in little revenue collection.
- Cash flow projections needs to be revised for operating and capital expenditure.
- Free basic services not being rolled out to all residents (Eskom exclusion).

#### **1.1.3: Remedial Action taken on Audit Outcomes of Prior Year**

Emalahleni Municipality had an unqualified audit opinion for the 2020/2021 financial year.

The Municipality has put extensive effort into implementing the recommendations in respect of prior year's findings that were made during the previous audit. All the audit recommendations have been actioned through an audit action plan where progress is regularly monitored. The detailed audit action plan forms part of the 2021 Annual Report. Regular updates on the implementation of agreed upon actions will be given to authoritative structures of the Council.

The Annual Report of the 2021 financial year and the Oversight Report are yet to be done due to the 2020/2021 audit that has not been concluded now in January 2022.

#### 1.1.4: Mid-Year Performance Assessment

##### **Municipal adjustments budgets**

- (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget—
- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
  - (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for;
  - (c) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
  - (d) may authorize the utilization of projected savings in one vote towards spending under another vote;
  - (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
  - (f) may correct any errors in the annual budget; and
  - (g) may provide for any other expenditure within a prescribed framework.

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia for the following:

"An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year."

The annual budget is approved for 'Total Revenue by Source' and below is a table reflecting financial performance for the first half of the year (July 2021 – December 2021).

**MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021**

**EC136 Emalahleni (Ec) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment**

Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		9 893	11 000	-	652	7 791	5 500	2 291	42%	
Service charges - electricity revenue		14 041	15 000	-	1 243	7 674	7 500	174	2%	
Service charges - water revenue		-	-	-	-	-	-	-	-	
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	
Service charges - refuse revenue		9 570	5 000	-	875	5 220	2 500	2 720	109%	
Rental of facilities and equipment		208	544	-	30	343	272	71	26%	
Interest earned - external investments		2 274	4 000	-	232	1 757	2 000	(243)	-12%	
Interest earned - outstanding debtors		5 266	3 130	-	540	3 120	1 565	1 555	99%	
Dividends received		-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		1 032	150	-	3	78	75	3	4%	
Licences and permits		1 436	4 010	-	53	705	2 005	(1 300)	-65%	
Agency services		1 712	1 529	-	169	1 212	765	447	58%	
Transfers and subsidies		165 248	145 852	-	43 495	104 249	106 203	(1 954)	-2%	
Other revenue		1 065	316	-	4	244	158	86	55%	
Gains		-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>212 545</b>	<b>190 532</b>	<b>-</b>	<b>47 296</b>	<b>132 395</b>	<b>128 543</b>	<b>3 852</b>	<b>3%</b>	
<b>Expenditure By Type</b>										
Employee related costs		86 420	95 936	-	8 439	43 925	47 968	(4 043)	-8%	
Remuneration of councillors		13 239	13 600	-	1 119	5 799	6 800	(1 001)	-15%	
Debt impairment		8 324	3 000	-	-	-	1 500	(1 500)	-100%	
Depreciation & asset impairment		34 340	20 000	-	1 271	8 144	10 000	(1 856)	-19%	
Finance charges		1 366	60	-	-	1	30	(29)	-96%	
Bulk purchases - electricity		13 185	12 000	-	397	8 655	6 000	2 655	44%	
Inventory consumed		3 710	5 893	-	185	991	2 946	(1 955)	-66%	
Contracted services		16 245	9 883	-	2 034	8 052	4 942	3 110	63%	
Transfers and subsidies		349	901	-	130	131	451	(320)	-71%	
Other expenditure		23 263	26 522	-	2 606	11 965	13 261	(1 296)	-10%	
Losses		276	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>200 717</b>	<b>187 795</b>	<b>-</b>	<b>16 179</b>	<b>87 664</b>	<b>93 898</b>	<b>(6 234)</b>	<b>-7%</b>	
<b>Surplus/(Deficit)</b>		<b>11 828</b>	<b>2 736</b>	<b>-</b>	<b>31 117</b>	<b>44 731</b>	<b>34 646</b>	<b>10 086</b>	<b>0</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		62 872	52 951	-	-	13 113	25 275	(12 163)	(0)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>74 699</b>	<b>55 687</b>	<b>-</b>	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>		<b>55 687</b>	
Taxation		-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after taxation</b>		<b>74 699</b>	<b>55 687</b>	<b>-</b>	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>		<b>55 687</b>	
Attributable to minorities		-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>		<b>74 699</b>	<b>55 687</b>	<b>-</b>	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>		<b>55 687</b>	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>		<b>74 699</b>	<b>55 687</b>	<b>-</b>	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>		<b>55 687</b>	

## OPERATING REVENUE

Revenue achieved to date including operating transfers is 3% (R3,852 million) above the year-to-date budget. When operating transfers are excluded, revenue achieved is 4,5% (R5,806 million) above the year to date budget.

The over-performance is mainly due to good performance of Property rates and refuse revenue, interest on debtors and agency fees should be adjusted upward due to significant over-collection of 49% and 109%, 99% and 58% respectively.

The total revenue as at end of December for billed services amounts to R13,308 million which is in line with the billed amounts R 19,197 million. The amount collected amounts to R 13,308 million which represents a collection rate of 69,33%, see below.

SERVICE	BILLING	COLLECTION	COLLECTION %
Rates	R 8 553 689,44	- R 5 821 907,60	68,06%
Refuse	R 7 536 500,87	- R 805 066,82	10,68%
Electricity	R 2 766 869,17	- R 6 601 417,75	238,59%
Rental	R 339 595,24	- R 79 830,50	23,51%
<b>TOTAL</b>	<b>R 19 196 654,72</b>	<b>- R13 308 222,67</b>	<b>69,33%</b>

The overall collection rate including all revenue streams is currently at 69,33% as at end of December 2021. The overall collection rate excludes the transfers and subsidy as this would distort the actual collection due to Grants being statutory receipts and do not require any collection effort from the Municipality. Please see the overall collection rate breakdown below.

SERVICE	BILLING	COLLECTION	COLLECTION %
Rates	R8 553 689,44	R5 821 907,60	68,06%
Refuse	R7 536 500,87	R805 066,82	10,68%
Electricity	R2 766 869,17	R6 601 417,75	238,59%
Rental	R339 595,24	R79 830,50	23,51%
<b>TOTAL</b>	<b>R19 196 654,72</b>	<b>R13 308 222,67</b>	<b>69,33%</b>
<b>Other Revenue :</b>			
Interest -external investments	R2 000 000	R1 757 000	88%
Interest-outstanding debtors	R1 565 000	R3 120 000	199%
Fines,penalties and forfeits	R75 000	R78 000	104%
Licences ad permits	R2 005 000	R705 000	35%
Agency services	R765 000	R1 212 000	158%
Other Revenue	R158 000	R244 000	155%
<b>TOTAL</b>	<b>R25 764 654,72</b>	<b>R20 424 222,67</b>	<b>79,27%</b>

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

A full year forecast based on the current trends (assuming performance of first semester remains the same) indicates that the municipality will end the year with an over-performance of revenue by at least R8 million.

Property rates and refuse revenue, interest on debtors and agency fees should be adjusted upward due to significant over-collection of 49% and 109%, 99% and 58% respectively.

It would be advisable to adjust Property rates and Service Charges in line with the current collection rates so to not give an unrealistic expectation of revenue where in actual fact that amount would not be collected.

Licence fees and interest on Investments, should be considered for a downward adjustment due to under-collection of 65% and 12% respectively and all other incomes be kept the same in order to bring the budget in line with current trends, (C4).

### OPERATING EXPENDITURE

<u>Expenditure By Type</u>											
Employee related costs	86 420	95 936	-	8 439	43 925	47 968	(4 043)	-8%	95 936		
Remuneration of councilors	13 239	13 600	-	1 119	5 799	6 800	(1 001)	-15%	13 600		
Debt impairment	8 324	3 000	-	-	-	1 500	(1 500)	-100%	3 000		
Depreciation & asset impairment	34 340	20 000	-	1 271	8 144	10 000	(1 856)	-19%	20 000		
Finance charges	1 366	60	-	-	1	30	(29)	-96%	60		
Bulk purchases - electricity	13 185	12 000	-	397	8 655	6 000	2 655	44%	12 000		
Inventory consumed	3 710	5 893	-	185	991	2 946	(1 955)	-66%	5 893		
Contracted services	16 245	9 883	-	2 034	8 052	4 942	3 110	63%	9 883		
Transfers and subsidies	349	901	-	130	131	451	(320)	-71%	901		
Other expenditure	23 263	26 522	-	2 606	11 965	13 261	(1 296)	-10%	26 522		
Losses	276	-	-	-	-	-	-	-	-		
<b>Total Expenditure</b>	<b>200 717</b>	<b>187 795</b>	<b>-</b>	<b>16 179</b>	<b>87 664</b>	<b>93 898</b>	<b>(6 234)</b>	<b>-7%</b>	<b>187 795</b>		

Operating expenditure incurred is 7% (R6,234 million) below the year-to-date budget. All expenditures are under spent at this stage except for Contracted Services which is 63% (R3,110 million) overspent (Mostly increase in legal costs and security costs), bulk purchases are 44% (R2,655 million) overspent and Other (general) expenditure which is 28% overspent.

Debt impairment, finance charges and inventory consumed contributed the most in the under expenditures with 100%, 96% and 66%, respectively. This is due to finance charges are calculated at year end, these expenses also contributed to the overall underspending (saving).

The Budget consumption report generated as at 31 December 2021 suggest that there are certain votes within Directorates that have been under budgeted for, i.e. security costs, fuel, telephone, fleet Maintenance, audit fees and legal costs. An adjustment of budget for votes within a Directorate should be undertaken to ensure that no unauthorized expenditure is incurred.

Financial computations exercise will be done on Debt impairment and Depreciation to determine the appropriateness of the current budgeted amounts, so an adjustment can be made should there be a need to avoid unauthorized expenditure on these votes.

**MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021**

It is important to note that due to the expected downward adjustment of Revenue there will be no budget to fund any increases in expenditure and Directorates will need to assist by decreasing some of the existing expenditure budgets.

## **CAPITAL EXPENDITURE**

EC136 Emalahleni (Ec) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - Mid-Year Assessment											
Vote Description R thousand	Ref	2020/21		Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>Capital expenditure - Municipal Vote</b>											
<b>Expenditure of multi-year capital appropriation</b>											
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-	
1.1 - [Name of sub-vote]											
Vote 2 - Corporate Services		-	300	-	89	84	150	(66)	-44%	300	
2.1 - [Name of sub-vote]											
Vote 3 - Budget and Treasury	29	80	-	-	-	-	40	(40)	-100%	80	
3.1 - [Name of sub-vote]											
Vote 4 - PEDA		-	-	-	-	-	-	-	-	-	
4.1 - [Name of sub-vote]											
Vote 5 - Community Services and Social Services	16 174	12 723	-	-	368	2 129	5 563	(3 434)	-62%	12 723	
5.1 - [Name of sub-vote]											
Vote 6 - Infrastructure Development and Human Settlement	6 942	41 974	-	-	2 788	20 749	13 420	7 329	55%	41 974	
6.1 - [Name of sub-vote]											
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	
7.1 - [Name of sub-vote]											
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	
8.1 - [Name of sub-vote]											
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	
9.1 - [Name of sub-vote]											
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	
10.1 - [Name of sub-vote]											
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	
11.1 - [Name of sub-vote]											
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	
12.1 - [Name of sub-vote]											
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	
13.1 - [Name of sub-vote]											
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	
14.1 - [Name of sub-vote]											
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	
15.1 - [Name of sub-vote]											
Total multi-year capital expenditure		23 144	55 078	-	3 217	22 863	18 173	3 788	20%	55 078	
<b>Capital expenditure - Municipal Vote</b>											
<b>Expenditure of single-year capital appropriation</b>											
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-	
1.1 - [Name of sub-vote]											
Vote 2 - Corporate Services		728	-	-	-	-	-	-	-	-	
2.1 - [Name of sub-vote]											
Vote 3 - Budget and Treasury		1 515	1 000	-	-	-	500	(500)	-100%	1 000	
3.1 - [Name of sub-vote]											
Vote 4 - PEDA		-	-	-	-	-	-	-	-	-	
4.1 - [Name of sub-vote]											
Vote 5 - Community Services and Social Services		1 204	300	-	258	258	50	208	415%	300	
5.1 - [Name of sub-vote]											
Vote 6 - Infrastructure Development and Human Settlement		18 855	400	-	-	2 940	200	2 740	1370%	400	
6.1 - [Name of sub-vote]											
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	
7.1 - [Name of sub-vote]											
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	
8.1 - [Name of sub-vote]											
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	
9.1 - [Name of sub-vote]											
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	
10.1 - [Name of sub-vote]											
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	
11.1 - [Name of sub-vote]											
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	
12.1 - [Name of sub-vote]											
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	
13.1 - [Name of sub-vote]											
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	
14.1 - [Name of sub-vote]											
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	
15.1 - [Name of sub-vote]											
Total single-year capital expenditure		22 102	1 700	-	258	3 198	750	2 448	0	1 700	
Total Capital Expenditure		45 248	56 776	-	3 474	26 161	19 923	6 238	0	56 776	

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Table C5 below reflects the capital expenditure for the mid-year of the 2021/2022 financial year by "municipal vote". The capital expenditure at the end of the mid-year of 2021/2022 is R26,161 million which results to an expenditure of R17,271 million for the quarter with a variance of 214% compared to the quarter 02 projection of R8,062 million. This expenditure for the mid-year has assisted the municipality to catch up of capital expenditure which started off slowly in the first quarter.

Also, to be noted is the fact that there is a high possibility of downward adjustment of Revenue meaning there will be even lesser revenue and that leaves no room for any additional capital expenditure that would need to be financed by internal funding.

### MIG (MUNICIPAL INFRASTRUCTURE GRANTS)

- The capital expenditure funded from National grant funding amounted to R17,279 million compared to the projected budget for the quarter of R7,735 million, resulting in a 123% (R 9.544 million) over performance.
- The capital expenditure funded from internally generated funding amounted to R68 723 compared to the projected year to date budget of R906 000, resulting in a 92.5% (R837 277) under performance. Even though the actual expenditure is low R1.380 million has already been committed and is expected to be spent during the third quarter. This amount pertains to 2 motor vehicles for corporate services (R1 million), Electricity vehicle (R250 000), construction of tender box for BTO (R 80 000) and a refuse collection truck (R 500 000).
- This would mean the budget will now need to be corrected and adjusted to be in line with the revised capital implementation plan and thus this necessitates an adjustment budget.
- The Paving of Mavuya project needs to be added to the MIG budget via an adjustment budget.

**PMU EXPENDITURE REPORT DERIVED FROM APPROVED PIP (JULY 2021)**

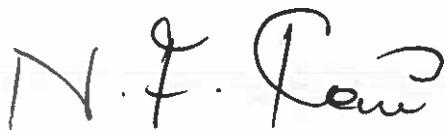
Name of Municipality		Project Title	Registered MIG Funds	Award Amount	Variation Order	New Award Amount	Savings	Planned Expenditure Budget for FY 21/22	Total planned expenditure on MIG for
MIS Form ID	National Registration Number (as on the MIG-MIS)								
306786	R/EC/16550/20/22	Paving of Zakhele Location Phase2 Ward 4	R 11 413 290,00	R 9 567 505,13	R 1 452 643,17	R11 020 148,30	R 393 141,70	R29 177,90	R29 177,90
306867	R/EC/16467/20/22	Paving of Sinakho Location	R 11 413 290,00	R10 055 668,63	R 1 165 322,93	R11 220 991,56	R 192 298,44	R52 443,96	R52 443,96
315988	CS/EC/15831/19/21	Cemetery Development Indwe (Ward 17)	R3 780 000,00	R 3 633 985,56		R 3 633 985,56	R 146 014,44	R1 300 000,00	R800 934,16
306422	R/EC/15899/19/22	Paving of Mavuya	R 13 963 937,11	R 9 016 556,04	R 4 947 352,30	R13 963 908,34	R 28,77	R3 300 000,00	R906 848,92
316059	CS/EC/15830/19/20	Construction of DDX Sport Field Phase 2	R 8 219 383,60	R 7 328 750,25	R -	R 7 328 750,25	R 890 633,35	R7 372 739,06	R5 457 454,31
300415	CS/EC/1534/18/19	Rehabilitation of Indwe Sports Field Phase 1	R -			R -	R -	R300 000,00	R300 000,00
339330	EC2019/20/11/139	Jinginya Access Road at Ngaka Village (Ward 17)	R 8 400 000,00	R 7 467 595,78	R -	R 7 467 595,78	R 932 404,22	R28 000,00	R28 000,00
339878	R/EC/16985/20/22	Dlamini Access Road (Ward 5, 6 and 7)	R11 340 000,01	R 718 496,91		R 718 496,91	R10 621 503,10	R8 374 190,75	R2 559 556,85
340593	R/EC/17439/20/22	Gadume Access Road (Ward 13)	R11 339 999,99	R10 291 404,54	R -	R10 291 404,54	R 1 048 595,43	R7 109 096,36	R171 543,18
340457	R/EC/16986/20/22	Wisele Access Road at Umhlonga (Ward 14)	R12 420 000,00	R 730 434,78		R 730 434,78	R11 689 565,22	R3 845 601,97	R3 088 541,67
396871		Public Toilets - Cocodu	R 3 800 000,00			R -	R 3 800 000,00	R1 800 000,00	R1 409 656,97
N/A	N/A	PMU 5%	1 763 750,00	1 763 750,00	R -	R 1 763 750,00	R -	R1 763 750,00	R46 311,69
			R94 073 650,71	R60 574 147,62	R7 565 318,40	R68 139 466,02	R29 714 184,69	R35 275 000,00	R14 850 469,6

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Employee Costs have possibly been slightly over budgeted and require scrutiny of possible savings and appropriate downward adjustment where necessary.

All underspent Capital Projects need to be evaluated and progress compared to their business plans and procurement plans to determine whether an adjustment in budget is necessary.

Management will need to decide whether any of the internally funded projects will be sustainable and economically viable to be funded by own funds.

A handwritten signature in black ink, appearing to read "N.F. Koni".

Honorable. Cllr N. Koni

**MAYOR**

**DATE: 25 JANUARY 2022**

## Section 2 -Resolutions

### Resolutions

If the mid-year review is tabled to the Mayor by the Accounting Officer resolutions dealing with at least the following matters must be prepared and presented as part of the documentation, as may be relevant-

- (a) noting the mid-year budget and performance assessment referred to in section 72 of the Act; (d ) noting the in-year reports of any municipal entities
- (b) noting the monthly budget statement and any supporting documents;
- (c) noting the quarterly report on the implementation of the budget and the financial affairs for the municipality referred to in section 52(d) of the Act:

### MID-YEAR BUDGET AND PERFORMANCE REPORT

This is the resolution that will be presented to Council when the Mid-Year Budget and Performance Assessment is tabled:

#### RECOMMENDATION:

That the Mayor takes cognizance of the 2021/2022 Mid-Year Budget and Performance Assessment as tabled in terms of Section 54 of the Municipal Finance Management Act

That a revised budget for 2021/2022 financial year be submitted to Council to accommodate all new allocations and any other adjustments as raised on the report that will affect the budget as well as the Service Delivery Budget and Implementation Plan.

## Section 3 -Executive Summary

### Executive Summary

The executive summary of the mid-year budget and performance assessment must, in addition to the information in executive summary of the monthly budget statement as well as on the quarterly report on the implementation of the budget and the financial affairs for the municipality provide a summary of the impact of the national adjustments budget and the relevant provincial adjustments budget.

### 3.1 Introduction

The Mid-Year Review has been prepared in terms of the Municipal Budget and Reporting Regulations (as per the prescribed formats)

It must be noted that in all instances where the tables contained within this report include the audited outcomes for 2018/19 that these results are based on the audited annual financial statements that were audited by the Auditor General in accordance with Section 126 (3) of the Municipal Finance Management Act.

### FINANCIAL

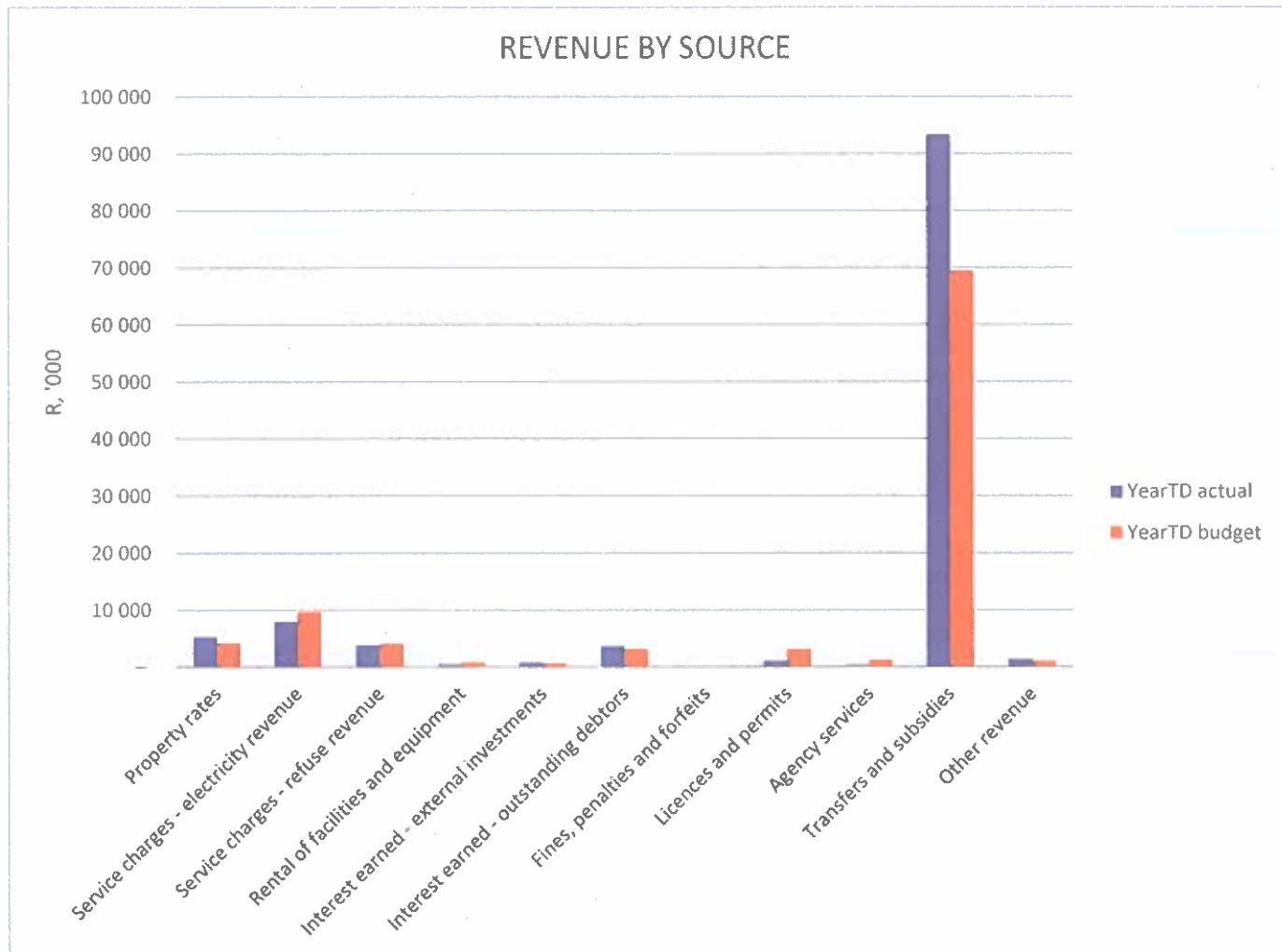
#### (a) Operating Revenue

**EC136 Emalahleni (Ec) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment**

Description R thousands	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue By Source</b>										
Property rates		9 893	11 000	-	652	7 791	5 500	2 291	42%	11 000
Service charges - electricity revenue		14 041	15 000	-	1 243	7 674	7 500	174	2%	15 000
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		9 570	5 000	-	875	5 220	2 500	2 720	109%	5 000
Rental of facilities and equipment		208	544	-	30	343	272	71	26%	544
Interest earned - external investments		2 274	4 000	-	232	1 757	2 000	(243)	-12%	4 000
Interest earned - outstanding debtors		5 266	3 130	-	540	3 120	1 565	1 555	99%	3 130
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 032	150	-	3	78	75	3	4%	150
Licences and permits		1 436	4 010	-	53	705	2 005	(1 300)	-65%	4 010
Agency services		1 712	1 529	-	169	1 212	765	447	58%	1 529
Transfers and subsidies		165 248	145 852	-	43 495	104 249	106 203	(1 954)	-2%	145 852
Other revenue		1 865	316	-	4	244	158	86	55%	316
Gains		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>212 545</b>	<b>190 532</b>	<b>-</b>	<b>47 296</b>	<b>132 395</b>	<b>128 543</b>	<b>3 852</b>	<b>3%</b>	<b>190 532</b>

**(See Table C4 above for details on the Operating Revenue information)**

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021



(See Table C4 for details on the Operating Revenue information)

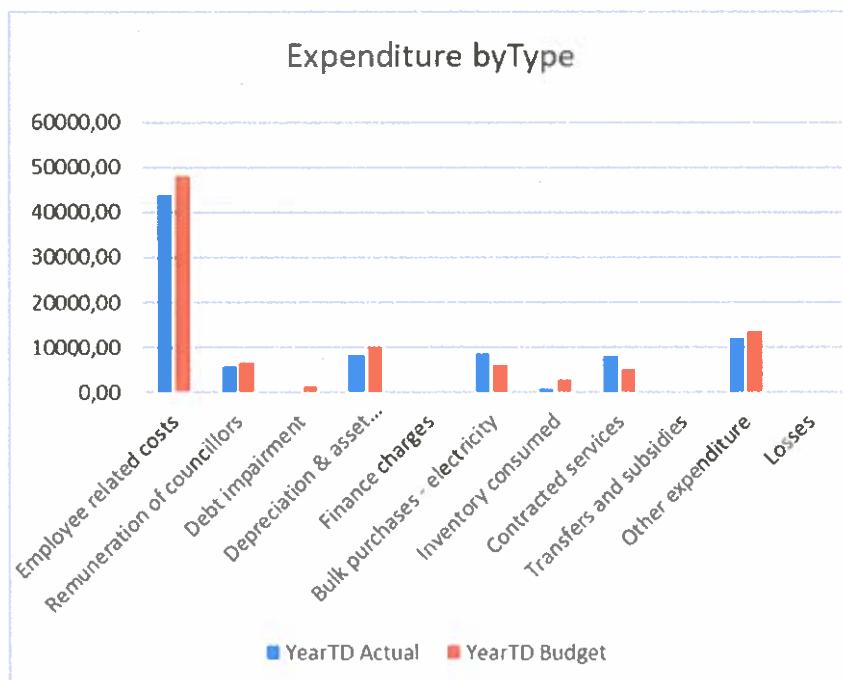
Revenue achieved to date including operating transfers is 3% (R3,852 million) above the year-to-date budget. This is mainly due to the transfer grants amount of R1104,249 million received at this time. However, when operating transfers are excluded, revenue achieved is 26% (5806 million) above the year to date budget.

The over-performance is mainly caused by the better than expected performance of the following revenue streams when compared to their budgeted amounts. Refuse over-performed by 109% (R2,720 million), interest on debtors over-performed by 99% (R1,555 million), Rates revenue over-performed by R2,291 million (42%).

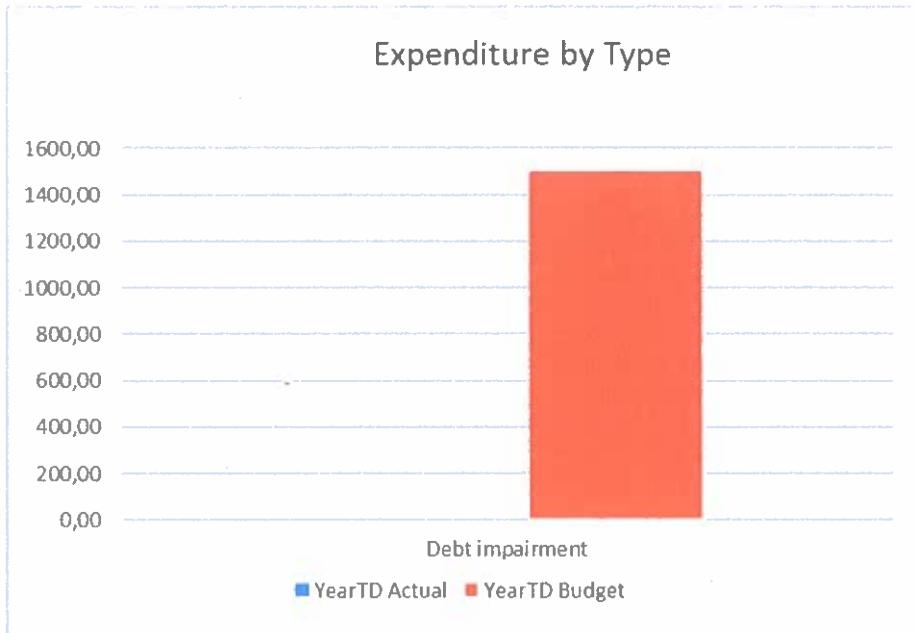
MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

**(b) Operating Expenditure**

<u>Expenditure By Type</u>											
Employee related costs	86 420	95 936	-	8 439	43 925	47 968	(4 043)	-8%	95 936		
Remuneration of councillors	13 239	13 600	-	1 119	5 799	6 800	(1 001)	-15%	13 600		
Debt impairment	8 324	3 000	-	-	-	1 500	(1 500)	-100%	3 000		
Depreciation & asset impairment	34 340	20 000	-	1 271	8 144	10 000	(1 856)	-19%	20 000		
Finance charges	1 366	60	-	-	1	30	(29)	-96%	60		
Bulk purchases - electricity	13 185	12 000	-	397	8 655	6 000	2 655	44%	12 000		
Inventory consumed	3 710	5 893	-	185	991	2 946	(1 955)	-66%	5 893		
Contracted services	16 245	9 883	-	2 034	8 052	4 942	3 110	63%	9 883		
Transfers and subsidies	349	901	-	130	131	451	(320)	-71%	901		
Other expenditure	23 263	26 522	-	2 606	11 965	13 261	(1 296)	-10%	26 522		
Losses	276	-	-	-	-	-	-	-	-		
<b>Total Expenditure</b>	<b>200 717</b>	<b>187 795</b>	<b>-</b>	<b>16 179</b>	<b>87 664</b>	<b>93 898</b>	<b>(6 234)</b>	<b>-7%</b>	<b>187 795</b>		



## MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021



All expenditures are under spent at this stage except for Bulk purchases (44%) over-spent, contracted Services which is 63% overspent. These are an indication of a possible underbudgeting and should scrutinized to ensure sufficient budget has been provided.

Debt impairment, finance charges and inventory consumed contributed the most in the under expenditures with 100%, 96% and 66%, respectively. This is due to finance charges are calculated at year end, these expenses also contributed to the overall underspending (saving)

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

**( c ) Capital Expenditure**

EC136 Ematahlezi (Ex) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - Mid-Year Assessment

Vote Description R thousand	Ref	2020/21 Audited Outcome	Budget Year 2021/22							Full Year Forecast	
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %		
<b>Capital expenditure - Municipal Vote</b>											
Expenditure of multi-year capital appropriation			-	-	-	-	-	-	-	-	
Vote 1 - Executive and council			-	-	-	-	-	-	-	-	
1.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 2 - Corporate Services			300	-	69	84	158	(66)	-14%	300	
2.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 3 - Budget and Treasury			29	80	-	-	-	40	(40)	-100%	80
3.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 4 - PEDA			-	-	-	-	-	-	-	-	
4.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 5 - Community Services and Social Services			16 174	12 723	-	360	2 129	5 863	(3 434)	-62%	12 723
5.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 6 - Infrastructure Development and Human Settlement			6 942	41 974	-	2 784	20 749	13 420	7 329	55%	41 974
6.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 7 - COMMUNITY & SOCIAL SERVICES			-	-	-	-	-	-	-	-	
7.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	
8.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	
9.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	
10.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	
11.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	
12.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	
13.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	
14.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	
15.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
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<b>Capital expenditure - Municipal Vote</b>											
Expenditure of single-year capital appropriation			-	-	-	-	-	-	-	-	
Vote 1 - Executive and council			-	-	-	-	-	-	-	-	
1.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 2 - Corporate Services			728	-	-	-	-	-	-	-	
2.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 3 - Budget and Treasury			1 815	1 900	-	-	-	800	(800)	-100%	1 000
3.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 4 - PEDA			-	-	-	-	-	-	-	-	
4.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
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Vote 6 - Infrastructure Development and Human Settlement			18 655	400	-	-	2 940	200	2 740	1370%	400
6.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 7 - COMMUNITY & SOCIAL SERVICES			-	-	-	-	-	-	-	-	
7.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	
8.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	
9.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	
10.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	
11.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	
12.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	
13.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	
14.1 - [Name of sub-vote]			-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	
Total single-year capital expenditure			22 102	1 700	-	258	3 198	750	2 448	0	1 700
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## MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

This expenditure for the mid-year has assisted the municipality to catch up of capital expenditure which started off slowly in the first quarter.

Also, to be noted is the fact that there is a high possibility of downward adjustment of Revenue meaning there will be even lesser revenue and that leaves no room for any additional capital expenditure that would need to be financed by internal funding.

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This would mean the budget will now need to be corrected and adjusted to be in line with the revised capital implementation plan and thus this necessitates an adjustment budget.

Below is the performance of all the MIG projects to be considered in comparison to the business plan.

PMU EXPENDITURE REPORT DERIVED FROM APPROVED PIP (JULY 2021)													
Project Title	Name of Municipality		Variances Order	Net Award Amount	Savings	Planned Expenditure Budget for FY	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total planned expenditure on ALTB for
	Registered MIG Funds	Award Amount											
Paving of Zuluhe Location Phase2 Ward 4	R 11 413 290,00	R 9 567 505,13	R 1 452 643,17	R11 020 148,30	R 393 141,70	R29 177,90	R0,00	R0,00	R0,00				R29 177,90
Paving of Sinalpha Location	R 11 413 290,00	R10 055 668,63	R 1 165 322,93	R11 220 991,56	R 192 298,44	R52 443,96	R0,00	R0,00	R0,00				R52 443,96
Cemetery Development Induna (Ward 17)	R3 780 000,00	R 3 633 985,56		R 3 633 985,56	R 146 014,44	R1 300 000,00	R0,00	R152 775,14	R346 290,70				R600 934,16
Paving of Merviva	R 13 963 937,11	R 9 016 556,04	R 4 947 352,30	R13 963 908,34	R 28,77	R3 300 000,00	R0,00	R184 091,20	R0,00		R1 772 411,83	R436 648,05	R906 848,92
Construction of DOX Sport Field Phase 2	R 8 219 383,60	R 7 328 750,25	R -	R 7 328 750,25	R 890 633,35	R7 372 739,06	R0,00	R0,00	R107 946,66	R447 933,31	R895 466,87	R363 937,91	R5 457 454,31
Rehabilitation of Induna Sports Field Phase 1	R -	R -	R -	R -	R300 000,00		R0,00	R0,00	R0,00				R300 000,00
Jingini Access Road at Nekos Village (Ward 1)	R 8 400 000,00	R 7 467 595,78	R -	R 7 467 595,78	R 932 404,22	R28 000,00	R0,00	R0,00	R0,00				R28 000,00
Dlamini Access Road (Ward 5, 6 and 7)	R11 340 000,01	R 718 496,91		R 718 496,91	R10 421 503,10	R8 374 190,75	R418 534,47	R0,00	R159 581,95	R832 367,26	R3 277 247,73	R1 096 882,49	R2 559 556,85
Godlune Access Road (Ward 13)	R11 339 999,99	R10 291 404,54	R -	R10 291 404,54	R 1 048 595,45	R7 169 096,36	R434 221,69	R0,00	R171 759,37	R828 690,00	R4 158 639,70	R1 344 242,42	R1 715 543,10
Wilele Access Road at Umhlongo (Ward 14)	R12 420 000,00	R 730 434,78		R 730 434,78	R11 689 565,22	R3 845 601,97	R0,00	R0,00	R0,00	R95 000,00		R216 060,30	R3 088 541,67
Public Toilets - Cacadu	R 3 800 000,00			R -	R 3 800 000,00	R1 800 000,00	R0,00	R0,00	R0,00			R390 343,03	R1 409 656,97
PMU 5%	1 763 750,00	1 763 750,00	R -	R 1 763 750,00	R -	R1 763 750,00	R332 872,96	R332 872,96	R355 205,12	R358 126,25	R338 361,02	R46 311,69	
	R94 073 650,71	R60 574 147,62	R7 565 318,40	R68 139 466,02	R29 714 184,69	R35 275 000,00	R1 185 629,12	R669 739,10	R1 665 783,00	R2 467 136,82	R10 804 187,45	R3 632 253,90	R14 850 469,61

## Section 4-In Year Budget Tables

### 4.1 Monthly Budget Statement

#### In year-budget statement

If a municipality does not have any municipal entities, the in-year budget statement tables must consist of the tables in the First Attachment to this Schedule, namely-

- (a) Table C1 s71 Monthly Budget Statement
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Table C3 Monthly Budget Statement- Financial Performance (revenue and expenditure)
- (d) Table C4 Monthly Budget Statement- (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement-Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement-Financial Position
- (f) Table C7 Monthly Budget Statement-Cash-flow

*The tables included in section 4 to the end of this report are from the 'Schedule Monthly Budget Statement'*

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

## 4.1.1 Table C1: S71 Monthly Budget Statement Summary

EC136 Emalahleni (Ec) - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2020/21		Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	9 893	11 000	-	652	7 791	5 500	2 291	42%	11 000
Service charges	23 611	20 000	-	2 118	12 894	10 000	2 894	29%	20 000
Investment revenue	2 274	4 000	-	232	1 757	2 000	(243)	-12%	4 000
Transfers and subsidies	165 248	145 852	-	43 495	104 249	106 203	(1 954)	-2%	145 852
Other own revenue	11 519	9 680	-	799	5 703	4 840	863	18%	9 680
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>212 545</b>	<b>190 532</b>	-	<b>47 296</b>	<b>132 395</b>	<b>128 543</b>	<b>3 852</b>	<b>3%</b>	<b>190 532</b>
Employee costs	86 420	95 936	-	8 439	43 925	47 968	(4 043)	-8%	95 936
Remuneration of Councillors	13 239	13 600	-	1 119	5 799	6 800	(1 001)	-15%	13 600
Depreciation & asset impairment	34 340	20 000	-	1 271	8 144	10 000	(1 856)	-19%	20 000
Finance charges	1 366	60	-	-	1	30	(29)	-96%	60
Inventory consumed and bulk purchases	16 895	17 893	-	582	9 647	8 946	700	8%	17 893
Transfers and subsidies	349	901	-	130	131	451	(320)	-71%	901
Other expenditure	48 108	39 405	-	4 639	20 017	19 703	314	2%	39 405
<b>Total Expenditure</b>	<b>200 717</b>	<b>187 795</b>	-	<b>16 179</b>	<b>87 664</b>	<b>93 898</b>	<b>(6 234)</b>	<b>-7%</b>	<b>187 795</b>
<b>Surplus/(Deficit)</b>	<b>11 828</b>	<b>2 736</b>	-	<b>31 117</b>	<b>44 731</b>	<b>34 646</b>	<b>10 086</b>	<b>29%</b>	<b>2 736</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	62 872	52 951	-	-	13 113	25 276	###	-48%	52 951
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	###	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>74 699</b>	<b>55 687</b>	-	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>	<b>(2 077)</b>	<b>-3%</b>	<b>55 687</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>74 699</b>	<b>55 687</b>	-	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>	<b>(2 077)</b>	<b>-3%</b>	<b>55 687</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>45 246</b>	<b>56 776</b>	-	<b>3 474</b>	<b>26 161</b>	<b>19 923</b>	<b>6 238</b>	<b>31%</b>	<b>56 776</b>
Capital transfers recognised	43 178	53 151	-	3 406	26 076	18 111	7 966	44%	53 151
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2 068	3 625	-	69	84	1 813	(1 728)	-95%	3 625
<b>Total sources of capital funds</b>	<b>45 246</b>	<b>56 776</b>	-	<b>3 474</b>	<b>26 161</b>	<b>19 923</b>	<b>6 238</b>	<b>31%</b>	<b>56 776</b>
<b>Financial position</b>									
Total current assets	82 060	59 500	-		147 770				59 500
Total non current assets	529 418	429 550	-		485 753				429 550
Total current liabilities	42 874	(222 572)	-		68 815				(222 572)
Total non current liabilities	28 967	11 500	-		28 963				11 500
Community wealth/Equity	405 383	373 004	-		477 815				373 004
<b>Cash flows</b>									
Net cash from (used) operating	2 012	22 933	-	39 552	91 056	12 078	(78 978)	-854%	22 933
Net cash from (used) investing	-	(56 776)	-	(3 947)	(28 308)	(28 388)	(81)	0%	(56 776)
Net cash from (used) financing	-	-	-	(4)	(11)	(0)	11	#####	(0)
<b>Cash/cash equivalents at the month/year end</b>	<b>7 803</b>	<b>(16 315)</b>	-	<b>-</b>	<b>(1 114)</b>	<b>1 219</b>	<b>2 333</b>	<b>191%</b>	<b>(97 694)</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Ds</b>	<b>151-180 Ds</b>	<b>181 Ds-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	2 308	2 232	2 195	2 413	4 586	1 573	1 665	93 512	110 484
<b>Creditors Age Analysis</b>									
Total Creditors	3 408	1 523	6	1	-	-	0	0	4 939

#### **4.1.2 Table C2: S71 Monthly Budget Statement -Financial Performance (standard classification)**

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

The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and lastly the Trading Services

**MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021**

**EC136 Emalahleni (Ec) - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment**

Description	Ref	2020/21		Budget Year 2021/22					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<b>Revenue - Functional</b>									
Governance and administration		195 487	155 368	-	44 134	112 175	111 443	732	1%
Executive and council		8 011	7 554	-	2 145	4 958	5 866	(908)	-15%
Finance and administration		187 476	147 814	-	41 989	107 217	105 577	1 641	2%
Internal audit		-	-	-	-	-	-	-	-
Community and public safety		2 628	4 643	-	130	1 122	2 322	(1 199)	-52%
Community and social services		1 069	4 025	-	93	693	2 013	(1 319)	-66%
Sport and recreation		-	-	-	-	-	-	-	-
Public safety		342	614	-	37	429	307	122	40%
Housing		1 217	4	-	-	-	2	(2)	-100%
Health		-	-	-	-	-	-	-	-
Economic and environmental services		45 469	37 429	-	480	9 375	9 668	(293)	-3%
Planning and development		43 496	37 429	-	480	9 375	9 668	(293)	-3%
Road transport		1 973	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-
Trading services		30 256	40 440	-	2 471	22 074	27 586	(5 511)	-20%
Energy sources		17 488	35 340	-	1 282	15 090	25 036	(9 946)	-40%
Water management		-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-
Waste management		12 768	5 100	-	1 189	6 984	2 550	4 434	174%
Other	4	1 577	5 602	-	82	762	2 801	(2 039)	-73%
<b>Total Revenue - Functional</b>	2	<b>275 417</b>	<b>243 483</b>	-	<b>47 296</b>	<b>145 508</b>	<b>153 820</b>	<b>(8 311)</b>	<b>-5%</b>
<b>Expenditure - Functional</b>									
Governance and administration		117 037	92 794	-	8 846	42 467	46 397	(3 930)	-8%
Executive and council		29 204	25 296	-	2 040	12 747	12 648	99	1%
Finance and administration		86 902	65 717	-	6 739	29 262	32 858	(3 596)	-11%
Internal audit		931	1 781	-	67	458	891	(433)	-49%
Community and public safety		16 397	35 262	-	2 554	10 032	17 631	(7 599)	-43%
Community and social services		11 057	23 455	-	1 806	6 842	11 727	(4 885)	-42%
Sport and recreation		1 857	4 574	-	402	1 282	2 287	(1 005)	-44%
Public safety		2 130	2 474	-	230	1 211	1 237	(25)	-2%
Housing		1 353	4 759	-	116	697	2 380	(1 683)	-71%
Health		-	-	-	-	-	-	-	-
Economic and environmental services		34 895	34 286	-	2 759	16 845	17 143	(298)	-2%
Planning and development		28 910	30 702	-	2 418	14 596	15 351	(755)	-5%
Road transport		5 985	3 584	-	341	2 249	1 792	457	26%
Environmental protection		-	-	-	-	-	-	-	-
Trading services		30 154	22 231	-	1 614	16 871	11 115	5 755	52%
Energy sources		18 878	18 643	-	742	11 928	9 321	2 606	28%
Water management		-	-	-	-	-	-	-	-
Waste water management		2 321	593	-	101	1 010	296	714	241%
Waste management		8 954	2 995	-	771	3 932	1 498	2 435	163%
Other		2 234	3 223	-	406	1 448	1 612	(163)	-10%
<b>Total Expenditure - Functional</b>	3	<b>200 717</b>	<b>187 795</b>	-	<b>16 179</b>	<b>87 664</b>	<b>93 898</b>	<b>(6 234)</b>	<b>-7%</b>
<b>Surplus/ (Deficit) for the year</b>		<b>74 699</b>	<b>55 687</b>	-	<b>31 117</b>	<b>57 845</b>	<b>59 922</b>	<b>(2 077)</b>	<b>-3%</b>

#### **4.1.3 Table C3: S71 Monthly Budget Statement -Financial Performance (revenue and expenditure by municipal vote)**

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

The municipal votes reflect the organizational structure of the municipality which is made up of the following Directorates:

**MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021**

- (a) Executive and Council
- (b) Corporate Services
- (c) Budget and Treasury
- (d) Economic Development Tourism and Agriculture
- (e) Community and Social Services
- (f) Infrastructure Development and Human Settlements

**EC136 Emalahleni (Ec) - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment**

Vote Description	Ref	2020/21		Budget Year 2021/22					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
<b>R thousands</b>									
<b>Revenue by Vote</b>	1								
Vote 1 - Executive and council		8 011	7 554	-	2 145	4 410	5 866	(1 456)	-24,8%
Vote 2 - Corporate Services		21 243	-	-	-	33	-	33	#DIV/0!
Vote 3 - Budget and Treasury		165 628	150 331	-	41 958	107 419	106 835	584	0,5%
Vote 4 - PEDTA		(709)	(2 049)	-	(55)	(322)	(1 025)	703	-68,6%
Vote 5 - Community Services and Social Services		17 070	14 874	-	1 486	9 503	7 437	2 065	27,8%
Vote 6 - Infrastructure Development and Human Settlement		64 174	72 773	-	1 762	24 465	34 706	(10 241)	-29,5%
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	275 417	243 483	-	47 296	145 508	153 820	(8 311)	-5,4%
<b>Expenditure by Vote</b>	1								
Vote 1 - Executive and council		31 451	28 753	-	2 333	14 044	14 376	(333)	-2,3%
Vote 2 - Corporate Services		54 997	36 072	-	2 491	10 687	18 036	(7 349)	-40,7%
Vote 3 - Budget and Treasury		21 917	24 550	-	3 378	14 324	12 275	2 049	16,7%
Vote 4 - PEDTA		8 796	14 353	-	662	3 548	7 176	(3 628)	-50,6%
Vote 5 - Community Services and Social Services		36 172	31 689	-	4 134	18 391	15 844	2 546	16,1%
Vote 6 - Infrastructure Development and Human Settlement		47 384	52 379	-	3 182	26 670	26 190	481	1,8%
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	200 717	187 795	-	16 179	87 664	93 898	(6 234)	-6,6%
<b>Surplus/ (Deficit) for the year</b>	2	74 699	55 687	-	31 117	57 845	59 922	(2 077)	-3,5%
									55 687

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

#### 4.1.4 Table C4: S71 Monthly Budget Statement -Financial Performance (revenue and expenditure)

This table shows the revenue by source as well as the expenditure by type

EC136 Emalahleni (Ec) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2020/21		Budget Year 2021/22					Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates		9 893	11 000	—	652	7 791	5 500	2 291	42%
Service charges - electricity revenue	14 041	15 000	—	1 243	7 74	7 500	174	2%	15 000
Service charges - water revenue	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue	—	—	—	—	—	—	—	—	—
Service charges - refuse revenue	9 570	5 000	—	875	5 220	2 500	2 720	109%	5 000
Rental of facilities and equipment	208	544	—	30	343	272	71	26%	544
Interest earned - external investments	2 274	4 000	—	232	1 757	2 000	(243)	-12%	4 000
Interest earned - outstanding debtors	5 266	3 130	—	540	3 120	1 565	1 555	99%	3 130
Dividends received	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits	1 032	150	—	3	78	75	3	4%	150
Licences and permits	1 436	4 010	—	53	705	2 005	(1 300)	-65%	4 010
Agency services	1 712	1 529	—	169	1 212	765	447	58%	1 529
Transfers and subsidies	165 248	145 852	—	43 495	104 249	106 203	(1 954)	-2%	145 852
Other revenue	1 865	316	—	4	244	158	86	55%	316
Gains	—	—	—	—	—	—	—	—	—
<b>Total Revenue (excluding capital transfers and contributions)</b>	212 545	190 532	—	47 296	132 395	128 543	3 852	3%	190 532
<b>Expenditure By Type</b>									
Employee related costs	86 420	95 936	—	8 439	43 925	47 968	(4 043)	-8%	95 936
Remuneration of councillors	13 239	13 600	—	1 119	5 799	6 800	(1 001)	-15%	13 600
Debt impairment	8 324	3 000	—	—	—	1 500	(1 500)	-100%	3 000
Depreciation & asset impairment	34 340	20 000	—	1 271	8 144	10 000	(1 856)	-19%	20 000
Finance charges	1 366	60	—	—	1	30	(29)	-96%	60
Bulk purchases - electricity	13 185	12 000	—	397	8 655	6 000	2 655	44%	12 000
Inventory consumed	3 710	5 893	—	185	991	2 946	(1 955)	-66%	5 893
Contracted services	16 245	9 883	—	2 034	8 052	4 942	3 110	63%	9 883
Transfers and subsidies	349	901	—	130	131	451	(320)	-71%	901
Other expenditure	23 263	26 522	—	2 606	11 965	13 261	(1 298)	-10%	26 522
Losses	276	—	—	—	—	—	—	—	—
<b>Total Expenditure</b>	200 717	187 795	—	16 178	87 664	93 898	(6 234)	-7%	187 795
<b>Surplus/(Deficit)</b>									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	11 828	2 736	—	31 117	44 731	34 646	10 086	0	2 736
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	62 872	52 951	—	—	13 113	25 276	(12 163)	(0)	52 951
Transfers and subsidies - capital (in-kind - all)	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	74 699	55 687	—	31 117	57 845	59 922	—	—	55 687
Taxation	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after taxation</b>	74 699	55 687	—	31 117	57 845	59 922	—	—	55 687
Attributable to minorities	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) attributable to municipality</b>	74 699	55 687	—	31 117	57 845	59 922	—	—	55 687
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
<b>Surplus/ (Deficit) for the year</b>	74 699	55 687	—	31 117	57 845	59 922	—	—	55 687

#### Narration:

The annual budget is approved for 'Total Revenue by Source'.

The year-to-date revenue, excluding capital transfers and contributions, reflects a positive variance of 3% million above the year-to-date budget. Refuse revenue and interest on debtors and agency services are the main contributors to this positive variance with 109%, 99% and 58% positive variances over this period.

Overall the expenditure for the period for 2021/2022 is 7% below year-to-date budget projections. Most expenditures are under spent at this stage except for bulk purchases and contracted services which is 44% overspent and 63% overspent respectively.

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

## 4.1.5 Table C5: Monthly Budget Statement -Capital Expenditure (municipal vote, standard classification and funding).

EC136 Emalahleni (Ec) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - Mid-Year Assessment

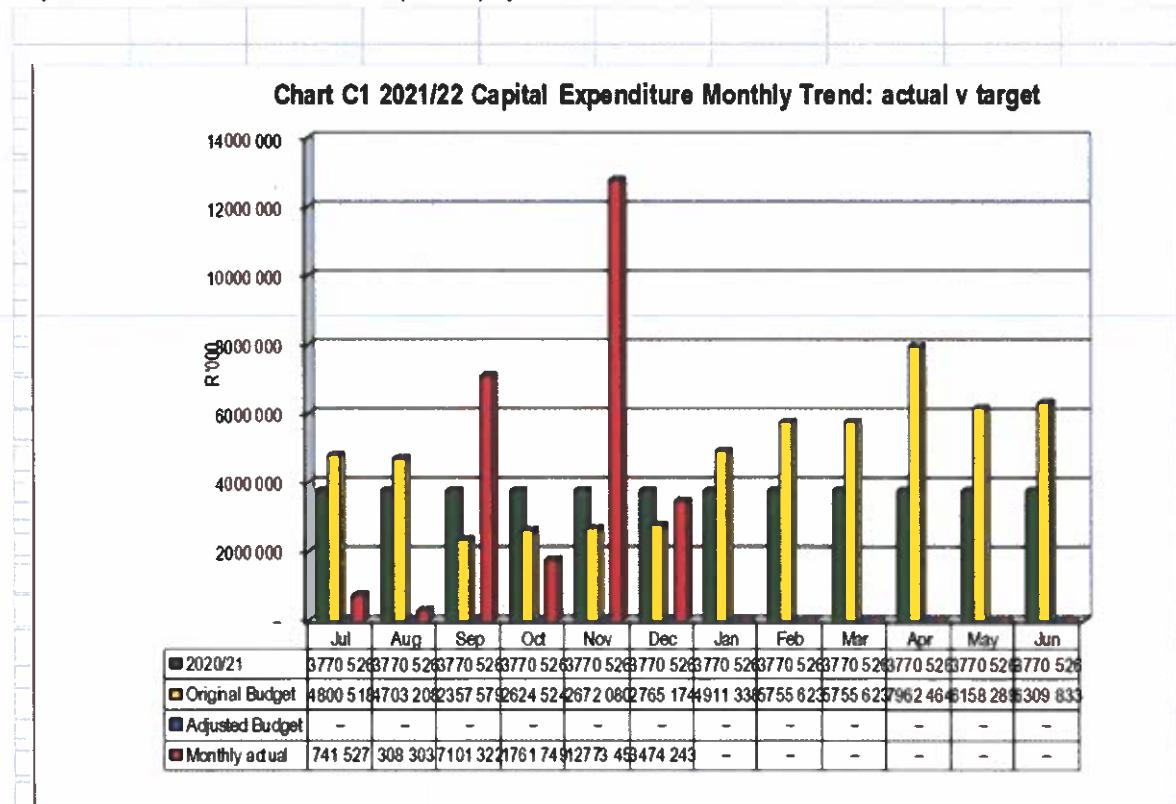
R thousand	Vote Description	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>Capital expenditure - Municipal Vote</b>											
	<b>Expenditure of multi-year capital appropriation</b>		1	-	-	-	-	-	-	-	-
	Vote 1 - Executive and council										
	1.1 - [Name of sub-vote]										
	Vote 2 - Corporate Services			-	300	-	59	54	150	(56)	-44%
	2.1 - [Name of sub-vote]										
	Vote 3 - Budget and Treasury		29	80	-	-	-	-	40	(40)	-100%
	3.1 - [Name of sub-vote]										
	Vote 4 - PEDA			-	-	-	-	-	-		
	4.1 - [Name of sub-vote]										
	Vote 5 - Community Services and Social Services		16 174	12 723	-	350	2 129	5 983	(3 434)	-62%	12 723
	5.1 - [Name of sub-vote]										
	Vote 6 - Infrastructure Development and Human Settlement		6 942	41 974	-	2 784	20 749	13 420	7 329	55%	41 974
	6.1 - [Name of sub-vote]										
	Vote 7 - COMMUNITY & SOCIAL SERVICES			-	-	-	-	-	-		
	7.1 - [Name of sub-vote]										
	Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-		
	8.1 - [Name of sub-vote]										
	Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-		
	9.1 - [Name of sub-vote]										
	Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-		
	10.1 - [Name of sub-vote]										
	Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-		
	11.1 - [Name of sub-vote]										
	Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-		
	12.1 - [Name of sub-vote]										
	Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-		
	13.1 - [Name of sub-vote]										
	Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-		
	14.1 - [Name of sub-vote]										
	Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-		
	15.1 - [Name of sub-vote]										
	<b>Total multi-year capital expenditure</b>		<b>23 144</b>	<b>56 076</b>	-	<b>3 217</b>	<b>22 943</b>	<b>19 173</b>	<b>3 789</b>	<b>20%</b>	<b>56 076</b>
<b>Capital expenditure - Municipal Vote</b>											
	<b>Expenditure of single-year capital appropriation</b>		1	-	-	-	-	-	-	-	-
	Vote 1 - Executive and council			-	-	-	-	-	-		
	1.1 - [Name of sub-vote]										
	Vote 2 - Corporate Services		728	-	-	-	-	-	-		
	2.1 - [Name of sub-vote]										
	Vote 3 - Budget and Treasury		1 515	1 000	-	-	-	500	(500)	-100%	1 000
	3.1 - [Name of sub-vote]										
	Vote 4 - PEDA			-	-	-	-	-	-		
	4.1 - [Name of sub-vote]										
	Vote 5 - Community Services and Social Services		1 204	300	-	256	258	50	206	415%	300
	5.1 - [Name of sub-vote]										
	Vote 6 - Infrastructure Development and Human Settlement		18 635	400	-	-	2 940	200	2 740	1370%	400
	6.1 - [Name of sub-vote]										
	Vote 7 - COMMUNITY & SOCIAL SERVICES			-	-	-	-	-	-		
	7.1 - [Name of sub-vote]										
	Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-		
	8.1 - [Name of sub-vote]										
	Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-		
	9.1 - [Name of sub-vote]										
	Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-		
	10.1 - [Name of sub-vote]										
	Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-		
	11.1 - [Name of sub-vote]										
	Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-		
	12.1 - [Name of sub-vote]										
	Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-		
	13.1 - [Name of sub-vote]										
	Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-		
	14.1 - [Name of sub-vote]										
	Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-		
	15.1 - [Name of sub-vote]										
	<b>Total single-year capital expenditure</b>		<b>22 102</b>	<b>1 700</b>	-	<b>256</b>	<b>3 198</b>	<b>750</b>	<b>2 448</b>	<b>0</b>	<b>1 700</b>
	<b>Total Capital Expenditure</b>		<b>45 246</b>	<b>56 776</b>	-	<b>3 474</b>	<b>25 161</b>	<b>19 923</b>	<b>6 238</b>	<b>0</b>	<b>56 776</b>

Table C5 consists of three distinct sections:

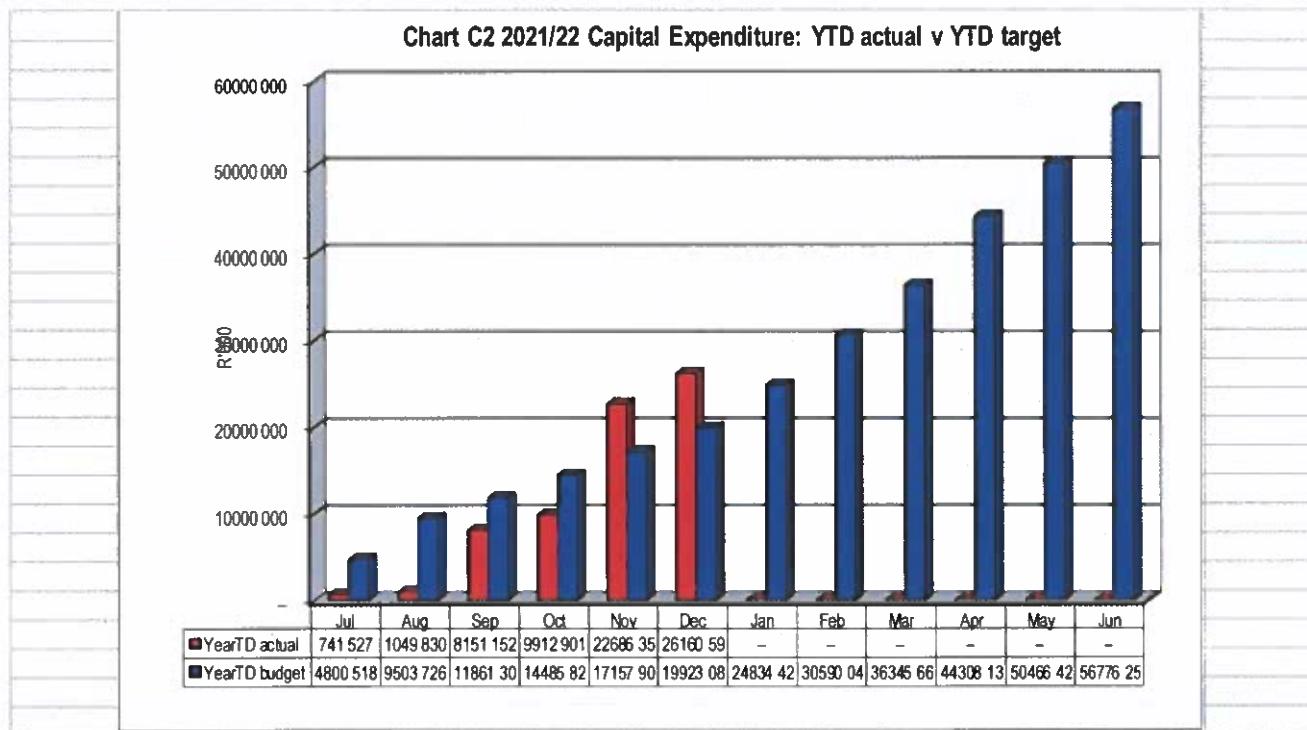
- Appropriations by vote:

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

- Which are the budget allocations that are approved by Council in the annual and adjustment budgets (similar to the expenditure by vote in Table C3).
- If any of these annual budgets (either for Council as a whole or any individual vote) is overspent, then unauthorized expenditure will have occurred. There was no unauthorized expenditure incurred in the first half of the year and no budget adjustment is necessary in that regard, however there has been a lot of under expenditures and management will need to compare progress of each capital expenditure vote determine whether a downward adjustment budget is necessary.
- **Standard classification:**
  - Similar to Table C2 this portion reflects the capital budget in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organizational structures used by the different institutions.
- **Funding portion:**
  - This section reflects how the capital budget has been funded by the different sources of capital revenue.
  - It is very important that national government grants especially MIG, are fully spent by year end otherwise they will have to be repaid to the national revenue fund.
  - Provincial grants should also be utilized but should any unspent portion remain then the provincial departments do not at this time require repayment.



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021



## 4.1.6: Table C6: Monthly Budget Statement-Financial Position

EC136 Emalahleni (Ec) - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
Current assets						
Cash		12 513	1 500	—	49 436	1 500
Call investment deposits		51 338	39 000	—	65 031	39 000
Consumer debtors		7 737	15 000	—	17 176	15 000
Other debtors		10 472	4 000	—	16 127	4 000
Current portion of long-term receivables		—	—	—	—	—
Inventory		—	0	—	—	0
<b>Total current assets</b>		<b>82 060</b>	<b>59 500</b>	<b>—</b>	<b>147 770</b>	<b>59 500</b>
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	—	—
Investment property		4 145	4 140	—	4 144	4 140
Investments in Associate		—	—	—	—	—
Property, plant and equipment		524 872	424 908	—	481 207	424 908
Biological		—	—	—	—	—
Intangible		219	320	—	219	320
Other non-current assets		183	183	—	183	183
<b>Total non current assets</b>		<b>529 418</b>	<b>429 550</b>	<b>—</b>	<b>485 753</b>	<b>429 550</b>
<b>TOTAL ASSETS</b>		<b>611 478</b>	<b>489 050</b>	<b>—</b>	<b>633 522</b>	<b>489 050</b>
<b>LIABILITIES</b>						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		—	—	—	—	—
Consumer deposits		77	50	—	89	50
Trade and other payables		42 273	(249 622)	—	68 620	(249 622)
Provisions		523	27 000	—	106	27 000
<b>Total current liabilities</b>		<b>42 874</b>	<b>(222 572)</b>	<b>—</b>	<b>68 815</b>	<b>(222 572)</b>
Non current liabilities						
Borrowing		—	—	—	—	—
Provisions		28 967	11 500	—	28 963	11 500
<b>Total non current liabilities</b>		<b>28 967</b>	<b>11 500</b>	<b>—</b>	<b>28 963</b>	<b>11 500</b>
<b>TOTAL LIABILITIES</b>		<b>71 841</b>	<b>(211 072)</b>	<b>—</b>	<b>97 778</b>	<b>(211 072)</b>
<b>NET ASSETS</b>	2	<b>539 637</b>	<b>700 122</b>	<b>—</b>	<b>535 745</b>	<b>700 122</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		405 383	373 004	—	477 815	373 004
Reserves		—	—	—	—	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>405 383</b>	<b>373 004</b>	<b>—</b>	<b>477 815</b>	<b>373 004</b>

The value reflected in the Financial Position will not reconcile to the Debtors Age Analysis shown on Table C1 and SC3.

The financial position considers the recoverability of the debtors whilst the age analysis will include the total debtors outstanding to date.

## 4.1.7 Table C7: Monthly Budget Statement -Cash Flow

EC136 Emalahleni (Ec) - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2020/21		Budget Year 2021/22					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	I								
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
Receipts									
Property rates		(15 257)	5 487	–	930	6 424	2 743	3 680	134%
Service charges		24 292	9 294	–	1 615	8 348	4 647	3 701	80%
Other revenue		13 176	6 550	–	823	8 963	3 275	5 688	174%
Transfers and Subsidies - Operational		114 472	145 852	–	44 185	113 811	73 538	40 274	55%
Transfers and Subsidies - Capital		15 178	52 951	–	6 546	31 084	26 476	4 608	17%
Interest		7 579	3 130	–	232	1 816	1 565	251	16%
Dividends		–	–	–	–	–	–	–	–
Payments									
Suppliers and employees		(156 062)	(199 722)	–	(14 779)	(79 388)	(99 861)	(20 473)	21%
Finance charges		(1 366)	294	–	–	(1)	147	148	101%
Transfers and Grants		–	(901)	–	–	–	(451)	(451)	100%
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>2 012</b>	<b>22 933</b>	–	<b>39 552</b>	<b>91 056</b>	<b>12 078</b>	<b>(78 978)</b>	<b>-654%</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
Receipts									
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–
Payments									
Capital assets		–	(56 776)	–	(3 947)	(28 308)	(28 388)	(81)	0%
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>–</b>	<b>(56 776)</b>	–	<b>(3 947)</b>	<b>(28 308)</b>	<b>(28 388)</b>	<b>(81)</b>	<b>0%</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
Receipts									
Short term loans		–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	(4)	(11)	(0)	(11)	(0)
Payments									
Repayment of borrowing		–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>–</b>	<b>–</b>	–	<b>(4)</b>	<b>(11)</b>	<b>(0)</b>	<b>11</b>	<b>(0)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>2 012</b>	<b>(33 843)</b>	–	<b>35 601</b>	<b>62 737</b>	<b>(16 310)</b>		<b>(33 843)</b>
Cash/cash equivalents at beginning:		5 791	17 529	–	(63 851)	17 529			(63 851)
Cash/cash equivalents at month/year end:		7 803	(16 315)	–	(1 114)	1 219			(97 694)

## PART 2-SUPPORTING DOCUMENTATION SECTION

### Section 5- Debtor's Analysis

#### Debtors Analysis

The debtors' analysis must contain-

- (a) an aged analysis reconciled with the financial position grouped by-
  - (i) revenue source; and
  - (ii) customer group
- (b) any bad debts written off by customer group

#### 5.1 Supporting Table SC3: Debtors Age Analysis

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Totals per Account Group	Total Balance	Current Amount	30-60 Days	Greater than 90 Days
Blue Crane Minerals & Resources (PTY) Ltd	R 41 722.06	R 843.00	R 1 686.00	R 37 647.05
Business	R9 864 630.71	R 111 060.57	R 505 666.55	R6 884 685.83
Chris Hani District Municipality	R7 551 540.49	(R 6 451.31)	R 49 969.45	R5 760 998.74
Churches	(R 4 066.76)	(R 4 066.76)	R 0.00	R 0.00
CORNISH TRUST AND HW STAPELBERG	R 114 549.53	R 6 741.04	R 8 718.88	R 93 853.35
Councillors Accounts	R 26 526.28	R 477.83	R 719.60	R 17 224.01
Dept of Rural Development and Land Reform	R4 139 771.04	R 10 826.63	R 21 653.26	R3 668 832.98
Dept Rural Dev & Agri Reform	R 9 880.88	R 157.10	R 314.20	R 7 651.66
Dept Social Development	R 241 832.85	R 12 379.67	R 24 410.69	R 182 518.12
Dordrecht High School	R 14 352.27	R 7 151.55	R 7 151.55	R 0.00
Eastern Cape Development Corp	R 46 752.84	R 2 085.64	R 4 171.28	R 37 306.84
Education	R 170 218.23	R 8 298.25	R 16 596.50	R 130 390.80
Farms	R5 574 259.35	(R 77 980.86)	R 47 723.41	R3 986 277.87
Health	R 977 542.81	R 63 429.53	R 192 330.60	R 694 661.17
Indigents	R 573 050.95	R 68 221.51	R 199 247.94	R 295 542.98
Indwe High School	R 15 615.06	R 3 193.62	R 6 387.24	R 5 687.58
Joe Gqabi Municipality	R 14 003.62	R 2 269.14	R 6 869.96	R 4 701.11
Mr Mvambo	R 388 605.30	R 5 850.92	R 21 691.98	R 287 896.02
Municipal Accounts	(R 443 130.45)	(R 441 706.11)	R 55.96	(R 1 157.49)
National Public Works	(R2 073 611.01)	(R2 590 257.64)	R 185 855.95	R 309 887.70
OSBORNE FAMILY TRUST AND NUMBER TWO PIGGERIES	(R 733.26)	(R 1 329.10)	R 0.00	R 499.65
Provincial Pub Lic Works	R1 110 015.39	(R1 134 516.63)	R 200 409.36	R1 760 839.91
Residents	R77 844 194.53	R 595 342.12	R1 726 829.74	R50 565 288.39
South African Post Office	R 56 838.27	R 33 450.47	R 23 228.11	R 0.00
Staff Accounts	R 99 481.45	(R 4 353.82)	R 5 869.88	R 84 314.33
VAN NIEKERK	R 58 015.15	(R 641.46)	R 7 271.60	R 47 178.88
<b>Total</b>	<b>R106 411 857.58</b>	<b>(R3 329 525.10)</b>	<b>R3 264 829.69</b>	<b>R74 862 727.48</b>

## Debtors Age Analysis

### Debtors Collection Levels for December 2021:

SERVICE	BILLING	COLLECTION	COLLECTION %
Rates	R8 553 689,44	R5 821 907,60	68,06%
Refuse	R7 536 500,87	R805 066,82	10,68%
Electricity	R2 766 869,17	R6 601 417,75	238,59%
Rental	R339 595,24	R79 830,50	23,51%
<b>TOTAL</b>	<b>R19 196 654,72</b>	<b>R13 308 222,67</b>	<b>69,33%</b>

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

**2. Our Efforts to collect Municipal Revenue:**

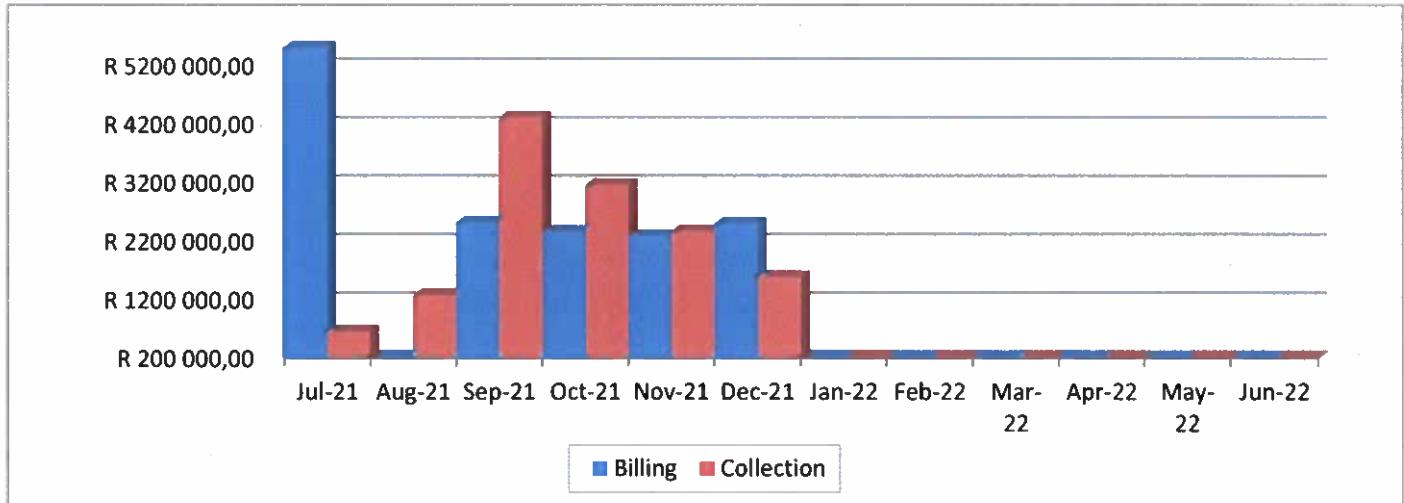
Totals per Account Group	Total Balance	Collection Efforts
Blue Crane Minerals & Resources (PTY) Ltd	R 41 722.06	Blue Crane requested us for the account reconciliation in November, the reconciliation was done and sent to them, they then committed to pay in December, but we have not received any payment. We will visit them in January to discuss status of their accounts and agree on payments.
Business	R9 864 630.71	R410 346.52 was received from businesses in December 2021. The improvement is as the results of the collection efforts made, which included the inspection of Business licenses drive as well as issuing of demand letters. We will intensify these efforts in January 2022.
Chris Hani District Municipality	R7 551 540.49	There was no payment received from CHMD. During our engagement with CHDM Revenue section we were informed that CHDM does not have money to pay for municipal services. We have requested that they send us something in writing. They have not sent the letter informing the municipality of their financial situation yet
Churches	(R 4 066.76)	The balance results from the payments made by the churches towards their accounts.
CORNISH TRUST AND HW STAPELBERG	R 114 549.53	We received R 14 792.12 from Mr. Stapelberg in December 2021. We will contact him to discuss the outstanding balance
Councillors Accounts	R 26 526.28	Cllr. Kulashe's account remain in arrears and no payment was made in December. A notice informing her that she defaulted on the arrangement and that the arrangement will be terminated, will be sent to her.
Dept of Rural Development and Land Reform	R4 139 771.04	We have sent the statements and billing schedule to the department. They however request hard copy documents to be delivered to their offices. This request was only made in November and documents will be delivered to them in January 2022.
Dept Rural Dev & Agri Reform	R 9 880.88	No payment was made in December. This is even after a commitment was made by the department. That they will pay in November 2021. We will issue them with the letter of demand in January 2022.
Dept Social Development	R 241 832.85	Several Notices which were threatening to terminate our contract with them and disconnect services were sent to them. However, to date no payment was received from Social Development. Final notice of disconnection will be delivered to them in Bisho and followed by the locking of our gates and disconnection of electricity in no payment is received upon expiry of the date stipulated on the disconnection letter to be delivered.
Dordrecht High School	R 14 352.27	Dordrecht High School Account is 60 days in Arrears. This is because no payment was received in December 2021. We will contact them to discuss the outstanding balance.
Eastern Cape Development Corp	R 46 752.84	The matter relating to this account is still the subject of the court, where Mr. Komani took the Municipality to court claiming that the municipality refused to issue him with rates clearance. The municipality is defending this matter and have submitted its supporting documents in its defence. We have also enquired with our legal department to find out if we can proceed with the debt collection procedures while this case is still in court. We still waiting for their response.
Education	R 170 218.23	No payment was made in October by the schools. The Department made commitment to pay the schools accounts during the COGTA meeting. They had requested us to send statements, and had sent these statements, however no payment was made yet. We will issue the letters of Demand should the payment not be received in January.

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Farms	R5 574 259.35	Only R 19 846.08 was received in December. Letters of Demand were prepared and will be sent in January 2022.
Health	R 977 542.81	There was no payment made by the Department of Health in October. We have sent them demand notices electronically and further contacted them with commitments being made, but there were still no payments. Disconnection notices were issued but the department did not make payment or even respond to our correspondences. We will issue Disconnection Notices in January, giving them 7 days to pay or have their electricity Services disconnected.
Indigents	R 573 050.95	All the indigent beneficiaries who were receiving subsidy in 2020/21 had been deactivated until the 2021/22 indigent register had been finalised and captured. The indigents whose qualify will have their debt written off in line with the indigent policy
Indwe High School	R 15 615.06	No payment was received in December from Indwe High School. We have contacted the school principal to discuss their account and was informed that payment will be made in January. We will monitor the accounts for payment, and issue Demand letter if the payment is not made in January as committed.
Joe Gqabi Municipality	R 14 003.62	No payment was received from Joe Gqabi DM in November. We will contact the Municipality to encourage them to keep accounts up to date.
Mr Mvambo	R 388 605.30	No payment was made in December. Letters of demand have been prepared and will be delivered in January 2022.
Municipal Accounts	(R 443 130.45)	the credits results from the error on the system relating to departmental credit journals. The system administrator tried to resolve them but there is technical error. These were referred to the system developer.
National Public Works	(R2 073 611.01)	R525 395.22 was paid by the Department in December. National Public Works has a credit balance due to the overpayment made in September 2021.
OSBORNE FAMILY TRUST AND NUMBER TWO PIGGERIES	(R 733.26)	Mr Osborne accounts are paid up to date.
Provincial Pub Lic Works	R1 110 015.39	R523 410.01 was paid by Provincial public Works in December. The Department committed to make another payment in January 2022.
Residents	R77 844 194.53	R52 270.06 was received from residents in December 2021. We will continue with disconnection letters and demand letters to those who do not pay their accounts.
South African Post Office	R 56 838.27	No payment was received in December from the Post Office. We will contact them to discuss status of their accounts.
Staff Accounts	R 99 481.45	Only R400.00 was received from Staff in December. Msitshana, Elefu and Mayekiso made payment arrangement where they request municipality to deduct rates from their monthly salary. All the employees with accounts in arrears were sent to Human Resources (HR) Section for further actioning and salary deduction. No deductions were made to date.
VAN NIEKERK	R 58 015.15	R14536.14 was paid by Mr Van Niekerk in December 2021. They had requested reconciliation of their accounts in January, and we have already submitted that reconciliation.
<b>Total</b>	<b>R106 411 857.58</b>	

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Below is graphical illustration of the revenue collection for the 2021/2022



## Section 6 - Creditor's Analysis

### Creditor's Analysis

The creditor's analysis must contain an aged analysis by customer type reconciled with the financial position.

### 6.1 Supporting Table SC4: Creditor's Aged Analysis

EC136 Emalahleni (Ec) - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description R thousands	NT Code	Budget Year 2021/22									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3 408	1 523	6	1	-	-	0	0	4 939	1 127
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>		<b>1000</b>	<b>3 408</b>	<b>1 523</b>	<b>6</b>	<b>1</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>4 939</b>	<b>1 127</b>

The table above reflects that the municipality is trying its level best to pay its creditors within 30 days, since this is a new financial year the outstanding creditors payments are reflecting in the 60 days to 90 days. The municipality and system vendor are trying to fix this as it is not a true reflection. None of the amounts still to be processed for payment were audit fees or payments to Eskom. Total creditors amounts to R4,939 million at mid-year.

## Section 7- Investment Portfolio Analysis

### Investment Portfolio Analysis

The investment portfolio analysis must include information consistent with the requirements of the Municipal Investment Regulations, 2005 issued by the National Treasury.

#### 7.1 Supporting Table SC5: Investment Portfolio Analysis

INVESTMENT SUMMARY FOR THE MONTH: DECEMBER 2021									
Investment ID	Description	Account Number	Institution	Opening Balance	Investment Made	Investment Withdraw	Investment Interest	Bank Charges	BALANCE
<b>FUNDS</b>									
1	SUFFIX 530	1100-465258-530	INVESTEC	1 049 246,09	0,00	0,00	3 774,41	0,00	1 053 020,50
2	INVESTMENT 001	08 8799 697- 001	STANDARD BANK	202 056,70	0,00	589,56	589,56	0,00	202 056,70
3	INVESTMENT 012	08 8799 697-012	STANDARD BANK	11 408,80	0,00	0,00	7,75	0,00	11 416,55
23	INVESTEMNT 022	08 8799 697-022	STANDARD BANK	32 233,05	0,00	0,00	27,38	0,00	32 260,43
24	INVESTEMNT 023	08 8799 697-023	STANDARD BANK	30 637 095,82	0,00	0,00	109 538,11	0,00	30 748 633,93
26	INVESTEMNT 024	08 8799 697-024	STANDARD BANK	0,00	0,00	0,00	0,00	0,00	0,00
32	INVESTEMNT 025	08 8799 697-025	STANDARD BANK	23 530 962,24	0,00	0,00	86 871,16	0,00	23 617 833,40
33	INVESTEMNT 026	08 8799 697-026	STANDARD BANK	(0,00)	0,00	0,00	0,00	0,00	-0,00
27	FIXED DEPOSIT	93 5890 7006	ABSA BANK	7 260,60	0,00	0,00	25,52	80,00	7 206,12
29	FIXED DEPOSIT	93-6256-7503	ABSA BANK	62 277,37	0,00	0,00	220,10	40,00	62 457,47
31	FIXED DEPOSIT	74907104851	FNB BANK	9 266 388,70	0,00	0,00	31 439,72	0,00	9 297 828,42
				64 798 929,37	-	589,56	232 493,71	120,00	65 030 713,52

The total short-term investments at the end of December 2021 amounted to R65,031 million. These funds invested are mostly the grant funds received but not utilised at this time and are therefore invested to generate interest for the Municipality in the short term.

## Section 8- Allocation and grant receipts and expenditure

### Allocation and grant receipts and expenditure

The disclosure an allocation and grant expenditure must reflect particulars of-

- (a) allocation and grant receipts and expenditure against each allocation or grant; and
- (b) any change in allocations as result of-
  - (i) an adjustments budget of the national or provincial government or district or local municipality; and
  - (ii) changes in grants from other providers

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

## 8.1 Supporting Table SC6 -Grants receipts

The year to date actual grant received as reflected in the above table are those amounts that have actually been spent in line with the grant conditions and have been recognised as revenue. Equitable share is reflected as the total amount received due to the fact that it is not a conditional grant.

EC138 Emalahleni (Ec) - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	Budget Year 2021/22								
		2020/21	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants:</b>										
National Government:										
Local Government Equitable Share	181 446	141 902	—	43 408	103 737	104 228	(2 121)	-2.0%	141 902	
Finance Management	153 799	135 035	—	42 890	99 155	101 276	(2 121)	-2.1%	135 035	
EPWP Incentive	3 000	3 100	—	58	1 337	1 550			3 100	
Municipal Infrastructure Grant	2 091	2 003	—	91	1 157	1 402			2 003	
2 558	1 764	—	—	369	2 087	—			1 764	
Other transfers and grants [insert description]	3									
Provincial Government:										
Other transfers and grants [insert description]	4									
District Municipality:										
[insert description]	—	—	—	—	—	—	—		—	
Other grant providers:										
[insert description]	—	—	—	—	—	—	—		—	
Total Operating Transfers and Grants	5	161 446	141 902	—	43 408	103 737	104 228	(2 121)	-2.0%	141 902
<b>Capital Transfers and Grants:</b>										
National Government:										
Municipal Infrastructure Grant (MIG)	44 611	52 951	—	—	13 113	25 276	(2 239)	-8.9%	52 951	
Integrated National Electrification Programme Grant	38 759	33 511	—	—	5 651	8 191	(2 239)	-27.3%	33 511	
5 852	19 440	—	—	7 162	17 088				19 440	
Other capital transfers [insert description]										
Provincial Government:										
[insert description]	—	—	—	—	—	—	—		—	
District Municipality:										
[insert description]	—	—	—	—	—	—	—		—	
Other grant providers:										
[insert description]	—	—	—	—	—	—	—		—	
Total Capital Transfers and Grants	5	44 611	52 951	—	—	13 113	25 276	(2 239)	-8.9%	52 951
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	206 057	194 853	—	43 408	116 650	129 505	(4 380)	-3.4%	194 853

## 8.2 Supporting Table SC7-Grants expenditure

EC136 Emalahleni (Ec) - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2020/21		Budget Year 2021/22					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:		821 033	917 116	-	10 776	55 237	458 557	(403 320)	-88,0%
Local Government Equitable Share		779 028	872 615	-	10 244	50 416	436 307	(385 891)	-88,4%
Finance Management		12 193	12 018	-	91	1 064	6 009	(4 945)	-82,3%
EPWP Incentive		16 409	21 900	-	72	1 536	10 950	(9 414)	-86,0%
Municipal Infrastructure Grant		13 404	10 583	-	369	2 221	5 291	(3 070)	-58,0%
Other transfers and grants [insert description]									
Provincial Government:		4 885	15 000	-	259	540	7 500	(6 960)	-92,8%
[insert description]		4 885	15 000	-	259	540	7 500	(6 960)	-92,8%
Other transfers and grants [insert description]									
District Municipality:		-	-	-	-	-	-	-	-
[insert description]									
Other grant providers:		-	-	-	-	-	-	-	-
[insert description]									
Total operating expenditure of Transfers and Grants:		825 918	932 116	-	11 035	55 777	466 057	(410 280)	-88,0%
<b>Capital expenditure of Transfers and Grants</b>									
National Government:		150 849	317 708	-	3 308	22 982	317 708	(294 726)	-92,8%
Municipal Infrastructure Grant (MIG)		(11 633)	116 640	-	370	7 295	116 640	(109 345)	-93,7%
[insert description]		162 482	201 068	-	2 938	15 687	201 068	(185 381)	-92,2%
Other capital transfers [insert description]		-	-	-	-	-	-	-	-
Provincial Government:		-	600	-	97	155	600	(445)	-74,2%
[insert description]		-	600	-	97	155	600	(445)	-74,2%
District Municipality:		-	-	-	-	-	-	-	-
[insert description]									
Other grant providers:		-	-	-	-	-	-	-	-
[insert description]									
Total capital expenditure of Transfers and Grants		150 849	318 308	-	3 406	23 136	318 308	(295 171)	-92,7%
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>976 767</b>	<b>1 250 423</b>	<b>-</b>	<b>14 440</b>	<b>78 913</b>	<b>784 365</b>	<b>(705 451)</b>	<b>-89,9%</b>

## **Section 9- Councilor and board member allowances and employee benefits**

Expenditure on Councillor and board members allowances and employee benefits

The disclosure on Councillor and board members allowances and employee benefit must include a comparison of actual expenditure and budgeted expenditure on-

- (a) Councillor allowances
- (b) board member allowances, and
- (c) employee benefits

**MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021**

Summary of Employee and Councillor remuneration R thousands	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		1	A	B	C					D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		10 621	11 082	-	1 004	4 734	5 541	(808)	-15%	11 082
Pension and UIF Contributions		539	146	-	-	274	73	201	276%	146
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 369	1 840	-	115	625	920	(295)	-32%	1 840
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		710	532	-	-	166	266	(100)	-38%	532
<b>Sub Total - Councillors</b>		<b>13 239</b>	<b>13 600</b>	-	<b>1 119</b>	<b>5 799</b>	<b>6 800</b>	<b>(1 001)</b>	<b>-15%</b>	<b>13 600</b>
% increase	4		2,7%							2,7%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		8 125	756	-	582	3 239	378	2 861	757%	756
Pension and UIF Contributions		347	4 568	-	30	266	2 284	(2 018)	-88%	4 568
Medical Aid Contributions		105	1 903	-	7	62	952	(890)	-94%	1 903
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		47	30	-	-	47	15	32	214%	30
Motor Vehicle Allowance		411	3 492	-	76	499	1 746	(1 246)	-71%	3 492
Cellphone Allowance		210	272	-	18	107	136	(29)	-21%	272
Housing Allowances		209	3 542	-	33	224	1 771	(1 547)	-87%	3 542
Other benefits and allowances		0	3 451	-	-	39	1 726	(1 687)	-98%	3 451
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	(59)	1 124	-	-	-	562	(562)	-100%	1 124
<b>Sub Total - Senior Managers of Municipality</b>		<b>9 384</b>	<b>19 139</b>	-	<b>747</b>	<b>4 484</b>	<b>9 589</b>	<b>(5 005)</b>	<b>-53%</b>	<b>19 139</b>
% increase	4		103,7%							103,7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		54 251	15 127	-	6 257	29 961	7 563	22 398	296%	15 127
Pension and UIF Contributions		8 735	13 363	-	720	4 458	6 682	(2 223)	-33%	13 363
Medical Aid Contributions		3 259	1 672	-	13	464	836	(372)	-44%	1 672
Overtime		1 826	4 975	-	173	834	2 487	(1 653)	-66%	4 975
Performance Bonus		3 796	3 271	-	59	432	1 635	(1 204)	-74%	3 271
Motor Vehicle Allowance		4 118	3 952	-	287	1 728	1 976	(248)	-13%	3 952
Cellphone Allowance		671	7 545	-	-	217	3 772	(3 555)	-94%	7 545
Housing Allowances		177	2 687	-	-	63	1 343	(1 281)	-95%	2 687
Other benefits and allowances		1 144	21 553	-	16	762	10 777	(10 015)	-93%	21 553
Payments in lieu of leave		(3 129)	1 754	-	166	407	877	(470)	-54%	1 754
Long service awards		646	898	-	-	115	449	(334)	-74%	898
Post-retirement benefit obligations	2	1 531	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>77 028</b>	<b>76 797</b>	-	<b>7 692</b>	<b>39 441</b>	<b>38 398</b>	<b>1 043</b>	<b>3%</b>	<b>76 797</b>
% increase	4		-0,3%							-0,3%
<b>Total Parent Municipality</b>		<b>99 659</b>	<b>109 536</b>	-	<b>9 558</b>	<b>49 724</b>	<b>54 788</b>	<b>(5 043)</b>	<b>-9%</b>	<b>109 536</b>
			9,9%							9,9%
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>		<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% increase	4									
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Postretirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Entities</b>		<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% increase	4									
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Staff of Entities</b>		<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% increase										
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>99 659</b>	<b>109 536</b>	-	<b>9 558</b>	<b>49 724</b>	<b>54 788</b>	<b>(5 043)</b>	<b>-9%</b>	<b>109 536</b>
% increase	4		9,9%							9,9%
<b>TOTAL MANAGERS AND STAFF</b>		<b>86 420</b>	<b>95 936</b>	-	<b>8 439</b>	<b>43 925</b>	<b>47 988</b>	<b>(4 043)</b>	<b>-4%</b>	<b>95 936</b>

## **Section 10- Material variances**

### **Material variances to the service delivery and budget implementation plan**

In the monthly financial statements provide a disclosure on monthly targets for revenue, expenditure and cash flow that includes a consolidated projection of cash flow for the budget setting out receipts by source per month for the budget year with actual for past months and revised forecasts for future months, and shown in total for the two years following the budget year.

#### **10.1 Material variances from SDBIP**

All Material financial variances from the SDBIP have been explained under section 1.1.4 and 3.2 above and non-financial variances have been explained in Section 12: Top Layer SDBIP and Section 13: Performance Plan evaluation on SDBIP.

#### **10.2 Supporting Table SC9: Monthly Budget Statement. Actual and revised targets for cash receipts and cash flows**

This table shows the cash flow for the budget year setting out the receipts by source and payments by type, per month for the budget year with actual for the past months and revised forecasts for future months, and also shows in total the total budget for the following two budget years.

## Section 11: Capital Programs Performance

### Capital Programs Performance

The disclosure on capital programs performance must include at least-

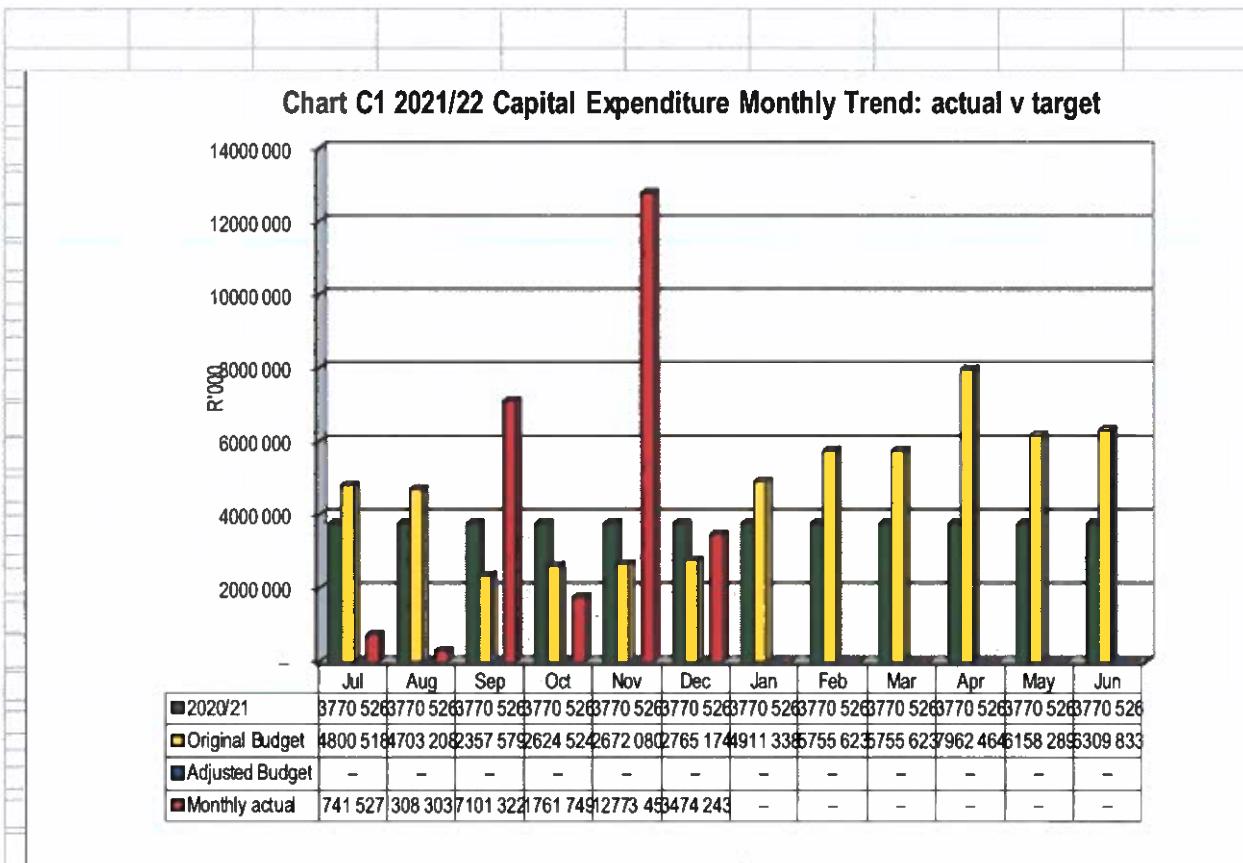
- (a) capital expenditure by month,
- (b) a summary of capital expenditure by asset class and sub-class

### 11.1 Supporting Table SC12

The Municipality is 31% ahead of the budgeted capital expenditure at the end of the mid-year, when comparing the year to date budgeted with the year to date actual expenditure.

Below is the graph which shows the Capital Expenditure Trend as at 31 December 2021.

Month	2020/21		Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	3 771	4 801	-	742	742	4 801	4 059	84,6%	1%
August	3 771	4 703	-	308	1 050	9 504	8 454	89,0%	2%
September	3 771	2 358	-	7 101	8 151	11 861	3 710	31,3%	14%
October	3 771	2 625	-	1 762	9 913	14 486	4 573	31,6%	17%
November	3 771	2 672	-	12 773	22 686	17 158	(5 528)	-32,2%	40%
December	3 771	2 765	-	3 474	26 161	19 923	(6 238)	-31,3%	46%
January	3 771	4 911	-	-		24 834	-		
February	3 771	5 756	-	-		30 590	-		
March	3 771	5 756	-	-		36 346	-		
April	3 771	7 962	-	-		44 308	-		
May	3 771	6 158	-	-		50 466	-		
June	3 771	6 310	-	-		56 776	-		
<b>Total Capital expenditure</b>	<b>45 246</b>	<b>56 776</b>	<b>-</b>	<b>26 161</b>					



Above is the graph which shows the Capital Expenditure Trend as at 31 December 2021

## 11.2 Supporting Table SC 13

**Supporting Tables SC 13 include the following:**

- (a) SC13a: Capital Expenditure on new assets by asset class
- (b) SC13b: Capital Expenditure on renewal of existing asset by asset class (These two tables total to Table C5)
- (c) SC13c: Expenditure on repairs and maintenance by asset class
- (d) SC13d: Depreciation by asset class

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## 11.2.1 Supporting Table SC13a

EC136 Emalahleni (Ec) - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment

Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
<b>Infrastructure</b>		(1 272)	0	-	-	-	0	0	100,0%	0
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	0	-	-	-	0	0	100,0%	0
Power Plants		-	-	-	-	-	-	-	-	-
LV Networks		-	0	-	-	-	0	0	100,0%	0
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		(1 272)	-	-	-	-	-	-	-	-
Landfill Sites		(1 272)	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		17 595	1 300	-	-	434	130	(304)	-233,8%	1 300
Community Facilities		17 595	1 300	-	-	434	130	(304)	-233,8%	1 300
Halls		-	-	-	-	-	-	-	-	-
Centres		16 875	-	-	-	-	-	-	-	-
Testing Stations		336	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		584	1 300	-	-	434	130	(304)	-233,8%	1 300
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		536	0	-	-	-	0	0	100,0%	0
Computer Equipment		536	0	-	-	-	0	0	100,0%	0
<b>Furniture and Office Equipment</b>		256	50	-	42	42	50	8	15,4%	50
Furniture and Office Equipment		256	50	-	42	42	50	8	15,4%	50
<b>Machinery and Equipment</b>		(154)	400	-	-	-	200	200	100,0%	400
Machinery and Equipment		(154)	400	-	-	-	200	200	100,0%	400
<b>Transport Assets</b>		1 431	1 000	-	-	-	500	500	100,0%	1 000
Transport Assets		1 431	1 000	-	-	-	500	500	100,0%	1 000
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	18 381	2 750	-	42	476	880	404	45,9%	2 750

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## 11.2.2 Supporting Table SC13b

EC138 Emalahleni (Ec) - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Mid-Year Assessment

Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		5 193	21 457	-	2 418	13 301	3 121	(10 180)	-326,2%	21 457
Roads Infrastructure		5 193	21 457	-	2 418	13 301	3 121	(10 180)	-326,2%	21 457
Roads		5 193	21 457	-	2 418	13 301	3 121	(10 180)	-326,2%	21 457
Storm water infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		225	3 300	-	-	-	1 699	1 699	100,0%	3 300
Community Facilities		-	3 300	-	-	-	1 699	1 699	100,0%	3 300
Halls		-	-	-	-	-	-	-	-	-
Centres		-	3 300	-	-	-	1 699	1 699	100,0%	3 300
Sport and Recreation Facilities		225	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		225	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	645	-	-	-	323	323	100,0%	645
Operational Buildings		-	645	-	-	-	323	323	100,0%	645
Municipal Offices		-	645	-	-	-	323	323	100,0%	645
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	250	-	55	112	200	88	43,9%	250
Machinery and Equipment		-	250	-	55	112	200	88	43,9%	250
<b>Transport Assets</b>		-	750	-	-	-	375	375	100,0%	750
Transport Assets		-	750	-	-	-	375	375	100,0%	750
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	1	5 418	28 402	-	2 473	13 413	5 717	(7 696)	-134,6%	26 402

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

### 11.2.3 Supporting Table SC13c

EC136 Emalahleni (Ec) - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Mid-Year

Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		(588)	1 355	-	1	104	677	573	84,6%	1 355
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		89	200	-	-	4	100	96	98,1%	200
Storm water Conveyance		89	200	-	-	4	100	96	98,1%	200
Electrical Infrastructure		(678)	1 155	-	1	100	578	477	82,7%	1 155
Power Plants		-	50	-	-	-	25	25	100,0%	50
MV Substations		209	500	-	-	99	250	151	60,4%	500
MV Networks		(1 099)	200	-	-	-	100	100	100,0%	200
LV Networks		213	405	-	1	1	202	201	99,4%	405
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		96	-	-	-	-	-	-	-	-
Community Facilities		96	-	-	-	-	-	-	-	-
Halls		162	-	-	-	-	-	-	-	-
Public Open Space		(85)	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		837	-	-	-	-	-	-	-	-
Operational Buildings		476	-	-	-	-	-	-	-	-
Municipal Offices		476	-	-	-	-	-	-	-	-
Housing		161	-	-	-	-	-	-	-	-
Social Housing		161	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		492	-	-	-	-	-	-	-	-
Machinery and Equipment		492	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		859	1 100	-	84	341	550	209	38,0%	1 100
Transport Assets		859	1 100	-	84	341	550	209	38,0%	1 100
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		55	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		55	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	1 551	2 455	-	85	445	1 228	783	83,8%	2 455

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

Repairs and maintenance expenditure at the end of December 2019 amounted to R445 000 an under expenditure of 63,8% compared to year to date budget of R1,228 million. The expenditure is very low and will be investigated and possible downward adjustment of the budget.

### 11.2.4 Supporting Table SC13d

Description	Ref	Budget Year 2021/22									
		2020/21	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1										
<b>Depreciation by Asset Class/Sub-class</b>											
<b>Infrastructure</b>		<b>9 859</b>	<b>14 650</b>	—	796	<b>5 267</b>	<b>7 275</b>	2 008	<b>27,6%</b>	<b>14 660</b>	
Roads Infrastructure		9 146	13 738	—	768	5 101	6 869	1 768	25,7%	13 738	
Roads		9 146	13 738	—	768	5 101	6 869	1 768	25,7%	13 738	
Storm water Infrastructure		145	150	—	—	—	75	75	100,0%	150	
Drainage Collection		145	—	—	—	—	—	—	—	—	
Storm water Conveyance		—	150	—	—	—	75	75	100,0%	150	
Electrical Infrastructure		559	662	—	28	165	331	166	50,0%	662	
HV Transmission Conductors		297	—	—	—	—	—	—	—	—	
LV Networks		261	662	—	28	165	331	166	50,0%	662	
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—	
Dams and Weirs		—	—	—	—	—	—	—	—	—	
Sanitation Infrastructure		—	—	—	—	—	—	—	—	—	
Pump Station		—	—	—	—	—	—	—	—	—	
Solid Waste Infrastructure		9	—	—	—	—	—	—	—	—	
Landfill Sites		9	—	—	—	—	—	—	—	—	
Rail Infrastructure		—	—	—	—	—	—	—	—	—	
Rail Lines		—	—	—	—	—	—	—	—	—	
Coastal Infrastructure		—	—	—	—	—	—	—	—	—	
Sand Pumps		—	—	—	—	—	—	—	—	—	
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—	
Data Centres		—	—	—	—	—	—	—	—	—	
<b>Community Assets</b>		<b>2 636</b>	<b>1 193</b>	—	241	<b>1 433</b>	<b>697</b>	(836)	<b>-140,1%</b>	<b>1 193</b>	
Community Facilities		2 636	1 193	—	241	1 433	597	(836)	-140,1%	1 193	
Halls		1 881	710	—	241	1 433	365	(1 078)	303,5%	710	
Centres		37	—	—	—	—	—	—	—	—	
Libraries		9	—	—	—	—	—	—	—	—	
Cemeteries/Crematoria		362	483	—	—	—	242	242	100,0%	483	
Parks		161	—	—	—	—	—	—	—	—	
Public Open Space		118	—	—	—	—	—	—	—	—	
Markets		70	—	—	—	—	—	—	—	—	
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—	
Indoor Facilities		—	—	—	—	—	—	—	—	—	
Heritage Assets		—	—	—	—	—	—	—	—	—	
Monuments		—	—	—	—	—	—	—	—	—	
<b>Investment Properties</b>		<b>2</b>	<b>2</b>	—	0	<b>1</b>	<b>1</b>	1	<b>57,5%</b>	<b>2</b>	
Revenue Generating		—	2	—	—	—	1	1	100,0%	2	
Improved Property		—	2	—	—	—	1	1	100,0%	2	
Non-revenue Generating		2	—	—	0	1	—	(1)	#DIV/0!	—	
Unimproved Property		2	—	—	0	1	—	(1)	#DIV/0!	—	
<b>Other Assets</b>		<b>630</b>	<b>1 420</b>	—	52	<b>307</b>	<b>710</b>	<b>403</b>	<b>56,8%</b>	<b>1 420</b>	
Operational Buildings		630	1 420	—	52	307	710	403	56,8%	1 420	
Municipal Offices		630	—	—	—	—	—	—	—	—	
Capital Spares		—	1 420	—	52	307	710	403	56,8%	1 420	
Housing		—	—	—	—	—	—	—	—	—	
Staff Housing		—	—	—	—	—	—	—	—	—	
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—	
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—	
<b>Intangible Assets</b>		<b>50</b>	<b>200</b>	—	—	—	—	<b>100</b>	<b>100</b>	<b>100,0%</b>	<b>200</b>
Servitudes		—	—	—	—	—	—	—	—	—	
Licences and Rights		80	200	—	—	—	100	100	100,0%	200	
Computer Software and Applications		80	200	—	—	—	100	100	100,0%	200	
<b>Computer Equipment</b>		<b>231</b>	<b>410</b>	—	24	<b>151</b>	<b>205</b>	<b>64</b>	<b>26,6%</b>	<b>410</b>	
Computer Equipment		231	410	—	24	151	205	54	26,6%	410	
<b>Furniture and Office Equipment</b>		<b>958</b>	<b>730</b>	—	50	<b>305</b>	<b>365</b>	<b>60</b>	<b>16,3%</b>	<b>730</b>	
Furniture and Office Equipment		958	730	—	50	305	365	60	16,3%	730	
<b>Machinery and Equipment</b>		<b>133</b>	<b>194</b>	—	6	<b>70</b>	<b>97</b>	<b>27</b>	<b>27,5%</b>	<b>194</b>	
Machinery and Equipment		133	194	—	6	70	97	27	27,5%	194	
<b>Transport Assets</b>		<b>1 656</b>	<b>1 300</b>	—	102	<b>610</b>	<b>650</b>	<b>40</b>	<b>6,1%</b>	<b>1 300</b>	
Transport Assets		1 656	1 300	—	102	610	650	40	6,1%	1 300	
<b>Land</b>		—	—	—	—	—	—	—	—	—	
Land		—	—	—	—	—	—	—	—	—	
<b>Zoo's, Marine and Non-biological Animals</b>		—	—	—	—	—	—	—	—	—	
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—	
<b>Total Depreciation</b>	1	<b>16 185</b>	<b>20 000</b>	—	<b>1 271</b>	<b>8 144</b>	<b>10 000</b>	<b>1 856</b>	<b>18,6%</b>	<b>20 000</b>	

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

## 11.2.5 Supporting Table SC13e

EC136 Emalahleni (Ec) - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - Mid-Year Assessment

Description	Ref	2020/21		Budget Year 2021/22					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								%
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>		<b>20 335</b>	<b>19 522</b>	—	370	10 389	9 802	(588)	-6,0%
Roads Infrastructure		19 063	29	—	—	3 095	29	(3 065)	-10505,8%
Roads		18 586	—	—	—	2 940	—	(2 940)	#DIV/0!
Road Structures		477	29	—	—	154	29	(125)	-428,2%
Storm water Infrastructure		1 272	52	—	—	—	52	52	100,0%
Storm water Conveyance		1 272	52	—	—	—	52	52	100,0%
Electrical Infrastructure		—	19 440	—	370	7 295	9 720	2 425	25,0%
LV Networks		—	19 440	—	370	7 295	9 720	2 425	25,0%
Water Supply Infrastructure		—	—	—	—	—	—	—	—
Dams and Weirs		—	—	—	—	—	—	—	—
Sanitation Infrastructure		—	—	—	—	—	—	—	—
Pump Station		—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—
<b>Community Assets</b>		<b>1 103</b>	<b>7 673</b>	—	520	1 798	3 309	1 511	45,7%
Community Facilities		—	—	—	—	—	—	—	—
Halls		—	—	—	—	—	—	—	—
Sport and Recreation Facilities		1 103	7 673	—	520	1 798	3 309	1 511	45,7%
Outdoor Facilities		1 103	7 673	—	520	1 798	3 309	1 511	45,7%
<b>Heritage assets</b>				—	—	—	—	—	—
Monuments		—	—	—	—	—	—	—	—
<b>Investment properties</b>				—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—
<b>Other assets</b>				—	—	—	—	—	—
Operational Buildings		—	—	—	—	—	—	—	—
Municipal Offices		—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—
<b>Biological or Cultivated Assets</b>				—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—
<b>Intangible Assets</b>				—	—	—	—	—	—
Servitudes		—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—
Water Rights		—	—	—	—	—	—	—	—
<b>Computer Equipment</b>				300	—	69	84	150	66
Computer Equipment		—	300	—	69	84	150	66	43,9%
<b>Furniture and Office Equipment</b>				130	—	—	—	65	65
Furniture and Office Equipment		—	130	—	—	—	—	65	100,0%
<b>Machinery and Equipment</b>				—	—	—	—	—	—
Machinery and Equipment		—	—	—	—	—	—	—	—
<b>Transport Assets</b>				—	—	—	—	—	—
Transport Assets		—	—	—	—	—	—	—	—
<b>Land</b>				—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—
<b>Zoo's, Marine and Non-biological Animals</b>				—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—
Total Capital Expenditure on upgrading of existing assets	1	21 438	27 624	—	959	12 271	13 326	1 055	7,9%
									27 824

## Section 14 - Municipal Manager's quality certification

### QUALITY CERTIFICATE

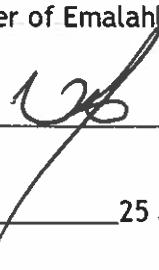
I, Mr Velile Castro Makedama, the Municipal Manager of Emalahleni Local Municipality, hereby certifies that:

- the monthly budget statement;
- quarterly report on the implementation of the budget;
- mid-year budget and performance assessment;

For the month of December 2018 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act.

Print Name: MR VELELI CASTRO MAKEDAMA

Municipal Manager of Emalahleni Municipality (EC136)

Signature: 

Date: 25 JANUARY 2022

## **Annexure 01: Performance Plan evaluation on SDBIP**

The Mid-year Performance report is prepared in terms of the Section 72 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Municipal Budget and Reporting Regulations as per Government Gazette 321414, 17 May 2009

### **Unaudited Midyear Performance**

Per KPA is 77 %

KPA	Total Targets	No of targets Not Applicable	No of targets Not Achieved	No of Targets Achieved	Actual Performance in %
BISD	17	0	4	13	76%
LED	9	0	1	8	89%
GG & PP	8	0	2	6	75%
MTID	10	0	3	7	70%
FV & M	17	1	4	12	75%
<b>Total</b>	<b>61</b>	<b>1</b>	<b>14</b>	<b>46</b>	<b>77%</b>

## Performance Per Directorate

Directorate	Total No of Targets	No of targets Not Applicable	No of targets Not Achieved	No of Targets Achieved	Actual Performance in %
Comm Services	5	0	0	5	100%
IDHS	11	0	4	8	67%
PEDTA	12	0	4	8	67%
Corporate Services	6	0		6	100%
MM's Office	9	0	2	7	89%
Budget and Treasury	17	1	4	12	75%
<b>Total</b>	<b>60</b>	<b>1</b>	<b>14</b>	<b>46</b>	<b>77%</b>

## Not achieved targets at Midyear

Indicator code	Annual target	Target at midyear	performance	Comment	Reason for non-achievement	Remedial action	Dir.
	11,5 km of gravel road in Wisile constructed by 30 June 2022.	Procurement and appointment of Service Provider and 11,5 Km Road preparation completed with progress report	Not Achieved	The consultants are busy with the designs and tender closed 1st Nov. 2021.	Late appointment of consultant	appointment to be done Q3	IDHS

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1_12_12.5_P13 1	Indwe Sportsfield upgraded in Ward 16 by 30 June 2022	Ripping of existing earthwork layers to spoil and Preparation of sub-base Earthworks and installations of sub-drains	Not Achieved	Awaiting on DSRAC and COGTA to approve additional fund application by November 2021	Project budget depleted	Awaiting on DSRAC and COGTA to approve additional fund application by November 2021
	Public Toilet in (Cacadu) Ward 4 developed by 30 June 2022	Procurement and appointment of Service Provider and Foundations and brickwork for the ablution blocks	Not Achieved	Consultant not assigned	Appointment of Service providers deferred	Project to be commenced in FY 2022/23

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	347 households electrically connected in ward 5 (43 connections), 6 (8 connections), 7 (62 connections), 8 (13 connections), 9 (57 connections), 17 (44 connections), 10 (40), 14 (40) and 15 (40) by June 2022	Planning and designs and 100 connections	Not achieved	Designs are at 95% and 20 connections	Awaiting material from the suppliers, while some connections require outages from Eskom.	Service provider committed to complete the connections in Q3.	IDHS
1_21_21.1_P04 8	4 878 households receiving free basic service (743 for refuse removal, 403 for Rates & 3732 for electricity) by 30 June 2022	2021/2022 Indigent applications received and processed and Proposal for 2022/2023 indigent registration developed	not achieved	Due to the large number of applications the process was unable to be completed by the end of Q1, though 2022/2023 Indigent registration proposal developed and attached	Due to the large number of applications the process was unable to be completed by the end of Q1, though 2022/2023 Indigent registration proposal developed and attached	services to be provided from Q2 onwards but will be backdated to July	IDHS

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2	2_23_23.1_P05 2000 livestock branded in Emalahleni subject to community requests by 30 June 2022	400 livestock branded	Not achieved	200 Livestock branded in the 1st quarter and Livestock Branding Vehicle went for the repairs in the quarter 2 and affected the branding program.	n/a	The vehicle has been repaired and the department going forward will develop a branding itinerary to catch up with Livestock Branding target	PEDTA
1	3_33_33.1_P07 4 Public Participation Strategy Programmes	2 Public Participation Strategy Programme implemented (1Mayoral Imbizo and 1 IDP Consultation Programme Implemented (2 Mayoral Imbizos, 2 IDP Consultation Programmes, by 30 June 2022	Not Achieved	Mayoral Imbizo conducted - in terms of roadshows 10 wards were visited instead of 17 i.e wards- 17,2,4,6,5,7,11,13,10,1	Limited time due to councilors that were on induction	meetings to proceed in Q3	Office of MM

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4_41_41.1_P08 5	100% of Performance and Accountability Agreements signed and implemented in line with the reviewed PMS Framework and policy by 30 June 2022	100 % of Performance and Accountability Agreements signed (6 Performance and 13 Accountability Agreements signed), Quarter 4 Performance Assessments facilitated, and Quarter 1 Performance Assessments facilitated	Not Achieved	Quarter 4 Performance Assessments were facilitated, and 6 Performance Agreements were signed while Informal assessments were conducted for Q1 as well.	Not all Accountability Agreements were signed due to suspension (1) and sick leave (1)	the target will be adjusted as 1 of the managers resigned	PEDTA
1_33_33.2_P13 5	1 Ward Committee Capacity Building Programme Implemented by 30 June 2022.	1 Skills Audit Plan reviewed, and Procurement of service provider facilitated	Not achieved	Before the training commence, skills audit needs to be done, yet the election of ward committees (WC) will only be in Q3	elections conducted in Q3 delayed the process	Procurement process will be done soon after the appointment of WC	Office of MM
4_54_54.2_P10 6	1 IDP developed and submitted to Council for adoption by 30 June 2022.	Draft Reviewed Situational Analysis Report developed and presented to Council Structures for noting. Development Needs and Priorities developed in all (17) wards	not achieved	Situation analysis report developed and presented to council Structure for noting (executive management), 10 wards were visited wards- 17,2,4,6,5,7,11,13,10,1	Limited time due to councilors that were on induction	meetings to proceed in Q3	PEDTA

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							PEDTA
							PEDTA
4_55_55.1_P10 7	1 Annual Report for 2020/2021  developed, submitted to Council for approval by 30 June 2022	1st Draft Annual Report 2020/2021 developed and submitted to Council Structures and AG for compliance and Draft Annual Report 2020/2021 submitted to Council Structures and Council for approval	not achieved	1 Draft Annual Report 2020-2021 developed and submitted to Council Structure for noting and AG for compliance, The Auditing prices is still in progress	Audit Outcome not issued to inform tabling of Draft AR	Process to take place in Q3	PEDTA
5_57_57.2_P11 3	100% submission of Information requested by AG for 2020/2021 audit by 30 June 2022	100% submission of Information requested by AG for 2020/2021 audit	Not Achieved	Information requested by AG for 2020/2021 audit was not fully submitted.	The Information was partially submitted to AG for RFI33,34,35,36 and 37	Request assistance from Corporate Services for Document Management System & Archiving of Documents in the 3rd Q.	PEDTA

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9 5_58_58.2_P11	100% expenditure compliant with Section 65 & 66 of the MFMA by June 2022	100% payment of creditors within 30 days as per legislated framework	Not Achieved	Target not achieved	Target not achieved due to the system pulling amounts that have already been paid	1. Arrange re-training on the functionality of the financial system in the 3rd quarter to ensure accurate reporting.	2. Perform monthly creditors reconciliations to resolve discrepancies	BTO

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	6 revenue streams registers that are balanced to general ledger developed (Prepaid, conventional electricity, Refuse, Property Rates, eNatis and Property Rentals)	Not Achieved	Revenue stream registers were developed, however there are amounts relating to opening balances & transactions that are being investigated.	There are reconciliation amounts relating to opening balances & transactions under investigation which are leading to debtors' reconciliation register that is not reconciled to the ledger.	There are reconciliation amounts relating to opening balances & transactions under investigation which are leading to debtors' reconciliation register that is not reconciled to the ledger.	BTO 2021/22 FY will be captured as soon as the audited balances are available after all adjustments raised by auditors have been considered. All other variances will be resolved in Q3.
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**ANNEXURE 02****EMALAHLENI MUNICIPALITY SERVICE DELIVERY AND BUDGET IMPLEMENTATION  
PLAN 2021/2022**

Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Baseline Indicator	Outcome Indicator	Budget Allocation	Funding Source	Indicator Code	Annual Target 2021/2021
									KPA 1 - BASIC SERVICE DEL
Community Safety Programmes	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	Monitor functionality of 3 Registration and Licensing Authorities	Number of Registration and Licensing Authorities Functional	3 Registration and Licensing Authorities Functional	Functional Licensing Authorities	R0	Opex	1_1_1.3_P003	3 Registrati and Licensing Authoritie: Functiona (Cacadu, Indwe, an Dordrecht by 30 Jun 2022
		Process Learners and Driver's License Applications received	Number of Driving License Testing Centre functional	12 Driving License Testing Centre Reports	Functional Licensing Authorities	R0	Opex	1_1_1.4_P004	1 Driving License Testing Centre functional Ward 4 b, 30 June 2022
Waste and Environmental Management	To create a safe and clean environment for all people of Emalahleni	Collect Refuse in urban and township areas	Number of urban and township areas with access to	3 Urban areas and 10 townships with access to	Improved, safe and healthy environment	Opex		1_2_2.3_P008	Refuse removal services conducte 3 Urban

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Local Municipality by June 2022	refuse removal services	to refuse removal service	Improved, safe and healthy environment	Opex	1_2_2.11_P01 6	3 Environmental Management Program (World Environment Day, Biodiversity Awareness and Water Week) implemented by 30 Jun 2022.
	Implement Environmental Management Framework (EMF)	Number of Environmental Management Programs implemented	3 Environmental Management Programmes implemented in 1 Lady Frere, 1 Dordrecht and 1 Indwe			
	Roads and Storm Water	To provide maintained basic infrastructure service for local communities by June 2022	Implement, monitor, and report on the approved Roads Infrastructure Plan	Number of km of gravel Access Road constructed	Planning phase for construction of Access Road in Ward 17 (Jinginia Access Road) Approved Road Designs	R7 109 896

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Number of km of gravel Access Road constructed	Planning phase for construction of Access Road in Ward 17 (Tsolokazi Access Road)	Improved access roads	R5 945 602	MIG			11.5 km of gravel road in Wisile construct by 30 Jun 2022.
Number of km of gravel Access Road constructed	Approved Road Designs	Improved access roads	R9 444 250	MIG			10.5 km of gravel road in Dlamini construct by 30 Jun 2022
Number of Km of gravel road maintained		Improved access roads		Opex	1_10_10.3_P0 33		
Number of km of roads paved		Improved roads infrastructure					9 km of maintenance of gravel roads in Ward 3 (3 km), 9 (3 km) and 1 (3 km) by June 2022
			R2 000 000,00 P	EPW	1_10_10.2_P0 31.2		Cacadu Internal Street (Nonesi street), 250m pav

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Land Use Management	To promote an orderly built environment by June 2022	Implement Spatial Planning and Land Use Management (SPLUMA)	Percentage of compliant land use applications received and processed for approval by AO or CHDM Tribunal	Compliance with SPLUMA	100% compliant land use application received, processed and submitted Authoriser Official or CHDM by June 2022	Opex 1_20_20.1_P0 47
				347 households electrically connected in ward 1, 3, 6, 7, 8, 9 and 17 by June 2021 financial year	R19 440 000,00	INEP

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2021 TO DECEMBER 2021

<b>Security Services</b>	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	Number of municipal facilities safeguarded	16 facilities safeguarded by day and night	R4 800 000	Opex
	Indigent Support	Review and update of the Indigent Register	Number of households receiving free service (refuse removal, rates & Electricity)	R5 190 000	Opex
<b>Small Medium and Micro Enterprise Development</b>	To maintain and improve financial viability of the municipality by June 2022	4 878 households receiving free basic services (743 for refuse removal, 403 for Rates & 3732 for Electricity)	Improved Service Delivery	1_21_21.1_P0 48	KPA 2: LOCJ
	To promote, facilitate and improve sustainable local economic development through	Support emergent businesses to build more economic capacity	1 SMEs supported (Mphothulo Youth Project)	2_22_22.2_P0 50	1 SMME supported with production inputs in ELM by 31 June 2022;

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Identification and implementation of local economic development programmes by June 2022	Number of SMMEs facilitated for subcontracting in capital projects	7 SMMEs subcontracted in capital projects	Business growth	CAPE X	
	Formalize businesses	Number of business licenses issued	Compliance and Revenue generation	R0 Opx 2_22_22.3_P0 51	30 Business licenses issued (8 Indwe, 14 Cacadu and 8 Dordrec by 30 Jun 2022)
Agricultural Development (Livestock)	Provide agricultural development services	Number of advisory sessions on branding certificates facilitated	advisory sessions on branding certificates facilitated in 17 wards		6 advisor sessions on branding certificate application facilitated ward 2, 7, 9, 10 and by 30 Jun 2022

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Number of Livestock branded	1000 livestock branded in 2020-2021	Number of Small Scale Irrigation Scheme and Crop Production Processing Plan reviewed and implementation by June 2022	1 Small Scale Irrigation Scheme & Crop Production Processing Plan reviewed and implemented by 30 Jun 2022
			2_23_23.1_P0 2_23_52

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To promote, facilitate and improve sustainable local economic development through identification and implementation of local economic development programs by June 2022.	Number of feedlot operational plans implemented through implementation of local economic development programs by June 2022	constructed Feedlot	OPEX	1 feedlot operation plan implemented by June 2022
Tourism Development and Heritage Management	To Implement Tourism and Heritage Management Plan by June 2022	Conduct Exhibition Shows	Opex	2_27_27.4_P1 34
		Number of Art Centre Marketing Plans developed and implemented	Tourism Promotion	1 Art Centre Marketing Plan reviewed and implemented by 30 Jun 2022.

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Job Creation	To improve economic development within ELM by June 2022	Compile reports on job creation	Number of local people employed in projects and reported on EPWP MIS system	240 Local People employed in Projects and Reported on EPWP MIS System by 30 June 2021	Improved livelihood
Communication	To ensure development and implementation of improved system of communication, customer care, public participation and good governance in line with applicable laws and regulations to achieve clean administration by June 2022	Implement Communication Strategy programmes	Number of Communication Strategy programmes implemented	Approved Communication Strategy	Informed Citizenry
					KPA 3: GOOD GOVERNANCE
					Opex 3_31_31.1_P0 669
					Communi- cation Strat- egy progra- mme imple- men- tation 6 (1Brandin- g 4 digital advertiser nts develop- er 12 digital posters develop- er Radio Tel- shows, 2C Radio Adverts all 8 Newspap- er Adverts) t 30 June 2022

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Customer Care	To Improve Customer Care Management by June 2021	Implement Customer Care Strategy programme s	Number of Customer Care Strategy Programme s Implemented	Approved Customer Care Strategy	Improved Customer Care Service	OpeX 3_32_32.1_P0 70	2 Custom Care Strategy Programm Implement (Resolutio of custom complaint and Petiti Managem t) by 30 Ju 2022
	Public Participation	To improve public participation in the affairs of the municipality by June 2022	Implementation of public participation strategy	Number of public participation strategy programme s implemented	Improved public participation	3_33_33.1_P0 71	4 Public Participati Strategy Programm Implement (2 Mayoré Imbizos, 2 IDP Consultati Programm ,by 30 Ju 2022
						CoGTA 1_33_33.2_P1 35	1 Ward Committee Capacity Building Programm implemen by 30 Jun 2022.

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Internal Audit	To ensure effective Audit and Corporate governance function that will result in improved compliance and clean administration by 2022	Review municipal internal controls through execution of the Internal Audit Plan	Risk based Internal Audit Plan submitted to Audit Committee for approval	2019-2020 Risk based Internal Audit Plan	Functional Internal Audit	R0	Opex	<u>3_35_35.2_P0 76</u>	2021/2022: Risk base Internal Audit Plan submitted Audit Committee by 31 Jun 2022
		Monitor the implementation of the audit outcome improvement plan	Number of AOIP follow up reports submitted to the AC.	3 AOIP Follow up reports submitted to AC	Improved Audit Outcomes			<u>1_35_35.4_P1 37</u>	3 follow up reports on the implementation of the AOIP by 30 June 2022
Risk Management	To ensure that the municipality operates free of anticipated risk of maladministration, fraud, and corruption by June 2022	Implement Risk Management Strategy and Operational Plan	Quarterly monitor Strategic Risk Register	2020-2021 Strategic Risk Register	Acceptable risk levels	R0	Opex	<u>3_36_36.1_P0 79</u>	Strategic Risk Register Monitored quarterly by 30 June 2022
Fraud Management	To ensure that the municipality operates free of anticipated risk of maladministration, fraud, and	Implement Fraud and Anti-Corruption prevention plan	Fraud and Anti-Corruption Prevention Plans Implemented			R0	Opex	<u>3_37_37.1_P0 81</u>	Fraud and Anti-Corruption Prevention Plan implemented by 30 Jun 2022.

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corruption by June 2022		KPA 4: MUNICIPAL TRANSFO						
Human Resources	To develop the skills of the workforce by June 2022	Implement the HRD Strategy	Number of HRD Strategy Programme s implemented	4 HRD strategy programmes implemented	Skilled and capable workforce	Opex	4_40_40_1_P0	1 HRD Strategy programme implemented by June 2022
							4_41_41.1_P085	100% Performance and Accountability Agreements signed and implemented in line with the review PMS Framework

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		s of the reviewed PMS Framework and Policy	Human Resources Plan implemented	Approved Organisational structure that is responding to the needs of the institution.	Improved Service Delivery	R0 87	Opex 4_43_43.1_P0
Human Resources Plan	To provide Human Resources Support to all Directorates in the Municipality by June 2022	Implement the Human Resources Plan					
Information Communication Technology	To provide an integrated ICT System that will ensure safety of information	Implementation of ICT Projects	Number of ICT connectivity implemented	2 ICT projects implemented	Improved Network Connectivity	OPEX	WAN connectivity solutions implementation (Security systems & backup solution) to 30 June 2022

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Occupational Health and Safety	To ensure a healthy and safe working environment for councillors and officials by June 2022	Implement OHS Strategy Programmes	Number of OHS Strategy Programmes Implemented	05 OHS Strategy Programme s implemented	Healthy and Safe environment	Opex	4_44_44.1_P0 88	Reviewed and implement OHS Strategy t 30 June 2022 (Medical Examinati s, Person Protective Equipmen and Ensuring Complain with COV 19 regulation
						Opex	4_52_52.1_P1 00	4 SPU strategy programs Implement ( Nelson Mandela Day, Women's Day, Disability Day, Youth Day) by 3 June 2022
Special Programmes	To streamline special programs by ensuring functionality of all special programme's structures by June 2022	Implement the approved Special Programme s Strategy	Number of SPU strategy programs implemented	Approved SPU Strategy	Social Cohesion	Opex	4_52_52.1_P1 00	4 SPU strategy programs Implement ( Nelson Mandela Day, Women's Day, Disability Day, Youth Day) by 3 June 2022

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Employee Wellness	To provide appropriate Human Resource to support all directorates by June 2022	Implement Employee Wellness Programs	Number of employee wellness programs implemented	4 Employee Wellness programs implemented	Improved Institutional Performance	Opex 02	4_52_52.1_P1	4 Wellness programs implemented (Life Skills/Wellness)
		IDP	To ensure a developmentally oriented planning institution in line with requirements of local government laws and regulations by June 2022	Develop and implement a responsive institutional plan	Number of IDP documents developed and submitted to Council for adoption	Development Planning	Opex 06	4_54_54.2_P1
		IPM	To ensure a developmentally oriented planning institution in line with requirements of local government laws and regulations by June 2022	Implement and review the Performance Management	Number of Annual reports developed, submitted to	R0	Opex 07	4_55_55.1_P1
			Institutional Performance Management	To ensure a developmentally oriented planning institution in line with	2019-2020 Annual report	Improved service Delivery		1 Annual Report for 2020/2021 development submitted Council for

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requirements of local government laws and regulations by June 2022	Framework, policies and procedures	Council for adoption	Reviewed Performance Management Framework, Policy and Procedure Manual	Implementation of Performance Management Framework, Policy and Procedure Manual	Improved service Delivery	R0 Opex 4_55_55.2_P1_08	Review Performance Manager	Framework Policy and Procedure Manual implemented by 30 July 2022
							Framework Policy and Procedure Manual implemented by 30 July 2022	
Supply Chain Management	To maintain and improve financial viability of the municipality by June 2022	Compliance with Supply Chain Regulation and National Treasury Guidelines on Procurement Processes	Percentage of Irregular Expenditure on new procurement	0% of Irregular Expenditure on new procurement	Improved compliance with SCM legislation	R0 Opex 5_56_56.1_P1_09	0% of Irregular Expenditure on new procurement submitted Council by 30 June 2022	KPA 5: FINCI

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Project Management	To maintain and improve financial viability of the municipality by June 2022	Expenditure on budget on received conditional grants	% expenditure of budget on received conditional grants	100% expenditure of budget on received conditional grants	100% expenditure of budget on received conditional grants							100% expenditure on budget on receive conditions grants.
Supply Chain Management	To maintain and improve financial viability of the municipality by June 2022	Implement SCM Policy	Percentage of procurement awarded to suppliers within the municipality.	30% of procurement awarded to suppliers within the province	Compliance e and alignment with government policy	RO	Opex	5_56_56.1_P1 25	Opex	5_56_56.1_P1 25	Opex	30% of procurement awarded to suppliers within the municipality by 30 Jun 2022.
Budget and Reporting	To achieve clean administration by June 2022	Develop a comprehensive audit file to support GRAP Compliant Annual Financial Statements.	Number of recurring material audit queries raised by AG on the 2020/21 Annual Financial Statements.	2020/21 GRAP compliant Annual Financial Statements	Improved compliance with MFMA legislation	Opex	Opex	5_57_57.1_P1 12	Opex	5_57_57.1_P1 12	Opex	Zero recurring material audit quer raised by on the 2020/21 Annual Financial Statement
		Respond to all request for	Percentage of submission	2019/2020 RFI Register	Clean Administration	Opex	Opex	5_57_57.2_P1 13				100% submissio of

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information by Auditor-General	of information requested by AG for 2020/2021 audit	Compile and maintain a GRAP compliant fixed assets register	GRAP compliant fixed asset register for 2021/2022 compiled and maintained	Clean Administration	Opex 5_57_57.3_P1 14
		Budget and Reporting	% alignment of 2021/22 adopted Budget	2021/2022 mSCOA Compliant	GRAP & mSCOA compliant fixed assets register for 2021/2022 developed and maintained by 30 Jun 2022
	To achieve clean administration by June 2022	Implement the budget and	Improved compliance with the MFMA and	Opex 5_57_57.4_P1 15	100% alignment 2021/22 adopted

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		Budget to the adopted IDP
reporting regulation	aligned to adopted IDP	Adjusted Budget
	2022/2023 Budget compiled and submitted to Council for adoption	2020/2021 mSCOA Compliant Budget
		Budget and reporting regulations
		Opex 5_57_57.1_P1 16
		Opex 5_57_57.6_P1 17
		Opex 5_58_58.1_P1 18

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annually by June 2022	Valuation roll.	Valuation Roll	information on the billing system	the municipal billing system as per the GI & latest supplementary Valuation Roll by July 2022
	municipal billing system as per the supplementary Valuation Roll	% of billed income collected	95% Collection rate	Opex 5_59_59.2_P1 21

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Cash Management	To maintain and improve financial viability of the municipality by June 2022	Perform Cost coverage calculation in line with legislation	Cost Coverage ratio exceeding 2	2020/2021 cost coverage ratio	A sound working capital ratio	R 0	Opex 5_60_60.1_P1 23
Asset Management	To ensure a development oriented planning institution in compliance with legislative prescripts, laws and	Implementation of Fleet management policy	Number of fleet assets functional	2020/2021 Asset Register	Improved Service delivery	Opex 4_51_51.1_P0 99	32 fleet assets functional 30 June 2022

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regulations applicable to local government by June 2022