

In-Year Report of the Municipality

Prepared in terms of the Local Government: Municipal Finance Management Act (56 of 2003); Municipal Budget and Reporting Regulations₄ Government Gazette 32141₄ 17 May 2009

**SECT 72 - MID-YEAR BUDGET AND PERFORMANCE
ASSESSMENT
JULY 2022 TO DECEMBER 2022**

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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

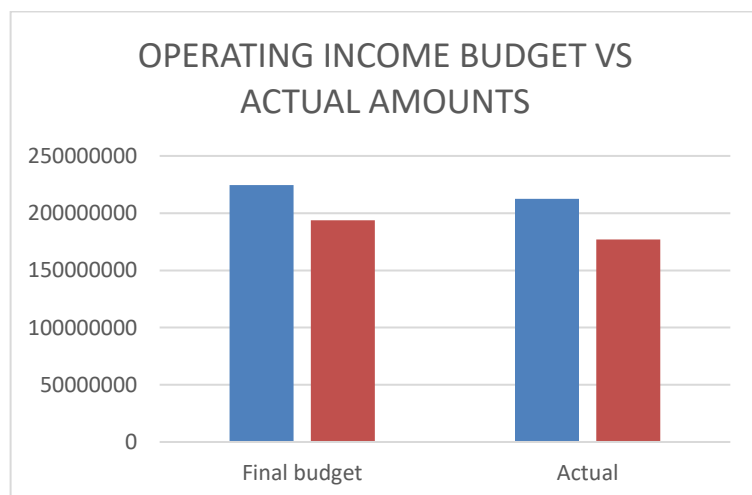
For the mid-year budget and performance assessment, the mayor's report must also provide _

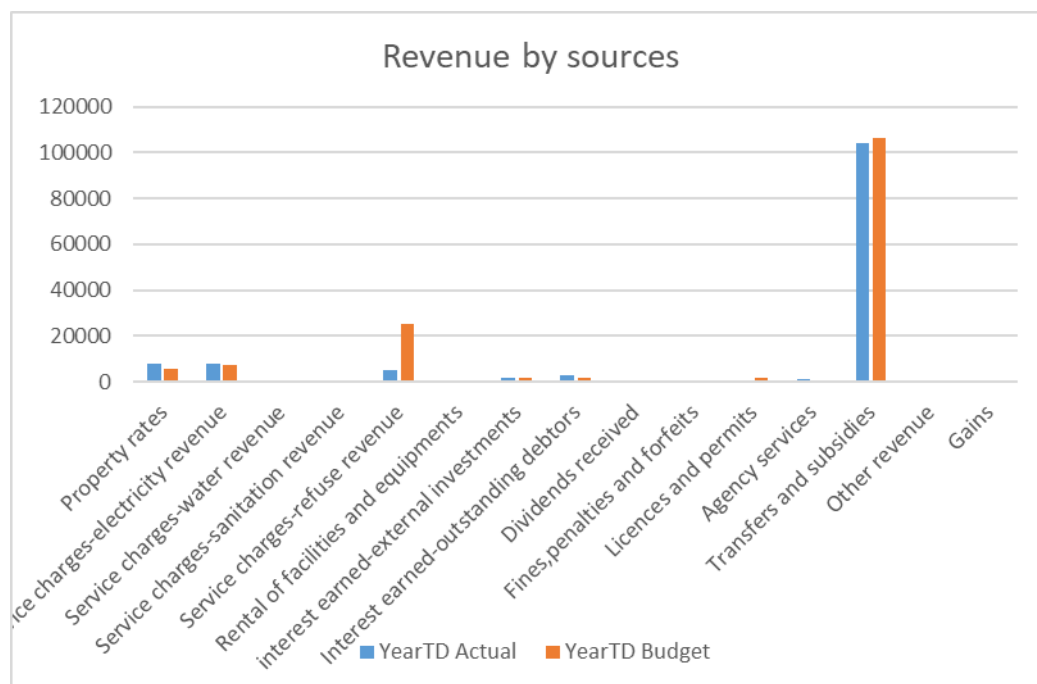
- (a) a summary of the past year's annual report, and progress on resolving problems identified in the annual report and the audit report;
- (b) a summary of any potential impact of the national adjustments budget and the relevant provincial
- (c) a recommendation as to whether an adjustments budget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

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

(a) Performance against Budgets

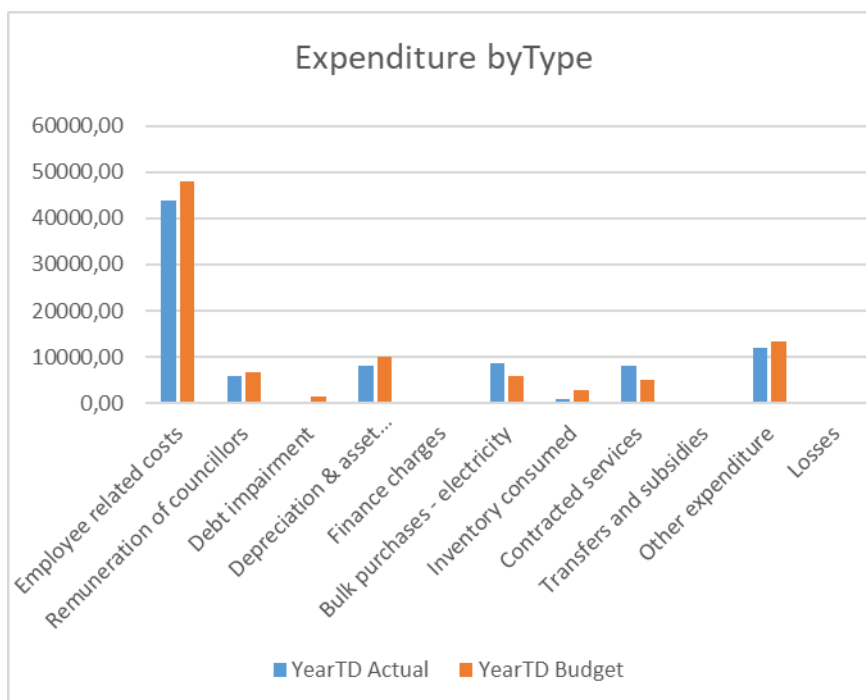
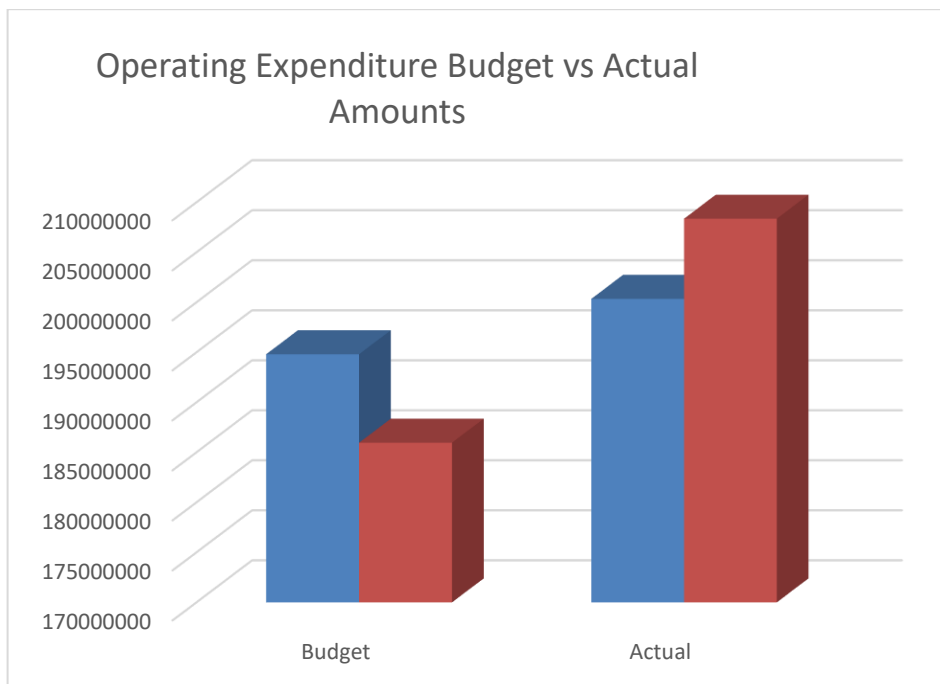
The Operating Income Budget versus Actual for 2022 as well as the 2023 financial years, the Operating Income budget has increased by (20%) R5,420 million from R201,001 million to R206,421 million. Operating revenue actuals are R141,714 million at the end of December 2022 versus the year-to-date budget of R139,757 million the resulting in a positive variance of 1% (R1,958 million) thereby showing that the municipality is largely on par with the revenue generation targets set out for the mid-year.





The Operating Expenditure Budget versus Actual for 2022 as well as the 2023 financial year. The Operating Expenditure has decreased by (11,13%) R21,669 million from R216,242 million to R194,573 million.

Operating expenditure budget versus Actual of R100,026 million versus R97,286 million year-to date budgets, resulting in an over-spent variance of (3%) R2,740 million.



The amount spent exceeds the amount budgeted at the end of December 2022 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

81% of the budgeted amount was spent during 2021/22 financial year at mid-year and in 2022/23 40% of the capital budget to date was spent in the mid-year. The 76% under expenditure was on internally generated funds. The Capital Expenditure Budget increased by (R43,101 million) 50,33% from the 2021/22 to the 2022/23 financial year from R42,542 million to R85,643 million. This largely due to increase in INEP allocation as well as ring-fenced funding from Department of Sports Arts & Culture for sports field construction.

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 2022, 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.
- Under expenditure in conditional grant expenditure 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 R145,748 million and R26,990 million of these funds ring fenced for conditional grants. Therefore the municipal cash to cover operational costs amounts to R 118,758 million.

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.

○ **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 R145,768 million, while the total current liabilities are R82,379 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. There has been an improvement in the past 2 years, however the municipality still has over R 89,153 million debtors book older than 90 days.

Revenue management – collection rate

Revenue management – collection rate – Amounts to 57% of the total budget at mid-year for non-billable revenue sources, then 84% of the billable revenue sources 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 97% of the total debt due is reflected within the 90+ days category. The domestic debtor group constitutes 66% of the total debt. The second largest class of debtor category is Business at 11% of the total debt.

Interest of 1% is charged on accounts that are past 30 days due. The total interest levied amounts to R24,284 million, this constitutes 27% of the total debt.

Trend analysis for revenue recovery rate

Comparing the graphs in the financial dashboard for the past three years i.e. 2022, 2021 and 2020 the following similarities were noted;

- The debt collection strategy currently being used is yielding positive results.
- The collection strides are reported to the council structures on a quarterly basis. There has been an improvement of collection rate which has resulted in year on year improvement, 31% in 2020, 121% in 2021 and 181% in 2022.
- Performance on non-billable revenue especial traffic revenue remains a significant concern as there is underperformance in that area.

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 R144,253 million when we exclude unspent grants, it amounts to R 118,758 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 58% of the total operating budget. Some of the personnel can be linked to service delivery activities, like plant operators. Furthermore, employee costs represent 58% of the total operating costs for the year to date.

This is because 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

34% of internally generated project expenditure has been spent as at the end of December 2022.

- 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 on-boarding is currently underway but the pace is slow).

1.1.3: Remedial Action taken on Audit Outcomes of Prior Year

Emalahleni Municipality obtained a qualified audit opinion for the 2021/2022 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 2022 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 2022 financial year and the Oversight Report are yet to be done due to the 2021/2022 audit being completed in beginning of December. The audit report will be handed to MPAC in January 2023 with the view of concluding the oversight work in the 3rd quarter of 2022/23 financial year.

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 2022 – December 2022).

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

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

201/2022 Financial Performance (Revenue and Expenditure) and Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		10 978	15 120	–	687	8 167	7 560	607	8%	15 120
Service charges - electricity revenue		14 662	17 615	–	1 048	8 400	8 807	(407)	-5%	17 615
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		9 405	5 160	–	1 041	6 319	2 580	3 740	145%	5 160
Rental of facilities and equipment		874	510	–	36	212	255	(43)	-17%	510
Interest earned - external investments		3 982	4 108	–	360	2 198	2 054	144	7%	4 108
Interest earned - outstanding debtors		4 839	2 010	–	615	3 583	1 005	2 578	257%	2 010
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		138	200	–	7	69	100	(31)	-31%	200
Licences and permits		1 144	3 500	–	92	333	1 750	(1 417)	-81%	3 500
Agency services		2 090	1 591	–	106	1 035	795	239	30%	1 591
Transfers and subsidies		145 637	153 909	–	49 339	110 274	113 501	(3 227)	-3%	153 909
Other revenue		7 253	2 699	–	20	1 124	1 349	(225)	-17%	2 699
Gains		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		201 001	206 421	–	53 353	141 714	139 757	1 958	1%	206 421
Expenditure By Type										
Employee related costs		89 770	99 426	–	14 132	49 685	49 713	(28)	0%	99 426
Remuneration of councillors		13 389	13 600	–	2 309	8 485	6 800	1 685	25%	13 600
Debt impairment		4 481	2 000	–	–	–	1 000	(1 000)	-100%	2 000
Depreciation & asset impairment		24 446	16 054	–	1 084	7 429	8 027	(598)	-7%	16 054
Finance charges		14	80	–	1	161	40	121	302%	80
Bulk purchases - electricity		15 030	14 000	–	1 152	8 114	7 000	1 114	16%	14 000
Inventory consumed		2 234	1 489	–	82	207	744	(538)	-72%	1 489
Contracted services		24 198	19 221	–	1 881	9 676	9 611	65	1%	19 221
Transfers and subsidies		3 696	1 315	–	86	811	658	154	23%	1 315
Other expenditure		29 458	27 388	–	3 114	15 459	13 694	1 765	13%	27 388
Losses		9 525	–	–	–	–	–	–	–	–
Total Expenditure		216 242	194 573	–	23 841	100 026	97 286	2 740	3%	194 573

OPERATING REVENUE

Revenue achieved to date including operating transfers is 1% (R1,958 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, interest on debtors, refuse revenue, agency fees and property rates budget projections being conservative against the actual billing.

The total revenue billed as at end of December amounts to R20,392 million which compared to the actual collection amounts R8,757 million. This represents a collection rate of 43%, see below.

SERVICE	BILLING	COLLECTION	COLLECTION %
Rates	R 8 701 706,26	- R 5 159 736,25	59%
Refuse	R 8 837 733,14	- R 829 477,97	9%
Electricity	R 2 650 828,55	- R 2 429 151,13	92%
Rental	R 201 768,92	- R 338 753,62	168%
TOTAL	R 20 392 036,87	- R 8 757 118,97	43%

The overall collection rate for non-billable revenue is currently at % as 57at end of December 2022. The overall collection rate includes the transfers and subsidy as there has been strict monitoring of Grants by National Treasury for conditions to met before the funds are transferred to the municipality. Please see the overall collection rate breakdown below.

Description	Department	Original Budget	Actual Collection	%
Insurance Refund	BTO	-R1 415 986,00	-R985 889,84	70%
Clearance Certificates	BTO	R0,00	-R4 254,68	#DIV/0!
Interest: Short Term Investments and Call Accounts	BTO	-R4 108 000,00	-R2 204 067,15	54%
Electricity Sales:Commercial Prepaid	BTO	-R12 500 000,00	-R5 286 318,69	42%
Commission Fees	BTO	-R281 857,00	-R54 967,31	20%
Electricity Prepaid Sales	BTO	-R50 000,00	R0,00	0%
Local Government Financial Management Grant	BTO	-R3 100 000,00	-R2 775 164,20	90%
Equitable Share	BTO	-R146 186 000	-R105 254 000,00	72%
Electricity Sales:Commercial Conventional (Single Phase)	BTO	R0,00	-R618 183,44	#DIV/0!
Electricity Sales:Commercial Conventional (3-Phase)	BTO	-R5 400 000,00	-R1 283 081,86	24%
Cemetery and Burial	Com Serv	R0,00	-R21 808,97	#DIV/0!

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Fines, Penalties and Forfeits:Fines:Traffic:Municipal	Comm Serv	-R100 000,00	-R28 300,00	28%
Vehicle Registration	Comm Serv	-R1 590 637,00	-R1 034 900,12	65%
Rental from Community Assets	Comm Serv	-R10 000,00	-R31 309,58	313%
Fines, Penalties and Forfeits:Fines:Pound Fees	Comm Serv	-R100 000,00	-R16 112,90	16%
Drivers Licence Application/Duplicate Drivers Licences	Comm Serv	-R1 000 000,00	-R181 749,00	18%
Learner Licence Application	Comm Serv	-R1 000 000,00	-R35 019,00	4%
Motor Vehicle Licence	Comm Serv	-R1 000 000,00	R0,00	0%
LGSETA	Corp Serv	-R1 035 000,00	-R440 023,89	43%
Administrative Handling Fees	IDHS	-R1 000 000,00	R0,00	0%
Building Plan Approval	IDHS	R0,00	-R52 227,35	#DIV/0!
Electricity:Connection/Reconnection Fees	IDHS	-R1 164 696,00	-R54 921,01	5%
Fines, Penalties and Forfeits:Fines:Illegal Connections	IDHS	-R1,00	-R25 000,00	2500000%
Integrated National Electrification Programme Grant	IDHS	-R27 200 000	-R4 918 141,41	18%
Municipal Infrastructure Grant	IDHS	-R46 020 200	-R18 761 032,59	41%

Expanded Public Works Programme Integrated Grant	IDHS	-R1 692 000,00	-R505 202,00	30%
Municipal Infrastructure Grant – PMU Admin Costs	IDHS	-R1 895 800,00	-R1 594 443,29	84%
Electricity Sales:Street Lighting	IDHS	-R900 000,00	-R1 157 432,73	129%
Licences or Permits:Trading (Business)	PEDTA	-R500 000,00	-R116 560,69	23%
Grazing Fees	PEDTA	R0,00	-R4 173,92	#DIV/0!
Inspection Fees:Agricultural Activities	PEDTA	-R1 000,00	-R478,26	48%
		-R259 251 177	-R147 444 764	57%

Performance per Department

	Budget	Actual	%
BTO	-R173 041 843,00	-R118 465 927,17	68%
Community Services	-R4 800 637,00	-R1 349 199,57	28%
Corporate Services	-R1 035 000,00	-R440 023,89	43%
IDHS	-R79 872 697,00	-R27 068 400,38	34%
PEDTA	-R501 000,00	-R121 212,87	24%
	-R259 251 177,00	-R147 444 763,88	57%

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 8% and 145% and 257 and 30% respectively.

Alternatively, traffic revenue items have performance far below expectations, this means there may be a need to adjust downwards at mid-term budget review.

It would be advisable not to adjust Property rates and Service Charges so as to be 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, fines, rental and other revenue, should be considered for a downward adjustment due to under-collection of 81%, 31%, 17% and 17% respectively and all other incomes be kept the same to bring the budget in line with current trends, (C4).

OPERATING EXPENDITURE

Expenditure By Type									
Employee related costs	89 770	99 426	-	14 132	49 685	49 713	(28)	0%	99 426
Remuneration of councillors	13 389	13 600	-	2 309	8 485	6 800	1 685	25%	13 600
Debt impairment	4 481	2 000	-	-	-	1 000	(1 000)	-100%	2 000
Depreciation & asset impairment	24 446	16 054	-	1 084	7 429	8 027	(598)	-7%	16 054
Finance charges	14	80	-	1	161	40	121	302%	80
Bulk purchases - electricity	15 030	14 000	-	1 152	8 114	7 000	1 114	16%	14 000
Inventory consumed	2 234	1 489	-	82	207	744	(538)	-72%	1 489
Contracted services	24 198	19 221	-	1 881	9 676	9 611	65	1%	19 221
Transfers and subsidies	3 696	1 315	-	86	811	658	154	23%	1 315
Other expenditure	29 458	27 388	-	3 114	15 459	13 694	1 765	13%	27 388
Losses	9 525	-	-	-	-	-	-		-
Total Expenditure	216 242	194 573	-	23 841	100 026	97 286	2 740	3%	194 573

Operating expenditure incurred is R100,026 million, resulting in a 3% (R2,740 million) above the year-to-date budget of R97,286 million. Most expenditures are over-spent at this stage except for debt impairment, inventory consumed and depreciation at 100%, 72% and 7% respectively.

Finance charges, transfers and subsidies and remuneration of councilors contribute the most to the votes that are over the budget at 302%, 23% and 25%.

The Budget consumption report generated as at 31 December 2022 suggest that there are certain votes within Directorates that have been under budgeted for, i.e. security costs, fuel, telephone, fleet Maintenance, accommodation 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.

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) - Mid-Year Assessment										
Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 2 - Corporate Services		127	–	–	–	–	–	–		–
Vote 3 - Budget and Treasury		51	–	–	–	–	–	–		–
Vote 5 - Community Services and Social Services		672	15 929	–	–	–	9 214	(9 214)	-100%	15 929
Vote 6 - Infrastructure Development and Human Settlement		35 136	63 635	–	7 741	18 515	38 164	(19 649)	-51%	63 635
Vote 7 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	35 987	79 564	–	7 741	18 515	47 378	(28 863)	-61%	79 564
Single Year expenditure appropriation	2									
Vote 2 - Corporate Services		–	4 000	–	113	1 475	2 000	(525)	-26%	4 000
Vote 3 - Budget and Treasury		120	–	–	–	–	–	–		–
Vote 5 - Community Services and Social Services		68	270	–	–	–	135	(135)	-100%	270
Vote 6 - Infrastructure Development and Human Settlement		7 308	1 809	–	–	–	905	(905)	-100%	1 809
Total Capital single-year expenditure	4	7 496	6 079	–	113	1 475	3 040	(1 565)	-51%	6 079
Total Capital Expenditure		43 483	85 643	–	7 854	19 990	50 417	(30 428)	-60%	85 643
Capital Expenditure - Functional Classification										
Governance and administration		365	4 468	–	113	1 475	2 234	(759)	-34%	4 468
Finance and administration		365	4 468	–	113	1 475	2 234	(759)	-34%	4 468
Community and public safety		3 400	15 731	–	–	–	9 114	(9 114)	-100%	15 731
Community and social services		4 348	5 731	–	–	–	3 865	(3 865)	-100%	5 731
Sport and recreation		(948)	10 000	–	–	–	5 249	(5 249)	-100%	10 000
Economic and environmental services		39 117	37 244	–	6 335	16 030	24 969	(8 938)	-36%	37 244
Road transport		39 117	37 244	–	6 335	16 030	24 969	(8 938)	-36%	37 244
Trading services		601	28 200	–	1 406	2 484	14 100	(11 616)	-82%	28 200
Energy sources		18	28 200	–	1 406	2 484	14 100	(11 616)	-82%	28 200
Total Capital Expenditure - Functional Classification	3	43 483	85 643	–	7 854	19 990	50 417	(30 428)	-60%	85 643
Funded by:										
National Government		36 212	73 220	–	7 741	18 515	44 206	(25 691)	-58%	73 220
Provincial Government		5 432	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		41 644	73 220	–	7 741	18 515	44 206	(25 691)	-58%	73 220
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		898	12 423	–	113	1 475	6 211	(4 737)	-76%	12 423
Total Capital Funding		42 542	85 643	–	7 854	19 990	50 417	(30 428)	-60%	85 643

Table C5 below reflects the capital expenditure for the mid-year of the 2022/2023 financial year by “municipal vote”. The capital expenditure at the end of the mid-year of 2022/2023 is R19,990 million which results to a variance of R30,428 million for the mid-year variance of 60% compared to the mid-year projection of R50,417 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.

CONDITIONAL GRANT PERFORMANCE

Gant	Allocation	Amount Received	Amount Spent	Percentage expenditure
EPWP	R 1 692 000,00	R 1 184 000,00	R 505 202.00	42.67%
FMG	R 3 100 000,00	R 3 100 000,00	R 1 922 346.737	62%
MIG	R 47 916 000,00	R 30 062 000,00	R 19 474 291.45	40.64%
Library	R 950 000,00	R 950 000,00	R 385 399.96	41%
INEP	R 27 200 000,00	R 17 156 000,00	R 3 777 986.28	22.02%
DEDEAT	R 324 301,00	R 324 301,00	R324 301,00	100%
DOT	R 1 603 532,00	R 1 603 532,00	R 1 000 000,00	62%
TOTAL	R 82 785 833,00	R 54 379 833	R27 389 527.42	50%

- The capital expenditure funded from internal funding amounted to R1,475 million compared to the projected budget for the mid-year of R6,211 million, resulting in a 76% (R 4,737 million) under-performance.
- The capital expenditure funded from National grant funding amounted to R18,515 million compared to the projected budget for the mid-year of R44,206 million, resulting in a 58% (R25,691 million) under-performance.
- Revised cash flows and project implementation due to poor performance in the first half of the financial year 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.
- An accelerated works program for EPWP, INEP and MIG conditional grants needs to be implemented in the second half of the financial year in order to achieve 100%.

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Conclusion

The municipality would like to propose a Main Adjustment Budget for the following reasons:

- The municipality would also like to realign the MIG & INEP Project Implementation Plan for 2022/2023 financial year.
- To ensure the operational efficiency of the municipality where some votes are exhausted whereas some are unspent.
- Incorporate the budget for the 3% increase in councillors allowances as per the Gazette, which was implemented after the May 2022 budget tabling.
- An adjustment budget is required due to some streams of revenue being over budgeted. See YTD variance column in the C4 table above. The municipality budgets on realistic estimates, this then implies that only a percentage of service charges and property rates would be expected to be collected, these revenues should be adjusted upwards to the expected recoverable amounts due to the current over-collection trend at the end of the mid-year.
- Incorporate the new Grant Allocations as follows:
 - Office of the Premier Grant for Ezingoleni High Mast
 - INEP Bulk Infrastructure Upgrade Grant.

Most expenditure line items including finance charges, remuneration of councilors, transfers and subsidies, bulk purchases, have been under budgeted and will require adjustments and stricter spending controls need to be put in place in order to eliminate further overspending on votes.

Remuneration of councilors have been under 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.



Honorable. Cllr N. Koni

MAYOR

DATE: 25 JANUARY 2023

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 2022/2023 Mid-Year Budget and Performance Assessment as tabled in terms of Section 54 of the Municipal Finance Management Act

That a revised budget for 2022/2023 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.

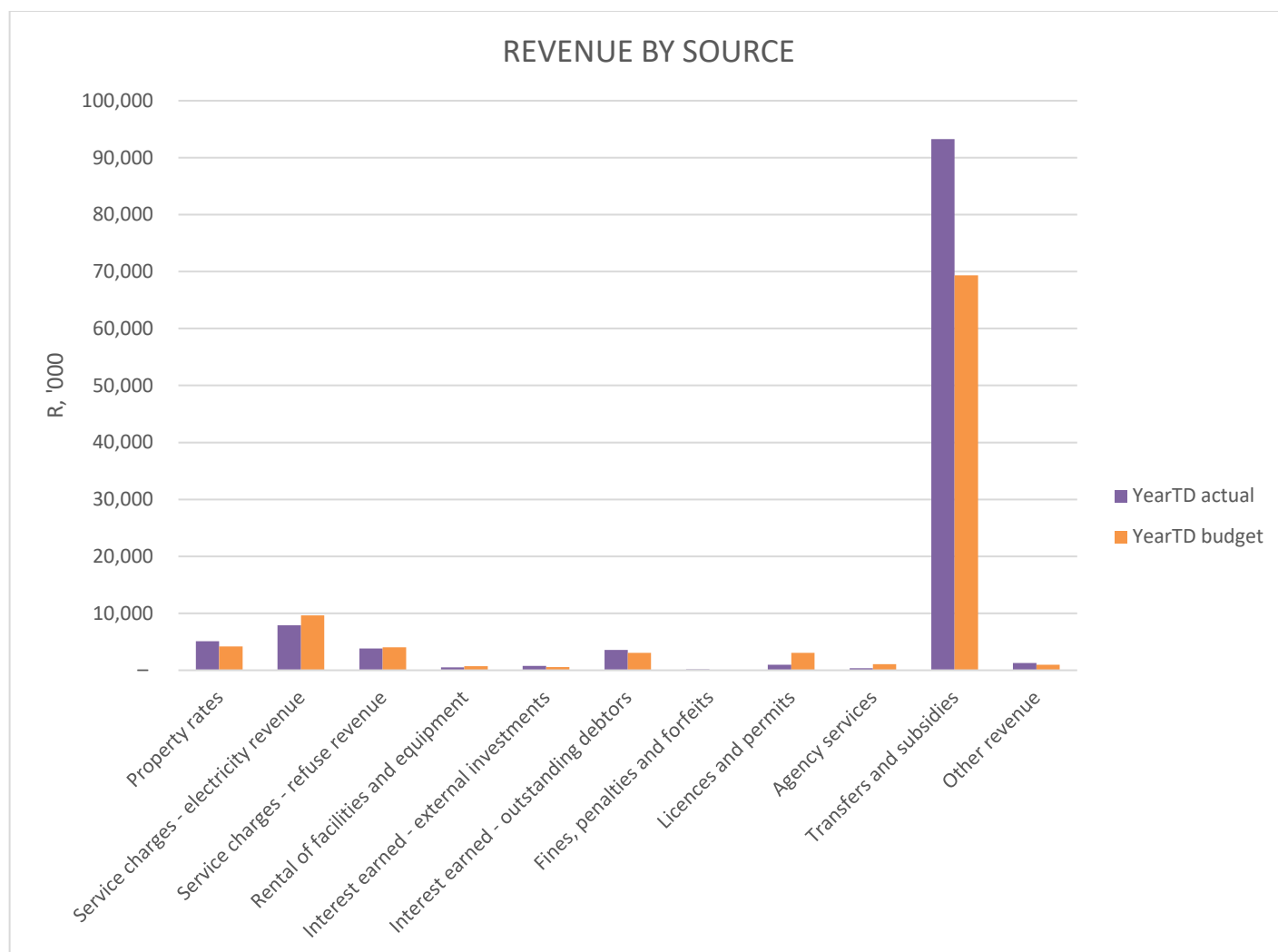
FINANCIAL

(a) Operating Revenue

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

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		10 978	15 120	–	687	8 167	7 560	607	8%	15 120
Service charges - electricity revenue		14 662	17 615	–	1 048	8 400	8 807	(407)	-5%	17 615
Service charges - water revenue		–	–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–	–		–
Service charges - refuse revenue		9 405	5 160	–	1 041	6 319	2 580	3 740	145%	5 160
Rental of facilities and equipment		874	510	–	36	212	255	(43)	-17%	510
Interest earned - external investments		3 982	4 108	–	360	2 198	2 054	144	7%	4 108
Interest earned - outstanding debtors		4 839	2 010	–	615	3 583	1 005	2 578	257%	2 010
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		138	200	–	7	69	100	(31)	-31%	200
Licences and permits		1 144	3 500	–	92	333	1 750	(1 417)	-81%	3 500
Agency services		2 090	1 591	–	106	1 035	795	239	30%	1 591
Transfers and subsidies		145 637	153 909	–	49 339	110 274	113 501	(3 227)	-3%	153 909
Other revenue		7 253	2 699	–	20	1 124	1 349	(225)	-17%	2 699
Gains		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		201 001	206 421	–	53 353	141 714	139 757	1 958	1%	206 421

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



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

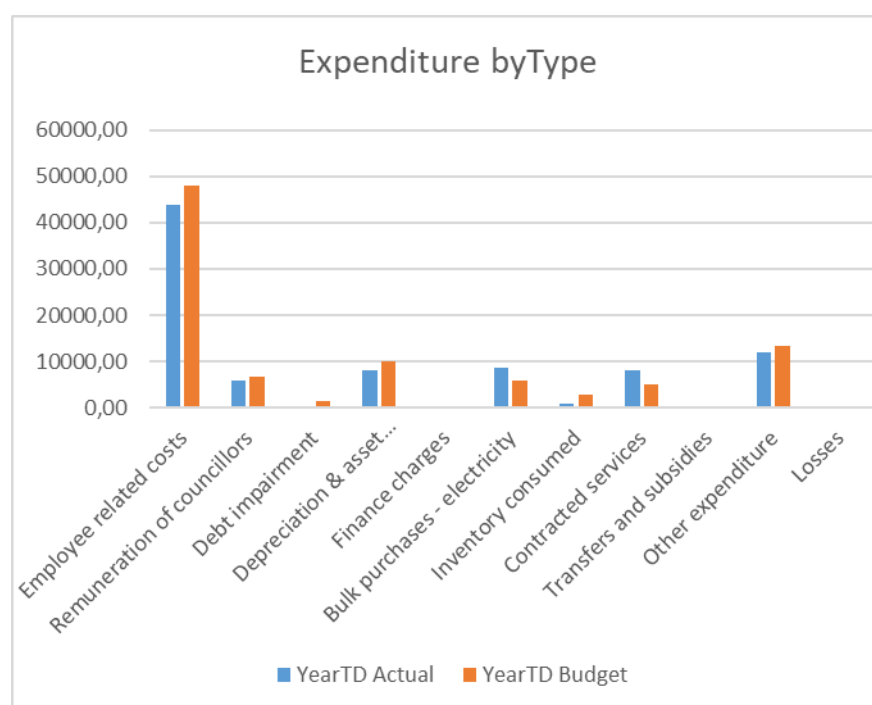
Revenue achieved to date including operating transfers is 1% (R1,958 million) above the year-to-date budget. When operating transfers are excluded, revenue achieved is 4,5% (R5,806 million) above the year-to-date budget.

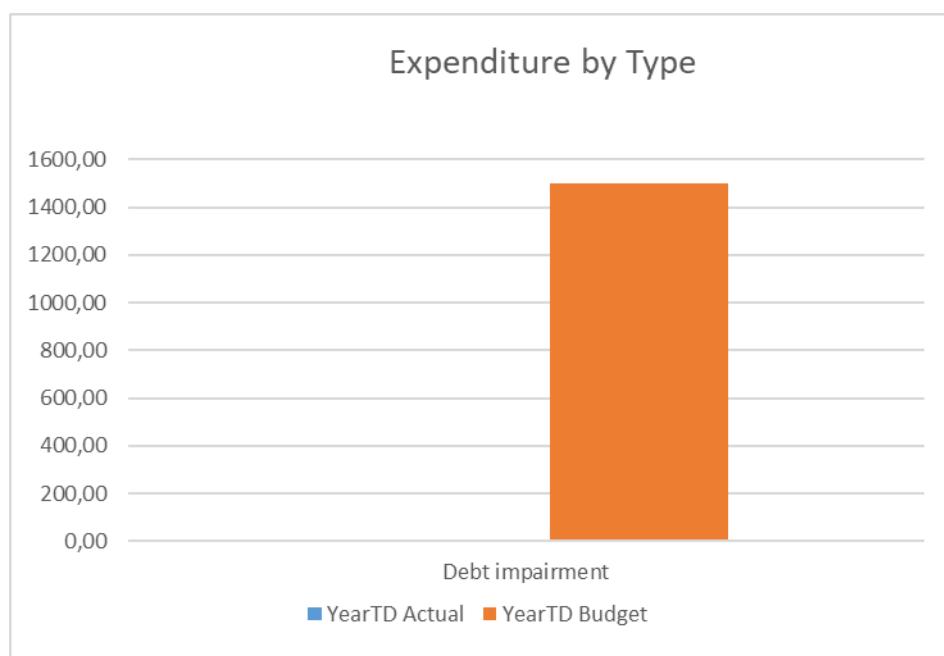
The over-performance is mainly due to good performance of, interest on debtors, refuse revenue, agency fees and property rates should be adjusted upward due to significant over-collection of 245% and 145%, 30% and 8% respectively.

The total revenue as at end of December for billed services amounts to R14,719 million which is in line with the billed amounts R11,387 million. This represents a collection rate of 129,26%.

(b) Operating Expenditure

Expenditure By Type									
Employee related costs	89 770	99 426	-	14 132	49 685	49 713	(28)	0%	99 426
Remuneration of councillors	13 389	13 600	-	2 309	8 485	6 800	1 685	25%	13 600
Debt impairment	4 481	2 000	-	-	-	1 000	(1 000)	-100%	2 000
Depreciation & asset impairment	24 446	16 054	-	1 084	7 429	8 027	(598)	-7%	16 054
Finance charges	14	80	-	1	161	40	121	302%	80
Bulk purchases - electricity	15 030	14 000	-	1 152	8 114	7 000	1 114	16%	14 000
Inventory consumed	2 234	1 489	-	82	207	744	(538)	-72%	1 489
Contracted services	24 198	19 221	-	1 881	9 676	9 611	65	1%	19 221
Transfers and subsidies	3 696	1 315	-	86	811	658	154	23%	1 315
Other expenditure	29 458	27 388	-	3 114	15 459	13 694	1 765	13%	27 388
Losses	9 525	-	-	-	-	-	-		-
Total Expenditure	216 242	194 573	-	23 841	100 026	97 286	2 740	3%	194 573





Operating expenditure incurred is R100,026 million, resulting in a 3% (R2,740 million) above the year-to-date budget of R97,286 million. Most expenditures are over-spent at this stage except for debt impairment, inventory consumed and depreciation at 100%,72% and 7% respectively.

Finance charges, transfers and subsidies and remuneration of councilors contribute the most to the votes that are over the budget at 302%,23% and 25%.

The Budget consumption report generated as at 31 December 2022 suggest that there are certain votes within Directorates that have been under budgeted for, i.e. security costs, fuel, telephone, fleet Maintenance, accommodation 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.

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.

(c) Capital Expenditure**CAPITAL EXPENDITURE**

EC136 Emalahleni (Ec) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment										
Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 2 - Corporate Services		127	–	–	–	–	–	–		–
Vote 3 - Budget and Treasury		51	–	–	–	–	–	–		–
Vote 5 - Community Services and Social Services		672	15 929	–	–	–	9 214	(9 214)	-100%	15 929
Vote 6 - Infrastructure Development and Human Settlement		35 136	63 635	–	7 741	18 515	38 164	(19 649)	-51%	63 635
Vote 7 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	35 987	79 564	–	7 741	18 515	47 378	(28 863)	-61%	79 564
Single Year expenditure appropriation	2									
Vote 2 - Corporate Services		–	4 000	–	113	1 475	2 000	(525)	-26%	4 000
Vote 3 - Budget and Treasury		120	–	–	–	–	–	–		–
Vote 5 - Community Services and Social Services		68	270	–	–	–	135	(135)	-100%	270
Vote 6 - Infrastructure Development and Human Settlement		7 308	1 809	–	–	–	905	(905)	-100%	1 809
Total Capital single-year expenditure	4	7 496	6 079	–	113	1 475	3 040	(1 565)	-51%	6 079
Total Capital Expenditure		43 483	85 643	–	7 854	19 990	50 417	(30 428)	-60%	85 643
Capital Expenditure - Functional Classification										
Governance and administration		365	4 468	–	113	1 475	2 234	(759)	-34%	4 468
Finance and administration		365	4 468	–	113	1 475	2 234	(759)	-34%	4 468
Community and public safety		3 400	15 731	–	–	–	9 114	(9 114)	-100%	15 731
Community and social services		4 348	5 731	–	–	–	3 865	(3 865)	-100%	5 731
Sport and recreation		(948)	10 000	–	–	–	5 249	(5 249)	-100%	10 000
Economic and environmental services		39 117	37 244	–	6 335	16 030	24 969	(8 938)	-36%	37 244
Road transport		39 117	37 244	–	6 335	16 030	24 969	(8 938)	-36%	37 244
Trading services		601	28 200	–	1 406	2 484	14 100	(11 616)	-82%	28 200
Energy sources		18	28 200	–	1 406	2 484	14 100	(11 616)	-82%	28 200
Total Capital Expenditure - Functional Classification	3	43 483	85 643	–	7 854	19 990	50 417	(30 428)	-60%	85 643
Funded by:										
National Government		36 212	73 220	–	7 741	18 515	44 206	(25 691)	-58%	73 220
Provincial Government		5 432	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		41 644	73 220	–	7 741	18 515	44 206	(25 691)	-58%	73 220
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		898	12 423	–	113	1 475	6 211	(4 737)	-76%	12 423
Total Capital Funding		42 542	85 643	–	7 854	19 990	50 417	(30 428)	-60%	85 643

Table C5 below reflects the capital expenditure for the mid-year of the 2022/2023 financial year by “municipal vote”. The capital expenditure at the end of the mid-year of 2022/2023 is R19,990 million which results to an variance of R30,428 million for the mid-year variance of 60% compared to the mid-year projection of R50,417 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.

The capital expenditure funded from internal funding amounted to R1,475 million compared to the projected budget for the mid-year of R6,211 million, resulting in a 76% (R 4,737 million) under-performance.

The capital expenditure funded from National grant funding amounted to R18,515 million compared to the projected budget for the mid-year of R44,206 million, resulting in a 58% (R25,691 million) under-performance.

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.

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'

4.1.1 Table C1: S71 Monthly Budget Statement Summary

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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	10 978	15 120	–	687	8 167	7 560	607	8%	15 120
Service charges	24 067	22 775	–	2 090	14 720	11 387	3 332	29%	22 775
Investment revenue	3 982	4 108	–	360	2 198	2 054	144	7%	4 108
Transfers and subsidies	145 637	153 909	–	49 339	110 274	113 501	(3 227)	-3%	153 909
Other own revenue	16 337	10 509	–	877	6 356	5 255	1 102	21%	10 509
Total Revenue (excluding capital transfers and contributions)	201 001	206 421	–	53 353	141 714	139 757	1 958	1%	206 421
Employee costs	89 770	99 426	–	14 132	49 685	49 713	(28)	-0%	99 426
Remuneration of Councillors	13 389	13 600	–	2 309	8 485	6 800	1 685	25%	13 600
Depreciation & asset impairment	24 446	16 054	–	1 084	7 429	8 027	(598)	-7%	16 054
Finance charges	14	80	–	1	161	40	121	302%	80
Inventory consumed and bulk purchases	17 264	15 489	–	1 234	8 320	7 744	576	7%	15 489
Transfers and subsidies	3 696	1 315	–	86	811	658	154	23%	1 315
Other expenditure	67 662	48 608	–	4 995	25 135	24 304	831	3%	48 608
Total Expenditure	216 242	194 573	–	23 841	100 026	97 286	2 740	3%	194 573

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 2022 TO DECEMBER 2022

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

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		160 657	173 756	–	50 256	121 426	123 425	(1 999)	-2%	173 756
Executive and council		6 646	–	–	2 412	5 263	–	5 263	#DIV/0!	–
Finance and administration		154 012	173 756	–	47 844	116 163	123 425	(7 261)	-6%	173 756
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		4 724	2 026	–	123	723	1 013	(290)	-29%	2 026
Community and social services		3 734	1 036	–	64	408	518	(110)	-21%	1 036
Sport and recreation		0	–	–	–	0	–	0	#DIV/0!	–
Public safety		990	990	–	58	315	495	(180)	-36%	990
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		43 785	49 808	–	7 753	20 265	24 904	(4 639)	-19%	49 808
Planning and development		37 584	49 808	–	7 753	20 265	24 904	(4 639)	-19%	49 808
Road transport		6 202	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		46 247	49 360	–	4 116	20 699	24 680	(3 981)	-16%	49 360
Energy sources		34 590	43 900	–	2 729	12 570	21 950	(9 380)	-43%	43 900
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		11 656	5 460	–	1 387	8 130	2 730	5 400	198%	5 460
<i>Other</i>	4	1 379	4 691	–	7	409	2 345	(1 936)	-83%	4 691
Total Revenue - Functional	2	256 792	279 641	–	62 256	163 522	176 367	(12 845)	-7%	279 641
Expenditure - Functional										
<i>Governance and administration</i>		120 486	100 687	–	13 318	52 521	50 344	2 177	4%	100 687
Executive and council		30 187	26 468	–	3 939	16 228	13 234	2 995	23%	26 468
Finance and administration		89 792	72 415	–	9 237	35 605	36 207	(603)	-2%	72 415
Internal audit		508	1 805	–	142	688	902	(214)	-24%	1 805
<i>Community and public safety</i>		31 101	36 199	–	3 253	13 588	18 099	(4 511)	-25%	36 199
Community and social services		22 685	23 329	–	2 428	9 957	11 664	(1 707)	-15%	23 329
Sport and recreation		3 921	4 785	–	275	1 239	2 392	(1 153)	-48%	4 785
Public safety		2 149	2 514	–	316	1 131	1 257	(126)	-10%	2 514
Housing		2 344	5 571	–	234	1 261	2 786	(1 525)	-55%	5 571
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		31 041	30 712	–	3 456	15 520	15 356	165	1%	30 712
Planning and development		27 290	27 410	–	2 997	13 587	13 705	(118)	-1%	27 410
Road transport		3 751	3 302	–	459	1 933	1 651	282	17%	3 302
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		30 711	23 476	–	3 213	16 001	11 738	4 263	36%	23 476
Energy sources		21 833	20 360	–	1 854	11 025	10 180	845	8%	20 360
Water management		–	–	–	–	–	–	–	–	–
Waste water management		1 495	986	–	158	648	493	155	31%	986
Waste management		7 383	2 130	–	1 201	4 329	1 065	3 263	306%	2 130
<i>Other</i>		2 903	3 499	–	601	2 396	1 750	646	37%	3 499
Total Expenditure - Functional	3	216 242	194 573	–	23 841	100 026	97 286	2 740	3%	194 573
Surplus/ (Deficit) for the year		40 550	85 068	–	38 415	63 496	79 080	(15 584)	-20%	85 068

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:

- (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

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

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

Vote Description		2021/22	Budget Year 2022/23								
	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Revenue by Vote		1									
Vote 1 - Executive and council			6 109	600	–	2 412	5 996	300	5 696	1898,6%	600
Vote 2 - Corporate Services			109	–	–	51	55	–	55	#DIV/0!	–
Vote 3 - Budget and Treasury			154 241	176 476	–	47 806	115 171	124 785	(9 613)	-7,7%	176 476
Vote 4 - PEDTA			(678)	(2 439)	–	(65)	(391)	(1 220)	829	-68,0%	(2 439)
Vote 5 - Community Services and Social Services			18 635	11 296	–	1 570	9 856	5 648	4 208	74,5%	11 296
Vote 6 - Infrastructure Development and Human Settlement			78 375	93 708	–	10 481	32 835	46 854	(14 019)	-29,9%	93 708
Vote 7 - COMMUNITY & SOCIAL SERVICES			–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]			–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]			–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]			–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]			–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]			–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]			–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]			–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]			–	–	–	–	–	–	–	–	–
Total Revenue by Vote		2	256 792	279 641	–	62 256	163 522	176 367	(12 845)	-7,3%	279 641
Expenditure by Vote		1									
Vote 1 - Executive and council			32 791	29 417	–	4 277	17 624	14 709	2 915	19,8%	29 417
Vote 2 - Corporate Services			22 167	37 116	–	3 050	11 246	18 558	(7 312)	-39,4%	37 116
Vote 3 - Budget and Treasury			57 052	27 751	–	4 812	19 499	13 875	5 624	40,5%	27 751
Vote 4 - PEDTA			10 512	15 693	–	1 199	5 288	7 846	(2 558)	-32,6%	15 693
Vote 5 - Community Services and Social Services			41 725	33 650	–	5 982	22 493	16 825	5 668	33,7%	33 650
Vote 6 - Infrastructure Development and Human Settlement			51 995	50 946	–	4 521	23 876	25 473	(1 597)	-6,3%	50 946
Vote 7 - COMMUNITY & SOCIAL SERVICES			–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]			–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]			–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]			–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]			–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]			–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]			–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]			–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]			–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		2	216 242	194 573	–	23 841	100 026	97 286	2 740	2,8%	194 573
Surplus/ (Deficit) for the year		2	40 550	85 068	–	38 415	63 496	79 080	(15 584)	-19,7%	85 068

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	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		10 978	15 120	–	687	8 167	7 560	607	8%	15 120
Service charges - electricity revenue		14 662	17 615	–	1 048	8 400	8 807	(407)	-5%	17 615
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		9 405	5 160	–	1 041	6 319	2 580	3 740	145%	5 160
Rental of facilities and equipment		874	510	–	36	212	255	(43)	-17%	510
Interest earned - external investments		3 982	4 108	–	360	2 198	2 054	144	7%	4 108
Interest earned - outstanding debtors		4 839	2 010	–	615	3 583	1 005	2 578	257%	2 010
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		138	200	–	7	69	100	(31)	-31%	200
Licences and permits		1 144	3 500	–	92	333	1 750	(1 417)	-81%	3 500
Agency services		2 090	1 591	–	106	1 035	795	239	30%	1 591
Transfers and subsidies		145 637	153 909	–	49 339	110 274	113 501	(3 227)	-3%	153 909
Other revenue		7 253	2 699	–	20	1 124	1 349	(225)	-17%	2 699
Gains		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		201 001	206 421	–	53 353	141 714	139 757	1 958	1%	206 421
Expenditure By Type										
Employee related costs		89 770	99 426	–	14 132	49 685	49 713	(28)	0%	99 426
Remuneration of councillors		13 389	13 600	–	2 309	8 485	6 800	1 685	25%	13 600
Debt impairment		4 481	2 000	–	–	–	1 000	(1 000)	-100%	2 000
Depreciation & asset impairment		24 446	16 054	–	1 084	7 429	8 027	(598)	-7%	16 054
Finance charges		14	80	–	1	161	40	121	302%	80
Bulk purchases - electricity		15 030	14 000	–	1 152	8 114	7 000	1 114	16%	14 000
Inventory consumed		2 234	1 489	–	82	207	744	(538)	-72%	1 489
Contracted services		24 198	19 221	–	1 881	9 676	9 611	65	1%	19 221
Transfers and subsidies		3 696	1 315	–	86	811	658	154	23%	1 315
Other expenditure		29 458	27 388	–	3 114	15 459	13 694	1 765	13%	27 388
Losses		9 525	–	–	–	–	–	–	–	–
Total Expenditure		216 242	194 573	–	23 841	100 026	97 286	2 740	3%	194 573

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 1% million above the year-to-date budget. Interest on debtors, refuse revenue and agency services are the main contributors to this positive variance with 257%, 145% and 30% positive variances over this period.

Overall the expenditure for the period for 2022/2023 is 3% above the year-to-date budget projections Operating expenditure incurred is R100,026 million, resulting in a 3% (R2,740 million) above the year-to-date budget of R97,286 million. Most expenditures are over-spent at this stage except for debt impairment, inventory consumed and depreciation at 100%,72% and 7% respectively.

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) - Mid-Year Assessment										
Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 2 - Corporate Services		127	-	-	-	-	-	-		-
Vote 3 - Budget and Treasury		51	-	-	-	-	-	-		-
Vote 5 - Community Services and Social Services		672	15 929	-	-	-	9 214	(9 214)	-100%	15 929
Vote 6 - Infrastructure Development and Human Settlement		35 136	63 635	-	7 741	18 515	38 164	(19 649)	-51%	63 635
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	35 987	79 564	-	7 741	18 515	47 378	(28 863)	-61%	79 564
Single Year expenditure appropriation	2									
Vote 2 - Corporate Services		-	4 000	-	113	1 475	2 000	(525)	-26%	4 000
Vote 3 - Budget and Treasury		120	-	-	-	-	-	-		-
Vote 5 - Community Services and Social Services		68	270	-	-	-	135	(135)	-100%	270
Vote 6 - Infrastructure Development and Human Settlement		7 308	1 809	-	-	-	905	(905)	-100%	1 809
Total Capital single-year expenditure	4	7 496	6 079	-	113	1 475	3 040	(1 565)	-51%	6 079
Total Capital Expenditure		43 483	85 643	-	7 854	19 990	50 417	(30 428)	-60%	85 643
Capital Expenditure - Functional Classification										
Governance and administration		365	4 468	-	113	1 475	2 234	(759)	-34%	4 468
Finance and administration		365	4 468	-	113	1 475	2 234	(759)	-34%	4 468
Community and public safety		3 400	15 731	-	-	-	9 114	(9 114)	-100%	15 731
Community and social services		4 348	5 731	-	-	-	3 865	(3 865)	-100%	5 731
Sport and recreation		(948)	10 000	-	-	-	5 249	(5 249)	-100%	10 000
Economic and environmental services		39 117	37 244	-	6 335	16 030	24 969	(8 938)	-36%	37 244
Road transport		39 117	37 244	-	6 335	16 030	24 969	(8 938)	-36%	37 244
Trading services		601	28 200	-	1 406	2 484	14 100	(11 616)	-82%	28 200
Energy sources		18	28 200	-	1 406	2 484	14 100	(11 616)	-82%	28 200
Total Capital Expenditure - Functional Classification	3	43 483	85 643	-	7 854	19 990	50 417	(30 428)	-60%	85 643
Funded by:										
National Government		36 212	73 220	-	7 741	18 515	44 206	(25 691)	-58%	73 220
Provincial Government		5 432	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		41 644	73 220	-	7 741	18 515	44 206	(25 691)	-58%	73 220
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		898	12 423	-	113	1 475	6 211	(4 737)	-76%	12 423
Total Capital Funding		42 542	85 643	-	7 854	19 990	50 417	(30 428)	-60%	85 643

Table C5 consists of three distinct sections:

- **Appropriations by vote:**
 - 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.

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	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		8 911	159 497	–	(2 957)	159 497
Call investment deposits		67 163	–	–	144 253	–
Consumer debtors		11 308	2 054	–	47 432	2 054
Other debtors		22 902	14 082	–	19 758	14 082
Current portion of long-term receivables		–	–	–	–	–
Inventory		–	1 120	–	–	1 120
Total current assets		110 284	176 752	–	208 486	176 752
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		1 222	–	–	1 218	–
Investments in Associate		–	–	–	–	–
Property, plant and equipment		436 427	84 834	–	449 065	84 834
Biological		–	–	–	–	–
Intangible		542	809	–	468	809
Other non-current assets		183	–	–	183	–
Total non current assets		438 374	85 643	–	450 934	85 643
TOTAL ASSETS		548 658	262 395	–	659 420	262 395
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		90	–	–	97	–
Trade and other payables		39 275	148 949	–	64 509	148 949
Provisions		19 436	–	–	17 773	–
Total current liabilities		58 801	148 949	–	82 379	148 949
Non current liabilities						
Borrowing		–	–	–	–	–
Provisions		13 512	–	–	13 512	–
Total non current liabilities		13 512	–	–	13 512	–
TOTAL LIABILITIES		72 313	148 949	–	95 891	148 949
NET ASSETS	2	476 344	113 446	–	563 529	113 446
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		459 524	–	–	500 033	–
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	459 524	–	–	500 033	–

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	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		12 495	5 487	–	3 485	5 047	2 743	2 304	84%	5 487
Service charges		18 130	9 294	–	3 041	10 005	4 647	5 359	115%	9 294
Other revenue		12 241	6 550	–	268	3 103	3 275	(172)	-5%	6 550
Transfers and Subsidies - Operational		142 852	145 693	–	49 369	111 992	73 792	38 200	52%	145 693
Transfers and Subsidies - Capital		52 951	46 020	–	6 955	45 715	35 000	10 715	31%	46 020
Interest		4 870	3 130	–	615	3 567	1 565	2 002	128%	3 130
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(114 138)	–	–	(19 127)	(74 820)	–	74 820	#DIV/0!	–
Finance charges		(14)	–	–	(1)	(161)	–	161	#DIV/0!	–
Transfers and Grants		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		129 388	216 173	–	44 605	104 449	121 022	16 572	14%	216 173
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(54 513)	–	–	(8 863)	(21 457)	–	21 457	#DIV/0!	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(54 513)	–	–	(8 863)	(21 457)	–	21 457	#DIV/0!	–
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	(50)	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	(50)	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		74 874	216 123	–	35 742	82 992	121 022			216 173
Cash/cash equivalents at beginning:		63 851	–	–		76 073	–			76 073
Cash/cash equivalents at month/year end:		138 725	216 123	–		159 066	121 022			292 246

PART 2-SUPPORTING DOCUMENTATION SECTION

Section 5- Debtor's Analysis

Debtors Analysis

The debtors' analysis must contain-

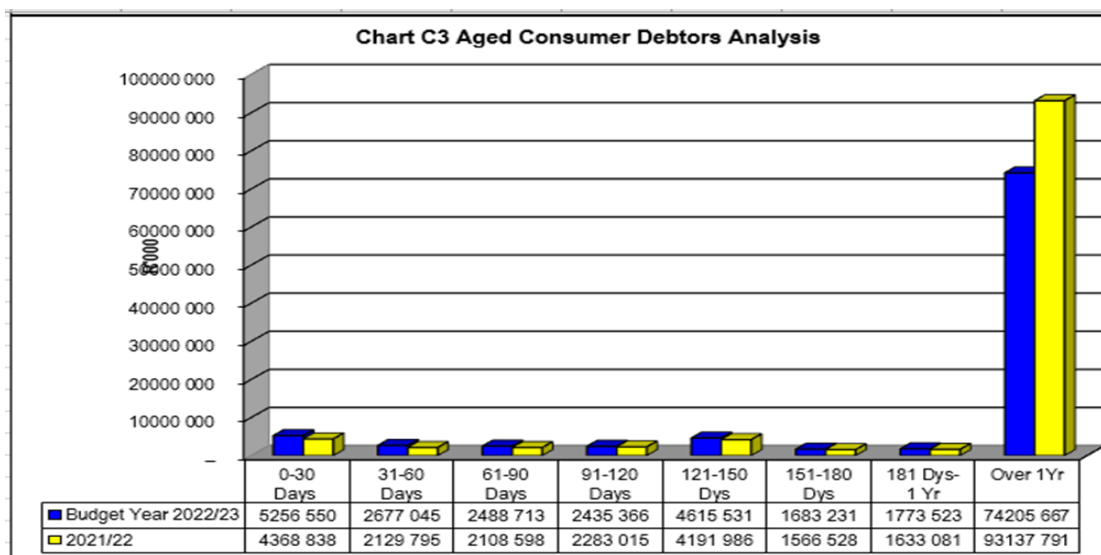
- (a) an aged analysis reconciled with the financial position grouped by-
 - (i) revenue source; and
 - (ii) customer group
- (b) any bad debts written off by customer group

5.1 Supporting Table SC3: Debtors Age Analysis

EC136 Emalahleni (Ec) - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Ex change Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Ex change Transactions - Electricity	1300	631	421	310	312	610	165	96	6 691	9 235	7 874	–	–	–
Receivables from Non-ex change Transactions - Property Rates	1400	1 593	737	718	697	2 732	176	523	27 514	34 689	31 642	–	–	–
Receivables from Ex change Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Ex change Transactions - Waste Management	1600	2 970	1 490	1 431	1 395	1 243	1 172	1 124	39 614	50 440	44 548	–	–	–
Receivables from Ex change Transactions - Property Rental Debtors	1700	62	30	30	31	31	153	31	387	754	633	–	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	1	–	–	0	–	17	–	0	17	17	–	–	–
Total By Income Source	2000	5 257	2 677	2 489	2 435	4 616	1 683	1 774	74 206	95 136	84 713	–	–	–
2021/22 - totals only		4368838	2129795	2108598	2283015	4191986	1566528	1633081	93137791	111 420	102 812	0	–	0
Debtors Age Analysis By Customer Group														
Organs of State	2200	1 840	1 015	912	891	3 099	411	474	17 661	26 303	22 535	–	–	–
Commercial	2300	820	405	357	353	297	333	254	10 355	13 175	11 593	–	–	–
Households	2400	2 596	1 257	1 219	1 191	1 220	939	1 045	46 190	55 658	50 585	–	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	5 257	2 677	2 489	2 435	4 616	1 683	1 774	74 206	95 136	84 713	–	–	–

Below is graphical illustration of the revenue collection for the 2022/2023



Totals per Account Group	Total Balance	Current Amount	30-60 Days	Greater Than 90 Days	Total Interest Charged
Blue Crane Minerals & Resources (PTY) Ltd	R 41 878,00	R 879,70		R 36 556,97	R2 798,01
Business	R10 591 863,99	R 153 782,21	R1 643,32	R7 340 820,65	R2 596 255,08
Chris Hani District Municipality	R7 073 397,72	R 32 293,87	R501 006,05	R4 920 661,91	R1 936 898,77
Churches	(R 14 506,48)	(R 15 336,01)	R183 543,17	R 0,00	R7,87
Cornish Trust and HW Stapelberg	R 161 139,68	R 47 722,35	R821,66	R 96 147,52	
Councillors Accounts	R 49 019,82	R 701,87	R7 032,70	R 33 083,24	R10 237,11
Dept of Rural Development and Land Reform	(R 635 293,33)	(R1 057 425,36)	R2 559,23	R 358 273,19	R12 675,48
Dept Social Development	R 102 253,88	R 10 889,92	R43 404,56	R 55 427,92	R20 454,28
Dordrecht High School	(R 21 605,14)	(R 21 605,14)	R25 889,00	R 0,00	R10 047,04
DR S. Xhoma	R 278 702,66	R 6 281,07	R0,00	R 218 475,35	R0,00
Eastern Cape Development Corp	(R 8 849,42)	(R 8 849,42)	R15 515,61	R 0,00	R38 430,63
Education	(R 9 651,24)	(R 45 487,11)	R0,00	R 24 584,49	R0,00
Farms	R6 396 133,97	(R 49 254,58)	R10 002,42	R4 478 600,41	R1 248,96
Health	R1 190 287,86	R 64 783,28	R15 961,00	R 911 990,90	R1 950 827,14
			R166 557,19		R46 956,49

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Indigents	R 339 784,78	R 28 969,59	R121 100,54	R 181 232,98	R8 481,67
Indwe High School	R 30 726,03	R 3 334,14	R6 668,28	R 19 323,35	R1 400,26
Joe Gqabi Municipality	R 22 618,24	R 5 007,06	R10 364,87	R 6 501,62	R744,69
Mr Mvambo	R 497 415,36	R 9 016,54	R27 943,19	R 363 958,20	R96 497,43
Municipal Accounts	(R 1 232,57)	R 0,00	R0,00	(R 1 232,57)	R0,00
National Public Works	(R 105 483,82)	(R1 404 178,66)	R319 201,19	R 912 705,99	R66 787,66
Osborne Family Trust and Number Two Piggeries	R 145 602,17	(R 2 280,92)	R0,00	R 107 338,37	R40 544,72
Provincial Public Works	R4 526 971,77	(R 21 058,69)	R563 124,63	R3 457 767,90	R527 137,93
Residents	R60 601 068,29	R 617 534,64	R1 889 550,13	R41 204 347,92	R16 889 635,60
South African Post Office	R 62 952,74	R 15 726,03	R46 304,21	R 0,00	R922,50
Staff Accounts	R 110 769,70	(R 3 558,76)	R6 056,60	R 88 200,07	R20 071,79
Van Niekerk	R 74 711,66	(R 9 942,05)	R24 688,04	R 54 727,72	R5 237,95
TOTAL	R91 500 676,32	(R1 642 054,43)	R3 988 937,59	R64 869 494,10	R24 284 299,06

Debtors Age Analysis

Debtors Collection Levels at Mid-Term (July to December 2022):

SERVICE	BILLING	COLLECTION	COLLECTION %
Rates	R 8 701 706,26	- R 5 159 736,25	59%
Refuse	R 8 837 733,14	- R 829 477,97	9%
Electricity	R 2 650 828,55	- R 2 429 151,13	92%
Rental	R 201 768,92	- R 338 753,62	168%
TOTAL	R 20 392 036,87	- R8 757 118,97	43%

There is poor collection from the refuse removal revenue source, this can be attributed to the majority of customers for this service being households and business, who are currently not servicing their municipal bills.

Totals per Account Group	Total Balance	Total Balance
Blue Crane Minerals & Resources (PTY) Ltd	R 41 878,00	R11 627,09 was received in December 2022.
Business	R10 591 863,99	R165 143.15 was received from businesses in December 2022. Statements of accounts were hand delivered and others were sent via email to those customers with email accounts.

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Chris Hani District Municipality	R7 073 397,72	R1 706 498,92 was received in December 2022. This after numerous meetings we held them and COGTA intervention. CHDMS has requested a list of RDP beneficiaries in order to properly reconcile the municipal debt.
Churches	(R 14 506,48)	The balance results from the payments made by the churches towards their accounts.
CORNISH TRUST AND HW STAPELBERG	R 161 139,68	R53 564,86 was paid in December 2022.
Councillors Accounts	R 49 019,82	No payment was received from Councillors in December 2022. Communications were sent through the office of the speaker to councillors to make payment arrangements as per the revised policy, no feedback was received. Network challenges affected the functioning of the unit as we were unable to instruct HR to deduct via payroll. An intervention through the Office of the MM to conclude this matter.
Dept of Rural Development and Land Reform	(R 635 293,33)	Rural Developments accounts are up to date with the credit balances resulting from overpayment
Dept Rural Dev & Agri Reform	0	The account that were in the name of Rural developments were transferred to provincial public works. This is at the request from Provincial Public Works as the accounts related to services for cluster offices.
Dept Social Development	R 102 253,88	No payment was received from Social Development in December 2022, even though they had an agreement to pay in December.
Dordrecht High School	(R 21 605,14)	Dordrecht High School's accounts are up to date with credit balance resulting from overpayment.
DR S XHOMA	R 278 702,66	R10 000.00 was received from Dr. Xhoma in December as per the terms of his payment arrangement.
Eastern Cape Development Corp	(R 8 849,42)	Credit Balance.
Education	(R 9 651,24)	Credit Balance.
Farms	R6 396 133,97	R1 000.00 was received in December 2022.
Health	R1 190 287,86	Network challenges have hampered effective follow up with Department of Health, alternative communication methods will be explored.
Indigents	R 339 784,78	R563.80 was received in December 2022.
Indwe High School	R 30 726,03	No payment was received in December from Indwe High school. Disconnection notice was issued to them.
Joe Gqabi Municipality	R 22 618,24	R5 041,61 was received in December from Joe Gqabi District Municipality.
Mr Mvambo	R 497 415,36	No payment was received in December 2022. Disconnection notice was issued in June and there were no response to those.
Municipal Accounts	(R 1 232,57)	The balance results from the department credits that were not done on municipal accounts in November.
National Public Works	(R 105 483,82)	No payment was made by National Public Works in December 2022, but their accounts are still on credit. The department made a commitment to pay rates in December 2022.
OSBORNE FAMILY TRUST AND NUMBER TWO PIGGERIES	R 145 602,17	No payment was received from David Osborn in December 2022. Customer statements were issued and. Debtor will be contacted.
Provincial Public Works	R4 526 971,77	R3 999 892,57 was received from Provincial Public Works in December 2022. The department made a commitment to pay R4,2 million in December and pay the rest in January.
Residents	R60 601 068,29	R59 222,26 was received from Residents in November 2022. We will continue with disconnection letters and demand letters to those who do not pay their accounts.

South African Post Office	R 62 952,74	No payment was received from Post Office in December 2022, even though they had committed to pay the remaining balance in December 2022.
Staff Accounts	R 110 769,70	R2 818,00 was received from municipal employees in December 2022. These are salary deductions as per the agreement with 3 of the listed debtors. Effective communication between the revenue office and HR will be established to accelerate the collection strategy as per the revised policy provisions.
Van Niekerk	R 74 711,66	R12 997,10 was received in November from Mr. Van Niekerk.
	R91 500 676.32	

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

2018/19 Enrolment (20) Supporting Table 03 - Monthly Budget Statement - aged creditors - and Year Assessment										
Description	NT Code	Budget Year 2022/23								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	0	-	-	0
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3 758	75	0	0	-	-	-	0	3 833
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	6	-	-	-	-	-	-	-	6
Total By Customer Type	1000	3 764	75	0	0	-	0	-	0	3 839

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. 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 amount to R3,839 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 2022											
Investment ID	Description	Account Number	Institution	Opening Balance	Investment Made	Investment Withdraw	Investment Interest	Bank Charges	BALANCE	GL BALANCE	DIFFERENCE
FUNDS											
1	SUFFIX 530	1100-465258-530	INVESTEC	1 103 875,29	0,00	0,00	6 552,79	0,00	1 110 428,08	1 110 428,11	-0,03
2	INVESTMENT 001	08 8799 697- 001	STANDARD BANK	202 056,70	0,00	1 166,95	1 166,95	0,00	202 056,70	202 056,70	-
3	INVESTMENT 012	08 8799 697-012	STANDARD BANK	11 598,23	0,00	0,00	34,97	0,00	11 633,20	11 633,20	-
4	INVESTMENT 020	08 8799 697-020	STANDARD BANK	20 940 773,13	0,00	0,00	128 943,53	0,00	21 069 716,66	21 069 716,66	-
19	INVESTMENT 021	08 8799 697-021	STANDARD BANK	15 699 571,78	0,00	0,00	98 670,65	0,00	15 798 242,43	15 798 242,43	-
23	INVESTMENT 022	08 8799 697-022	STANDARD BANK	32 572,93	0,00	0,00	27,66	0,00	32 600,59	32 600,59	0,00
24	INVESTMENT 023	08 8799 697-023	STANDARD BANK	15 000 000,00	0,00	0,00	0,00	0,00	15 000 000,00	15 000 000,00	-
26	INVESTMENT 024	08 8799 697-024	STANDARD BANK	(0,00)	0,00	0,00	0,00	0,00	-0,00	-	-0,00
32	INVESTMENT 025	08 8799 697-025	STANDARD BANK	20 659 901,81	0,00	0,00	123 704,70	0,00	20 783 606,51	20 783 606,52	-0,01
33	INVESTMENT 026	08 8799 697-026	STANDARD BANK	5 590,47	0,00	0,00	15,43	0,00	5 605,90	5 605,90	0,00
27	FIXED DEPOSIT	93 5890 7006	ABSA BANK	173 352,45	10 000 000,00	0,00	1 004,50	50,00	10 174 306,95	10 174 306,95	-
29	FIXED DEPOSIT	93-6256-7503	ABSA BANK	64 924,59	0,00	0,00	376,22	50,00	65 250,81	65 250,81	-0,00
34	FIXED DEPOSIT	08 8799 697-027	STANDARD BANK	20 000 000,00	0,00	0,00	0,00	0,00	20 000 000,00	20 000 000,00	-
35	FIXED DEPOSIT	08 8799 697-028	STANDARD BANK	0	20 000 000,00	0,00	0,00	0,00	20 000 000,00	20 000 000,00	-
36	FIXED DEPOSIT	08 8799 697-029	STANDARD BANK	0	20 000 000,00	0,00	0,00	0,00	20 000 000,00	20 000 000,00	-
				93 894 217,38	50 000 000,00	1 166,95	360 497,40	100,00	144 253 447,83	144 253 447,87	-0,04

The total short-term investments at the end of December 2022 amounted to R144,253 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

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 been spent in line with the grant conditions and have been recognised as revenue. Equitable share is reflected as the total amount received since it is not a conditional grant.

Gant	Allocation	Amount Received	Amount Spent	Percentage expenditure
EPWP	R 1 692 000,00	R 1 184 000,00	R 505 202.00	42.67%
FMG	R 3 100 000,00	R 3 100 000,00	R 1 922 346.737	62%
MIG	R 47 916 000,00	R 30 062 000,00	R 19 474 291.45	40.64%
Library	R 950 000,00	R 950 000,00	R 385 399.96	41%
INEP	R 27 200 000,00	R 17 156 000,00	R 3 777 986.28	22.02%
DEDEAT	R 324 301,00	R 324 301,00	R324 301,00	100%
DOT	R 1 603 532,00	R 1 603 532,00	R 1 000 000,00	62%
TOTAL	R 82 785 833,00	R 54 379 833	R27 389 527.42	50%

8.2 Supporting Table SC7-Grants expenditure

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

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

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		118 709	136 896	–	16 890	66 707	68 448	(1 741)	-2,5%	136 896
		111 928	130 208	–	16 513	64 157	65 104	(947)	-1,5%	130 208
		1 800	1 692	–	–	–	846	(846)	-100,0%	1 692
		2 759	3 100	–	377	2 549	1 550	999	64,5%	3 100
		2 221	1 896	–	–	–	948	(948)	-100,0%	1 896
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		3 191	3 273	–	143	891	1 637	(746)	-45,6%	3 273
		3 191	3 273	–	143	891	1 637	(746)	-45,6%	3 273
								–		
								–		
Other transfers and grants [insert description]								–		
District Municipality:		5 393	0	–	–	–	–	–		0
		5 393	0	–	–	–	–	–		0
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		127 292	140 169	–	17 033	67 597	70 085	(2 487)	-3,5%	140 169
Capital expenditure of Transfers and Grants										
National Government:		37 153	73 220	–	7 741	18 515	73 220	(54 705)	-74,7%	44 206
		941	–	–	–	–	–	–		–
		68	27 200	–	1 406	2 484	27 200	(24 716)	-90,9%	13 600
		36 144	46 020	–	6 335	16 030	46 020	(29 990)	-65,2%	30 606
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	–	–	–	–	–	–		–
								–		
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
Total capital expenditure of Transfers and Grants		37 153	73 220	–	7 741	18 515	73 220	(54 705)	-74,7%	44 206
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		164 445	213 389	–	24 774	86 112	143 305	(57 192)	-39,9%	184 375

Section 9- Councilor and board member allowances and employee benefits

Expenditure on Councilor and board members allowances and employee benefits

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

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

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

EC136 Emalahleni (Ec) - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment										
Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		10 820	9 889	-	2 054	7 109	4 945	2 164	44%	9 889
Pension and UIF Contributions		621	1 636	-	-	-	818	(818)	-100%	1 636
Medical Aid Contributions		9	-	-	-	-	-	-	-	-
Cellphone Allowance		1 557	1 468	-	211	1 156	734	422	57%	1 468
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		381	607	-	44	220	303	(83)	-27%	607
Sub Total - Councillors		13 389	13 600	-	2 309	8 485	6 800	1 685	25%	13 600
% increase	4		1,6%							1,6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 662	791	-	1 171	3 616	395	3 220	815%	791
Pension and UIF Contributions		1 130	4 779	-	217	637	2 389	(1 752)	-73%	4 779
Medical Aid Contributions		201	1 991	-	28	115	995	(881)	-88%	1 991
Performance Bonus		47	31	-	-	-	16	(16)	-100%	31
Motor Vehicle Allowance		1 337	3 652	-	230	831	1 826	(995)	-55%	3 652
Cellphone Allowance		201	285	-	42	131	143	(11)	-8%	285
Housing Allowances		763	3 705	-	140	428	1 852	(1 424)	-77%	3 705
Other benefits and allowances		267	2 878	-	6	43	1 439	(1 396)	-97%	2 878
Payments in lieu of leave		99	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	1 176	-	-	-	588	(588)	-100%	1 176
Sub Total - Senior Managers of Municipality		8 708	19 287	-	1 834	5 800	9 644	(3 844)	-40%	19 287
% increase	4		121,5%							121,5%
Other Municipal Staff										
Basic Salaries and Wages		51 800	15 287	-	8 167	29 485	7 644	21 841	286%	15 287
Pension and UIF Contributions		8 498	14 114	-	1 429	4 996	7 057	(2 060)	-29%	14 114
Medical Aid Contributions		3 059	1 749	-	521	1 798	875	923	106%	1 749
Overtime		1 773	5 204	-	264	759	2 602	(1 843)	-71%	5 204
Performance Bonus		3 818	3 630	-	605	2 297	1 815	481	27%	3 630
Motor Vehicle Allowance		3 540	4 134	-	572	1 971	2 067	(96)	-5%	4 134
Cellphone Allowance		875	7 892	-	153	518	3 946	(3 428)	-87%	7 892
Housing Allowances		179	2 810	-	28	101	1 405	(1 304)	-93%	2 810
Other benefits and allowances		2 411	22 461	-	497	1 497	11 231	(9 734)	-87%	22 461
Payments in lieu of leave		2 390	1 835	-	61	412	917	(505)	-55%	1 835
Long service awards		673	1 024	-	-	51	512	(460)	-90%	1 024
Post-retirement benefit obligations	2	2 045	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		81 062	80 139	-	12 298	43 885	40 069	3 815	10%	80 139
% increase	4		-1,1%							-1,1%
Total Parent Municipality		103 159	113 026	-	16 441	58 169	56 513	1 656	3%	113 026
			9,6%							9,6%
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages								-		
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-		-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages								-		
Post-retirement benefit obligations	2							-		
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-		-
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages								-		
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-		-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS		103 159	113 026	-	16 441	58 169	56 513	1 656	3%	113 026
% increase	4		9,6%							9,6%
TOTAL MANAGERS AND STAFF		89 770	99 426	-	14 132	49 685	49 713	(28)	0%	99 426

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.

EC136 Emalahleni (Ec) - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

Description	Ref	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2022/23	+1 2023/24	+2 2024/25
Cash Receipts By Source																
Property rates		713	213	177	227	232	3 485	1 756	1 756	1 756	1 756	1 756	(8 339)	5 487	5 761	5 761
Service charges - electricity revenue		1 810	1 641	1 405	2 411	84	1 048	1 958	1 958	1 958	1 958	1 958	(14 842)	3 346	3 346	3 346
Service charges - refuse		117	138	114	139	96	422	1 162	1 162	1 162	1 162	1 162	(889)	5 947	5 947	5 947
Rental of facilities and equipment		36	34	36	35	39	36	127	127	127	127	127	(306)	544	567	592
Interest earned - external investments		-	-	-	-	-	7	523	523	523	523	523	510	3 130	3 261	3 405
Interest earned - outstanding debtors		10	1	-	-	7	43	10	10	10	10	10	(111)	-	-	-
Fines, penalties and forfeits		12	32	2	7	9	7	37	37	37	37	37	(102)	150	156	163
Licences and permits		38	44	43	66	50	92	724	724	724	724	724	57	4 010	4 179	4 362
Agency services		134	173	237	156	228	106	427	427	427	427	427	(1 642)	1 529	1 594	1 664
Transfers and Subsidies - Operational		57 559	3 523	950	592	-	49 369	42 947	42 947	42 947	42 947	42 947	(181 037)	145 693	148 389	144 009
Other revenue		250	522	570	1 059	373	261	558	558	558	558	558	(5 508)	316	329	344
Cash Receipts by Source		60 678	6 322	3 533	4 692	1 118	54 876	50 229	50 229	50 229	50 229	50 229	(212 210)	170 153	173 530	169 593
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		15 805	-	-	11 239	11 716	6 955	13 452	13 452	13 452	13 452	13 452	(66 957)	46 020	46 019	44 517
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(4)	4	(1)	1	(2)	(4)	(7)	(7)	(7)	(7)	(7)	(7)	(50)	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		76 478	6 326	3 532	15 932	12 832	61 827	63 674	63 674	63 674	63 674	63 674	(279 174)	216 123	219 549	214 110
Cash Payments by Type																
Employee related costs		6 971	7 156	7 256	7 065	7 105	14 132	(8 281)	(8 281)	(8 281)	(8 281)	(8 281)	(8 281)	-	-	-
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid		-	-	159	0	1	1	(27)	(27)	(27)	(27)	(27)	(27)	-	-	-
Contracted services		-	1 871	2 897	457	2 570	1 881	(1 613)	(1 613)	(1 613)	(1 613)	(1 613)	(1 613)	-	-	-
General expenses		935	3 344	4 458	1 957	1 651	3 114	(2 577)	(2 577)	(2 577)	(2 577)	(2 577)	(2 577)	-	-	-
Cash Payments by Type		7 906	12 371	14 769	9 480	11 326	19 128	(12 497)	(12 497)	(12 497)	(12 497)	(12 497)	(12 497)	-	-	-
Other Cash Flows/Payments by Type																
Capital assets		3 181	1 344	3 550	3 425	738	7 732	(3 328)	(3 328)	(3 328)	(3 328)	(3 328)	(3 328)	-	-	-
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		11 087	13 715	18 319	12 905	12 064	26 860	(15 825)	(15 825)	(15 825)	(15 825)	(15 825)	(15 825)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD		65 392	(7 389)	(14 787)	3 027	768	34 967	79 499	79 499	79 499	79 499	79 499	(263 349)	216 123	219 549	214 110
Cash/cash equivalents at the monthly year beginning		-	65 392	58 003	43 216	46 243	47 011	81 977	161 476	240 975	320 474	399 973	479 472	-	216 123	435 672
Cash/cash equivalents at the monthly year end:		65 392	58 003	43 216	46 243	47 011	81 977	161 476	240 975	320 474	399 973	479 472	216 123	216 123	435 672	649 782

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 60% behind 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 at 31 December 2022.

EC136 Emalahleni (Ec) - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	4 314	15 089	–	2 820	2 820	15 089	12 269	81,3%	3%
August	4 314	7 744	–	1 189	4 009	22 833	18 824	82,4%	5%
September	4 314	7 938	–	4 474	8 483	30 771	22 288	72,4%	10%
October	4 314	6 909	–	2 814	11 297	37 680	26 383	70,0%	13%
November	4 314	6 550	–	838	12 135	44 231	32 096	72,6%	14%
December	4 314	6 187	–	7 854	19 990	50 417	30 428	60,4%	23%
January	4 314	5 787	–	–		56 204	–		
February	4 314	5 641	–	–		61 845	–		
March	4 314	5 682	–	–		67 527	–		
April	4 314	5 917	–	–		73 444	–		
May	4 314	6 234	–	–		79 677	–		
June	4 314	5 966	–	–		85 643	–		
Total Capital expenditure	51 769	85 643	–	19 990					

Above is the graph which shows the Capital Expenditure Trend as at 31 December 2022

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

11.2.1 Supporting Table SC13a

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

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

Description	Ref	2021/22	Budget Year 2022/23							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		37 555	500	-	-	-	250	250	100,0%	500
Roads Infrastructure		37 555	-	-	-	-	-	-		-
Roads		37 555	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	500	-	-	-	250	250	100,0%	500
Power Plants		-	-	-	-	-	-	-		-
MV Networks		-	500	-	-	-	250	250	100,0%	500
Community Assets		4 413	5 611	-	2 407	4 366	3 805	(561)	-14,7%	5 611
Community Facilities		4 413	5 611	-	2 407	4 366	3 805	(561)	-14,7%	5 611
Halls		-	-	-	-	-	-	-		-
Centres		-	5 611	-	2 407	4 366	3 805	(561)	-14,7%	5 611
Cemeteries/Crematoria		4 413	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Indoor Facilities		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Monuments		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Improved Property		-	-	-	-	-	-	-		-
Other assets		-	200	-	-	-	100	100	100,0%	200
Operational Buildings		-	200	-	-	-	100	100	100,0%	200
Stores		-	200	-	-	-	100	100	100,0%	200
Housing		-	-	-	-	-	-	-		-
Staff Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	809	-	-	-	405	405	100,0%	809
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		-	809	-	-	-	405	405	100,0%	809
Solid Waste Licenses		-	809	-	-	-	405	405	100,0%	809
Computer Equipment		-	500	-	113	531	250	(281)	-112,3%	500
Computer Equipment		-	500	-	113	531	250	(281)	-112,3%	500
Furniture and Office Equipment		10	1 220	-	-	-	610	610	100,0%	1 220
Furniture and Office Equipment		10	1 220	-	-	-	610	610	100,0%	1 220
Machinery and Equipment		117	550	-	-	-	275	275	100,0%	550
Machinery and Equipment		117	550	-	-	-	275	275	100,0%	550
Transport Assets		110	3 500	-	-	944	1 750	806	46,1%	3 500
Transport Assets		110	3 500	-	-	944	1 750	806	46,1%	3 500
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Total Capital Expenditure on new as	1	42 205	12 890	-	2 520	5 841	7 445	1 604	21,5%	12 890

11.2.2 Supporting Table SC13b

EC136 Emalahleni (Ec) - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Mid-										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		22 181	15 771	–	1 110	5 336	15 771	10 435	66,2%	15 771
Roads Infrastructure		22 181	15 771	–	1 110	5 336	15 771	10 435	66,2%	15 771
Roads		22 181	15 771	–	1 110	5 336	15 771	10 435	66,2%	15 771
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Community Assets		1 457	3 711	–	586	1 265	1 855	590	31,8%	3 711
Community Facilities		(105)	3 711	–	586	1 265	1 855	590	31,8%	3 711
Halls		–	–	–	–	–	–	–		–
Centres		(105)	3 711	–	586	1 265	1 855	590	31,8%	3 711
Sport and Recreation Facilities		1 562	–	–	–	–	–	–		–
Outdoor Facilities		1 562	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Other assets		(50)	–	–	–	–	–	–		–
Operational Buildings		(50)	–	–	–	–	–	–		–
Municipal Offices		(50)	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		39	–	–	–	–	–	–		–
Machinery and Equipment		39	–	–	–	–	–	–		–
Transport Assets		583	–	–	–	–	–	–		–
Transport Assets		583	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of	1	24 211	19 482	–	1 696	6 602	17 626	11 025	62,5%	19 482

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	2021/22	Budget Year 2022/23							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		643	1 950	–	–	459	975	516	52,9%	1 950
Roads Infrastructure		–	0	–	–	–	–	–		0
Roads		–	0	–	–	–	–	–		0
Storm water Infrastructure		4	650	–	–	101	325	224	68,8%	650
Storm water Conveyance		4	650	–	–	101	325	224	68,8%	650
Electrical Infrastructure		639	1 300	–	–	357	650	293	45,0%	1 300
MV Substations		421	500	–	–	–	250	250	100,0%	500
MV Networks		23	500	–	–	160	250	90	36,0%	500
LV Networks		195	300	–	–	197	150	(47)	-31,6%	300
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Dams and Weirs		–	–	–	–	–	–	–		–
Community Assets		–	468	–	269	269	234	(35)	-14,8%	468
Community Facilities		–	468	–	269	269	234	(35)	-14,8%	468
Halls		–	368	–	269	269	184	(85)	-46,0%	368
Cemeteries/Crematoria		–	100	–	–	–	50	50	100,0%	100
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		108	850	–	272	361	425	64	15,0%	850
Operational Buildings		108	850	–	272	361	425	64	15,0%	850
Municipal Offices		108	850	–	272	361	425	64	15,0%	850
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	150	–	–	–	75	75	100,0%	150
Machinery and Equipment		–	150	–	–	–	75	75	100,0%	150
Transport Assets		1 598	1 170	–	22	346	585	239	40,9%	1 170
Transport Assets		1 598	1 170	–	22	346	585	239	40,9%	1 170
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	130	–	–	–	65	65	100,0%	130
Zoo's, Marine and Non-biological Animals		–	130	–	–	–	65	65	100,0%	130
Total Repairs and Maintenance Expenditure	1	2 348	4 718	–	563	1 435	2 359	925	39,2%	4 718

Repairs and maintenance expenditure at the end of December 2022 amounted to R1,435 million an under expenditure of 39,2% compared to year-to-date budget of R2,359 million. The expenditure is very low and will be investigated and possible downward adjustment of the budget.

11.2.4 Supporting Table SC13d

EC136 Emalahleni (Ec) - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								%	
Depreciation by Asset Class/Sub-class										
Infrastructure		11 758	11 332	–	705	5 325	5 666	341	6,0%	11 332
Roads Infrastructure		11 250	10 500	–	677	5 184	5 250	66	1,3%	10 500
Roads		11 250	10 500	–	677	5 184	5 250	66	1,3%	10 500
Storm water Infrastructure		158	150	–	–	–	75	75	100,0%	150
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		158	150	–	–	–	75	75	100,0%	150
Electrical Infrastructure		340	662	–	28	137	331	194	58,6%	662
LV Networks		340	662	–	28	137	331	194	58,6%	662
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Dams and Weirs		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		9	20	–	1	4	10	6	62,6%	20
Landfill Sites		9	20	–	1	4	10	6	62,6%	20
Community Assets		3 013	1 150	–	192	1 113	575	(538)	-93,6%	1 150
Community Facilities		3 013	1 150	–	192	1 113	575	(538)	-93,6%	1 150
Halls		3 013	700	–	192	1 113	350	(763)	-218,1%	700
Cemeteries/Crematoria		–	450	–	–	–	225	225	100,0%	450
Investment properties		–	12	–	–	5	6	2	26,0%	12
Revenue Generating		–	2	–	–	–	1	1	100,0%	2
Improved Property		–	2	–	–	–	1	1	100,0%	2
Non-revenue Generating		–	10	–	–	5	5	0	8,3%	10
Unimproved Property		–	10	–	–	5	5	0	8,3%	10
Other assets		702	1 000	–	46	259	500	241	48,2%	1 000
Operational Buildings		702	1 000	–	46	259	500	241	48,2%	1 000
Municipal Offices		–	–	–	–	–	–	–		–
Capital Spares		702	1 000	–	46	259	500	241	48,2%	1 000
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		177	200	–	33	73	100	27	26,8%	200
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		177	200	–	33	73	100	27	26,8%	200
Computer Software and Applications		177	200	–	33	73	100	27	26,8%	200
Computer Equipment		284	410	–	12	114	205	91	44,3%	410
Computer Equipment		284	410	–	12	114	205	91	44,3%	410
Furniture and Office Equipment		675	500	–	74	275	250	(25)	-9,9%	500
Furniture and Office Equipment		675	500	–	74	275	250	(25)	-9,9%	500
Machinery and Equipment		168	150	–	4	38	75	37	49,3%	150
Machinery and Equipment		168	150	–	4	38	75	37	49,3%	150
Transport Assets		928	1 300	–	19	227	650	423	65,1%	1 300
Transport Assets		928	1 300	–	19	227	650	423	65,1%	1 300
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Depreciation	1	17 704	16 054	–	1 084	7 429	8 027	598	7,4%	16 054

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-

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		(20 552)	38 228	–	1 635	4 877	17 575	12 698	72,2%	38 228
Roads Infrastructure		(20 620)	11 028	–	229	2 393	3 975	1 582	39,8%	11 028
Roads		5 393	7 500	–	–	996	3 750	2 754	73,4%	7 500
Road Structures		(26 012)	3 528	–	229	1 397	225	(1 172)	-520,8%	3 528
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Electrical Infrastructure		68	27 200	–	1 406	2 484	13 600	11 116	81,7%	27 200
LV Networks		68	27 200	–	1 406	2 484	13 600	11 116	81,7%	27 200
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Data Centres		–	–	–	–	–	–	–		–
Community Assets		(2 559)	14 725	–	2 004	2 670	7 612	4 942	64,9%	14 725
Community Facilities		–	–	–	–	–	–	–		–
Halls		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		(2 559)	14 725	–	2 004	2 670	7 612	4 942	64,9%	14 725
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		(2 559)	14 725	–	2 004	2 670	7 612	4 942	64,9%	14 725
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Computer Equipment		127	–	–	–	–	–	–		–
Computer Equipment		127	–	–	–	–	–	–		–
Furniture and Office Equipment		51	318	–	–	–	159	159	100,0%	318
Furniture and Office Equipment		51	318	–	–	–	159	159	100,0%	318
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of e	1	(22 934)	53 272	–	3 638	7 547	25 346	17 799	70,2%	53 272

Section 14 - Municipal Manager's quality certification

QUALITY CERTIFICATE

I, Ms Pumla Makoma, the Municipal Manager of Emalahleni Local Municipality, hereby

certifies that:

☐

the monthly budget statement;

☐

quarterly report on the implementation of the budget;

☒

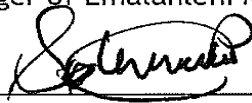
mid-year budget and performance assessment;

For the month of December 2022 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act.

Print Name: _____ Ms Phumla Makoma _____

Municipal Manager of Emalahleni Municipality (EC136)

Signature: _____



Date: _____

25 January 2023

Section 12: SECTION 72 (NON- FINANCIAL) PERFORMANCE REPORT (SDBIP)

ITEM NO: EXCO 7.8/01/2023

DATE: 23 JANUARY 2023

REFERENCE NO:

EXECUTIVE COMMITTEE MEETING: 25 JANUARY 2023

SPECIAL COUNCIL MEETING: 30 JANUARY 2023

Purpose

The purpose of this report is to present the audited consolidated institutional performance report for Mid-Year 2022-2023 FY (Section 72 Report) for noting.

Background

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**. The Audited report was tabled to Council on the 28 February 2022 after it was audited by the Internal Audit Unit. The outcome of the Mid-Term performance were as follows:

Per KPA:

KPA	Total No of Targets	No of targets Not Applicable	Inadequate	No of targets Not Achieved	No of Targets Achieved	Actual Performance in %
BISD	26	1	4	12	9	36%
LED	11	0	0	2	9	82%
GGP	10	0	1	2	7	70%
MTID	11	1	1	4	5	50%
FVM	16	1	0	2	13	87%
Total	74	3	6	22	43	

Per Directorate:

Directorate	Total No of Targets	No of targets Not Applicable	Inadequate	No of targets Not Achieved	No of Targets Achieved	Actual Performance in %
Comm Services	12	0	4	0	8	67%
IDHS	14	1	0	9	4	31%
PEDTA	14	1	0	3	10	77%
Corporate Services	8	0	1	3	4	50%
MM's Office	11	0	1	2	8	73%
Budget and Treasury	15	1	0	2	12	86%
Total	74	3	6	22	47	

Below is the table showing the non-achievements.

Indicator Code	Targets	Achieved /Not Achieved	Reasons for non-achievement	Remedial Action	Custodian
	670m of Sub-base preparation	Not Achieved: 670m of Sub-base preparation not completed	Project advertised in July 2022 but all bidders were non-responsive, Tender was re-advertised and closed on the 21 September 2022. Service provider was appointed on 19 December 2022.	Handover to be done in January 2023. 670m of road preparation to be completed in Q3	IDHS
	Installation and construction of Culvert bridges	Not Achieved: Contractor is on site busy with subbase	The Service Provider commenced with the layer works on site to open access to the bridge and the	Installation and construction of Culvert bridges will be done in Q3	IDHS

	with progress report	and gravel road.	installation and Construction of will start after the road constructed due to heavy rains and road not accessible , hence the bridge will be constructed after gravelling is completed		
1_10_10.3_P033	3.75 km of gravel road mantained	Not Achieved - 2.2km of Gravel Road maintained	Municipal Plant breakdowns which need repairs, Grader, TLB which need major repairs, hence the set target not meet	1.55km of Gravel Road maintenance will be achieved in Q3 with the third quarter target.	IDHS
	Roofing and accessori es utilities of the ablution block	Not Achieved: Roofing and accessorie s utilities of the ablution block	Service provider appointed on the 25 November 2022; Handover date was 7 December 2022	Roofing and accessories utilities of the ablution block to be achieved in Q4.	IDHS
	Roofing and accessori es utilities of the ablution block	Not Achieved: Roofing and accessorie s utilities of the ablution block	Service provider appointed on the 25 November 2022; Handover date was 7 December 2022	Roofing and accessories utilities of the ablution block to be achieved in Q4.	IDHS
	Procurem ent of Service Provider	Not Achieved: Procureme nt of	Project advertised in July 2022 but all bidders were non-responsive, Tender	Procurement of Service provider, Foundation, and	IDHS

	and Foundations and brickwork for the ablution blocks	Service Provider and foundations and Brickwork for the ablution blocks.	was re-advertised and closed on the 21 September 2022.	brick for ablution blocks to be completed in Q3 after the service provider has been appointed	
	Construction of brick wall to wall plates with progress report	Not Achieved: Preparations of foundation and construction of foundation walls with progress report was done in Q2, however the construction of brick wall to wall plates is not achieved.	Delay on supply of materials for foundation (Steel, Concrete and Bricks) and also imported material from Borrow Pits for Foundation	The Construction of brick wall to wall plates, roofing and accessories utilities of the ablution blocks will be done in Q3	IDHS
1_5_5.1_P021	400 excavation, Pole Planting and Stringing	Not Achieved:	Delay on issuing Network Planning Report and MoU By Eskom which are the pre-requisite of the Eskom Committees. Awaiting Eskom to issue a date to	Presentation of the design for approval will be done in Q3. 400 Excavation, Pole planting and stringing to be completed in	IDHS

			present the designs for approval.	Q3 with target of Q3.	
	Upgrading of the metering infrastructure	Not Achieved:	Upgrading of the metering infrastructure delay due to the awareness campaign which was conducted in Q2.	Upgrading of the tempering of metering will be done in Q3, since the awareness campaign is conducted and Customers need to make payment arrangement with the Municipality before the reconnection	IDHS
4_55_55.1_P107	Draft Annual Report 2020/2021 submitted to Council Structures and Council for approval	Not Achieved:	The draft Annual Report 2021/2022 was not submitted to Council due to the process that had to be followed prior submission to Council Structures which was not due in the quarter under review	Draft Annual Report to be submitted to Council Structures and Council for approval in the third quarter of 2022/23 financial year	PEDTA
	200 livestock branded	Not Achieved: 55 livestock branded	The livestock branding programme was disrupted by the Alleged Armed Robbery at Water Services Offices in Cacadu where the	The target to be adjusted downward during the SDBIP Adjustment period in the third quarter	PEDTA

			Livestock Branding Vehicle was stolen		
	Facilitation of an Investment Summit	Not Achieved	The target was not achieved due to budget constraints and the municipality was part of CHDM Investment summit which also covered Emalahleni.	The target to be removed during the SBDIP Adjustment period in the third quarter and the budget of R125 000 which was budgeted for the submit to be used in other LED Projects	PEDTA
5_59_59.3_P1 22	60% non-billable revenue collection rate achieved	Not Achieved: 57% revenue collection rate achieved	Disruptions to municipal operations due to load shedding and poor network connectivity resulted in revenue sites not operating at full capacity	1. Procure a backup during normal budget adjustment in the 3rd quarter to minimise the impact of loadshedding & poor connectivity. 2. Revise the collection targets in the 3rd quarter budget adjustment.	BTO
	100% compliance with Supply Chain Management Turn	Not Achieved: 80% compliance with the SCM	80% compliance with the SCM Turnaround Policy due to the delays in bid committee system and effects of network and loadshedding for the	1. Implement a schedule of bid committee sittings for above R200 000 bids starting from quarter three	BTO

	Around Policy	Turnaround Policy	threshold below R200 000	2. Procure a backup during normal budget adjustment in quarter three to minimise the impact of loadshedding & poor connectivity.	
4_40_40.1_P084	1 HRD Strategy programme implemented (Conduct Internal Skills Audit)	Achieved: Skills audit conducted in Cacadu and Dordrecht	Due to road maintenance between DDX and Indwe on the date-scheduled for the skills audit. HR team could not get to Indwe	skills audit to be conducted in Indwe during the third quarter	Corporate Services
4_41_41.1_P085	Quarter 1 Performance Assessments facilitated	Not Achieved	The department has not yet appointed a specialist in the position	The position to be filled in the third quarter but HR Practitioner to perform the duties to ensure that the target is achieved in the third quarter	Corporate Services
4_43_43.1_P087	Cordination of internal job description writing and submitted for evaluation	Not Achieved	Target is not specific, it is limiting and it will be corrected during adjustment.	This will be corrected during adjustment in Quarter 3 of 22/23	Corporate Services

	to the DJEC.				
	2 Public Participation Strategy Programme implemented (1 Mayoral Imbizo and 1 IDP Consultation Programme)	Not Achieved	The IDP consultation was conducted successful but Imbizo was not conducted.	Annual report was not yet adopted by the council.	MM's Office
	1 Traditional Meeting conducted	Not Achieved:	Traditional leaders have been appointed	Late appointment of traditional leaders	MM's Office

2. During the review there were 6 targets reported achieved by management but due to insufficient evidence were concluded as not achieved. The findings are listed below:

No	Indicator Code	Quarterly target	Achieved/ not achieved	IA Comment
1		3 Urban areas and 10 townships with excess to weekly refuse removal service	Achieved	Insufficient evidence. POE for Indwe (Dec) and Dordrecht (the whole quarter)
2	1_2_2.11_P016	1 Environmental Management Program implemented	Achieved	No Evidence to support reported achievement

3	New	1 Landfill site and 2 transfer Stations Managed	Achieved	Insufficient evidence. POE for Indwe (Dec) and Dordrecht (the whole quarter)
4	4_43_43.1_P088	Coordinating the issuing of PPE and ensuring compliance with COVID-19 protocols	Achieved	Insufficient evidence on file supporting the reported achievement. Specification to be compared to the registers.
5	3_37_37.1_P081	Fraud and Anti - Corruption Prevention Plan implemented	Achieved	Insufficient evidence. Evidence on the reported workshop/training
6	1_4_4.1_P019	4 Community Safety Forum Meetings convened	Achieved: 4 Community Safety Forum Meetings convened	Inadequacy. 3 meetings held but all 3 were held on the same date at the same time. Target to be reviewed

Recommendations

- The Council notes that municipal mid-year performance is 61% for 2022/23 financial year.
- The Council notes that not achieved is 31% for 2022/23 financial year.
- The Council notes inadequacy at mid-year of 8%.

Section 13: Performance Plan evaluation on SDBIP

See attached annexure B for detail.

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**

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

EMALAHLENI MUNICIPALITY SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2022/2023

Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Baseline Indicator	Outcome Indicator	Budget Allocation	Funding Source	Indicator Code	Annual Target 2022/2023	Quarter	Mid-year Performance Target	Achieved/ not achieved	Reason for non achievement	Remedial action	Portfolio of Evidence
KPA 1 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
Community Safety Programmes	To Facilitate and improve Social Services through Provision of Safety & Security Services by June 2027	Monitor functionality of 3 Registration and Licensing Authorities	Number of Registering Authority transactions performed in the 3 registering Authorities	3 Registration and Licensing Authorities Functional	Functional Licensing Authorities	R0	Opex	1_1_1.3_P 003	5040 Registering Authority transactions performed in the 3 registering Authorities (Cacadu, Indwe, and Dordrecht) by 30 June 2023	1	1260 Registering Authority transactions performed in the 3 registering Authorities	Achieved: 6634 Registering Authority transactions performed in the 3 registering authorities	N/A	N/A	System generated report
										2	1260 Registering Authority transactions performed in the 3 registering Authorities				
										3	1260 Registering Authority transactions performed in the 3 registering Authorities				
										4	1260 Registering Authority transactions performed in the 3 registering Authorities				
		Process Learners and Driver's License Applications received	Number of Vehicles Tested for Roadworthy	9 monthly Reports on VTS Functionality for 2021-2022	Functional VTS	R 50 000.00	Opex	New	36 vehicles tested for Roadworthy at the Cacadu Vehicle Testing Station by 30 June 2023	1	9 vehicles tested for Roadworthy at the Cacadu Vehicle Testing Station	Achieved: 54 vehicle tested for Roadworthy at the Cacadu Vehicle Testing Station	N/A	N/A	System generated
										2	9 vehicles tested for Roadworthy at the Cacadu Vehicle Testing Station				
										3	9 vehicles tested for Roadworthy at the Cacadu Vehicle Testing Station				
										4	9 vehicles tested for Roadworthy at the Cacadu Vehicle Testing Station				
		Process Learners and Driver's License Applications received	Number of Driving Licence and Learners Licence tests conducted	12 Driving Licence Testing Centre Reports	Functional Licensing Authorities	R200 000.00	Opex	1_1_1.4_P 004	120 Driving Licence tests and 150 Learners Licence tests conducted in Ward 4 by 30 June 2023	1	30 Driving Licence tests and 50 Learners Licence tests conducted	Achieved: 138 Driving Licence tests and 138 Learners Licence tests conducted	N/A	N/A	System generated
										2	30 Driving Licence tests and 50 Learners Licence tests conducted				
										3	30 Driving Licence tests and 50 Learners Licence tests conducted				
										4	30 Driving Licence tests and ? 50 Learners Licence tests conducted				
	Implement Pound Management Operations	Number of Animal Pounds functional	12- reports on pound management operations	Reduction of stray animals		R 210 000.00	Opex	1_1_1.5_P 005	1 Animal Pound functional in Dordrecht at Ward 11 by 30 June 2022	1	1 Animal Pound functional in Dordrecht at Ward 11	Achieved: 1 Animal Pound functional in Dordrecht	N/A	N/A	Report and registers
										2	1 Animal Pound functional in Dordrecht at Ward 11				
										3	1 Animal Pound functional in Dordrecht at Ward 11 functional				
										4	1 Animal Pound functional in Dordrecht at Ward 11				
		Number of Community Safety Forum Meetings Convened	16 Community Safety Forum Meetings convened	Community safety		R 200 000.00	Opex	1_4_4.1_P 019	16 Community Safety Forum Meetings convened 4 LAC, 4 disaster Advisory, 4Community Safety and 4 Initiation)by 30 June 2023	1	4 Community Safety Forum Meetings convened	Achieved: 8 Community Safety Forums Meeting convened	N/A	N/A	Invite, agenda and attendance register
										2	4 Community Safety Forum Meetings convened				
										3	4 Community Safety Forum Meetings convened				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										4	4 Community Safety Forum Meetings convened				
Waste and Environmental Management	To provide a clean & healthy environment by June 2027	Collect Refuse in urban and township areas	Number of urban and township areas with access to weekly refuse removal services	3 Urban areas and 10 townships with access to refuse removal service	Improved, safe and healthy environment	R 367 729.40	Opex		3 Urban areas and 10 townships with excess to weekly refuse removal services by 30 June 2023	1	3 Urban areas and 10 townships with excess to weekly refuse removal service	Achieved: 3 Urban areas and 10 townships with excess to weekly refuse removal service	N/A	N/A	Collection schedule
										2	3 Urban areas and 10 townships with excess to weekly refuse removal service				
										3	3 Urban areas and 10 townships with excess to weekly refuse removal service				
										4	3 Urban areas and 10 townships with excess to weekly refuse removal service				
		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	Improved, safe and healthy environment	R 200 000.00	Opex	1_2_2.11_P016	3 Environmental Management Programmes (World Environmental Day, Biodiversity Awareness and Water Week) implemented by 30 June 2023	1	Environmental Management Annual Plan developed	Achieved: 1 Environmental Management Annual Plan developed and 1 Environmental Management Program implemented	N/A	N/A	Plan and attendance register
										2	1 Environmental Management Program implemented				
										3	1 Environmental Management Program implemented				
										4	1 Environmental Management Program implemented				
Security services	To maintain a viable Public Facilities to the Community of Emalahleni Local Municipality by June 2027	Provision of Safety and Security Services for municipal movable and immovable assets and	Number of municipal facilities with personnel safeguarded day and night	16 facilities with personnel safeguarded day and night	improved security services	R 600 000.00	Opex		16 municipal facilities with personnel safeguarded day and night by 30 June 2023	1	16 Facilities with personnel safeguarded day and night	Achieved: 16 facilities with personnel day and night	N/A	N/A	Consolidated reports and invoices
										2	16 Facilities with personnel safeguarded day and night				
										3	16 Facilities with personnel safeguarded day and night				
										4	16 Facilities with personnel safeguarded day and night				
		Promote waste minimization and recycling	Number of recycling initiatives supported	4 recycling initiatives supported	Improved, safe and healthy environment	R120 000.00	Opex	1_2_2.2_P007	4 recycling initiatives (Cacadu Recycling coop, Abelusi nabavuni, Dordrecht Youth Coop, Indwe Waste pickers) supported by 30 June 2023	1	Cacadu Recycling Coop supported	Achieved: Cacadu Recycling Coop supported and Abelusi nabavuni supported	N/A	N/A	Attendance register
										2	Abelusi nabavuni supported				
										3	Dordrecht Youth Coop supported				
										4	Indwe Waste Pickers supported				
Facilities		Maintain existing	Number of municipal	4 municipal facilities	well maintained municipal facilities	R 2 016 392.00	Opex	1_12_12.1_P035	4 municipal facilities maintained (Phase 1	1	Repairs and maintenance of ablution block at Ngqanda Community Hall	Achieved: Repairs and	N/A	N/A	Reports

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

		municipal facilities (cemeteries, halls, municipal buildings)	facilities maintained	maintained					Indwe Stores, Plumbing Cacadu Change Room, Greyspan Community Hall repairs and maintenance, Ngqanda community Hall Roof Repair and Ablution block) by 30 June 2023	2	Plumbing and installation of Sanitary fittings in the Cacadu Change Rooms	maintance of ablution block at Ngqanda Community Hall and Plumbing and installation of Sanitary fittings in the Cacadu Change Rooms are completed			
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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										3	Repairs and maintenance of damaged roof in Greyspan				
										4	Phase 1: Construction of Indwe stores				
										1	32 Municipal facilities utilised and managed	Achieved: 32 municipal facilities utilised and managed	N/A	N/A	Reports
										2	32 Municipal facilities utilised and managed				
										3	32 Municipal facilities utilised and managed				
										4	32 Municipal facilities utilised and managed				
Environm ent			Number of Landfill sites and Transfer Stations Managed	2019-2020 Landfill Site Management Projects	Improved Environmental Outlook	R 1 509 176.00	Opex	new	1 Landfillsite (Cacadu ward 4) and 2 trasfer Stations (Indwe ward 16 and Dordrecht ward 14) utilised managed by 2023	1	1 Landfill site and 2 transfer Stations Managed	Achieved: 1 Landfill site and 2 transfer Stations Managed	N/A	N/A	Report and Attendance register
										2	1 Landfill site and 2 transfer Stations Managed				
										3	1 Landfill site and 2 transfer Stations Managed				
										4	1 Landfill site and 2 transfer Stations Managed				
Roads and Storm Water	To provide maintained basic infrastructure service for local communities by June 2027	Implement, monitor, and report on the approved Roads Infrastructure Plan	Design Approval	Constructed Paving of Mavuya	Improved access roads	450 000.00	MIG		Design Approval for construction of Indwe Internal street (Woodhouse Street) Ward 16 paved by 30 June 2023	1	N/A	N/A	N/A	N/A	N/A
										2	N/A				
										3	N/A				
										4	Approval of designs for construction of Indwe Internal Strets(Woodhouse street)				
			Design Approval	Constructed Paving of Mavuya	Improved access roads	R 450 000.00			Design Approval for construction of Indwe Internal street (Barkely Street) Ward 16 paved by 30 June 2023	1	N/A	N/A	N/A	N/A	N/A
										2	N/A				
										3	N/A				
										4	Approval of designs for construction of Indwe Internal Strets(Barkely street)				
			Number of metres of Access Road paved	Constructed Paving of Mavuya	Improved access roads	7 500 000.00	MIG		670 m of access road in Gqebenya (Ikhala) ward 6 paved by 30 June 2023	1	670m of road preparation to be completed	Not Achieved	Project advertised in July 2022 but all bidders were non-responsive, Tender was re-advertised and closed on the 21 September 2022. Service provider was appointed on 19 December 2022.	Handover to be done in January 2023. 670m of road preparation to be completed in Q3.	Appointment Letter, Monthly reports
										2	670m of Sub-base preparation				
										3	670m of Paved Access Road with practical Completion Certificate				
										4	n/a				
			Number of km of gravel Access Road	Planning phase for construction of Access Road	Improved access roads	R8,574,398	MIG		11,5 km of gravel access road in Wisile constructed by 30 June	1	11,5 Km of road preparation completed with progress report	Not Achieved	The Service Provider commerced	The installation and construction of	Progress Report

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

			constructed	in Ward 14 Wise approved designs					2023.	2	Installation and construction of Culvert bridges with progress report		with the layer works on site to open a cess to the bridge and the installation and Construction of will start after the road constructed due to heavy rains and road not accessible , hence the bridge will be constructed after gravelling is completed	Bridge will be done in Q3	
										3	11,5 Km Sub-base preparation completed with progress report				
										4	11,5 Km gravel road completed with Practical Completion Certificate				
Road Maintenance	To provide maintained basic infrastructure service for local communities by June 2027		Number of Km of gravel road maintained	9 km of gravel road in Ward 3, 9,10,12 and 5 maintained	Improved access roads	R0	Opex	1_10_10.3 _P033	15 km of gravel roads in ward 3, 5, 10, 13 & 16 maintained by June 2023	1	2 km of gravel road maintained	Not Achieved	Municipal Plant breakdowns which need repairs, Grader, TLB which need major repairs, hence the set target not meet	2.75km of Gravel Road maintenance will be achieved in Q3 with the third quarter target.	Progress Report
										2	3.75 km of gravel road maintained				
										3	5.5 km of gravel road maintained				
										4	3.75 km of gravel road maintained				
Building/ Facilities/ Amenities/ Recreational Facilities	To ensure the availability of well- maintained and repaired buildings, amenities and recreation al facilities to which the public has full access by June 2027	Construction of Facilities	Number of km of roads paved	250m of roads paved in Cacadu (Nonesi street and)	Improved roads infrastructure	1 692 000.00	EPWP	1_10_10.2 _P031.2	200 m paved in Cacadu internal streets. (Street name) by June 2023	1	Procurement for Paving Material	Achieved: Procurement for Paving Material and Earth works (Pavement Layers) completed	None	None	Progress Report
										2	Earth works (Pavement Layers) completed				
										3	100 meters paved				
										4	100 meters paved				
			Number of sportsfield upgraded	Indwe Sportsfield	Upgraded Sportfield	10 000 000.00	MIG	1_12_12.5 _P131	1 Sportsfield at Indwe in Ward 16 upgraded by 30 June 2023	1	N/A	Achieved: Procurement of service provider facilitated.	None	None	Appointment Letter
										2	Procurement of service provider facilitated.				
										3	Preparation of sub-base Earthworks and installations of sub-drains with progress report				
										4	Preparation of base materials				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

			construction of Public Toilets		improved Public infrastructure	R3,610,624	MIG		Public Toilet in (Dordrecht) Ward 14 constructed by 30 June 2023	1	Procurement of Service Provider and Foundations and brickwork for the ablution blocks	Not Achieved	Project advertised in July 2022 but all bidders were non-responsive, Tender was re-advertised and closed on the 21 September 2022. Service provider appointed on the 25 November 2022, Handover date was 7 December 2022.	Foundations and brickwork for the ablution blocks, Roofing and Accessories Utilities of the ablution block will be done in Q3	Appointment Letter, Monthly reports
										2	Roofing and accessories utilities of the ablution block				
										3	Fencing of the Public Toilets and				
										4	Not Applicable				
			construction of Public Toilets		improved Public infrastructure	R3,610,624	MIG		Public Toilet in (Indwe) Ward 16 constructed by 30 June 2023	1	Procurement of Service Provider and Foundations and brickwork for the ablution blocks	Not Achieved	Project advertised in July 2022 but all bidders were non-responsive, Tender was re-advertised and closed on the 21 September 2022. Service provider appointed on the 25 November 2022, Handover date was 7 December 2022.	Foundations and brickwork for the ablution blocks, Roofing and Accessories Utilities of the ablution block will be done in Q3	Appointment Letter, Monthly reports
										2	Roofing and accessories utilities of the ablution block				
										3	Fencing of the Public Toilets and Completion with Practical Certificate				
										4	Not Applicable				
			construction of Public Toilets		improved Public infrastructure	R3,000,000	MIG		Public Toilet in (Cacadu) Ward 4 constructed by 30 June 2023	1	Preparations of foundation and construction of foundation walls with progress report.	Not Achieved	Delay on supply of materials for foundation (Steel,	Construction of Brick wall to wall plates will be done in Q3 with Q3 Target.	Progress Report

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										3	Roofing and accessories utilities of the ablation block with progress report				
										4	Fencing of the Public Toilets and Completion With Practical Certificate				
Land Use Management		Implement Spatial Planning and Land Use Management (SPLUMA)	Percentage of compliant land use applications received and processed for approval by AO or CHDM Tribunal	100% compliant land use applications received and processed for approval by AO or CHDM	Compliance with SPLUMA		Opex	1_20_20.1_P047	100% compliant land use applications received and processed by Authorised Official or CHDM tribunal by 30 June 2023.	1	100% compliant land use applications received and processed by Authorised Official or CHDM tribunal	Achieved- 100% compliant land use applications received and processed by Authorised Official or CHDM tribunal.	N/A	N/A	Quarterly Report
										2	100% compliant land use applications received and processed by Authorised Official or CHDM tribunal				
										3	100% compliant land use applications received and processed by Authorised Official or CHDM tribunal				
										4	100% compliant land use applications received and processed by Authorised Official or CHDM tribunal				
	To maintain and improve financial viability of the municipality by June 2027	Electricity connections	Number of households electrically connected	322 house-holds electrically connected in 2022		R27 000 000	INEP		1360 households electrically connected in ward 1 (142 connections), ward 5 (178 connections), ward 6 (61 connections), ward 7 (284 Connections), ward 8 (187 Connections) ward 9 (311 connections), ward 17 (103 connections), by June 2023	1	finalisation and approval of designs	Not Achieved	Delay on issuing Network Planning Report and MoU By Eskom which are the pre- requisite of the Eskom Committees. Awaiting Eskom to issue a date to present the designs for approval.	Presentation of the design for approval will be done in Q3. 400 Excavation, Pole planting and stringing to be completed in Q3 with target of Q3.	Eskom MOU, Progress Reports
										2	400 excavation, Pole Planting and Stringing				
										3	400 excavation, Pole Planting and Stringing				
										4	1360 households electrically connected in the given wards				
Provision of Electricity		Perform annual audits on technical	% of annual electrical loss reduction	22 % electrical reduced to 19 % in 2020-2021	Generation of revenue through electricity services		Opex	1_5_5.1_P02	Reduction of Electrical Losses to required Nersa Standards of 10 % by June 2023	1	Awareness Campaign on Electricity losses for Businesses and Domestic customers	Not Achieved	Upgrading of the metering infrastructure delay due to the	Upgrading of the tempering of metering will be done in Q3c,	Attendance register, Awareness Presentation and

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

		and non-technical losses of electricity to ensure minimum electricity losses								2	Upgrading of the metring infrastructure		awareness campaign which was conducted in Q2.	since the awareness campaign is conducted and Customers need to make payment arrangement with the Municipality before the reconnection	Invitation/Poster
										3	Tarriff Alignment and meter inspection				
										4	Reduction of Electricity Lossess by 9%				
Indigent Support	To maintain and improve financial viability of the municipality by June 2027	Provide free basic services to qualifying households	Number of reports developed on the implementation of indigent support programme	4 quarterly reports on implementation of the indigent support programme	Improved Service Delivery	R8 800 000.00	Opex	1_21_21.1_P048	4 quarterly reports on implementation of the indigent support programme	1	1 quarterly report on implementation of the indigent support programme	Achieved: 2 quarterly report on implementation of the indigent support programme	N/A	N/A	Quarterly Reports
										2	1 quarterly report on implementation of the indigent support programme				
										3	1 quarterly report on implementation of the indigent support programme				
										4	1 quarterly report on implementation of the indigent support programme				
KPA 2 : LOCAL ECONOMIC DEVELOPMENT															

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

	To promote, facilitate and improve sustainable local economic development by June 2027	Formalize businesses	Number of SMMEs supported with production inputs	1 SMMEs supported (Mphothulo Youth Project)	Sustainable SMMEs	R300 000.00	Opex	2_22_22.2_P050	2 SMMEs (Sisonke Piggery and Toilet Paper Project) supported with production inputs in ward 2 of ELM by 30 June 2023	1	Procurement Process facilitation	Achieved: Procurement has been facilitated and production inputs were delivered at Ncumo Toilet Paper Project (ward8) and Sisonke Piggery Project (ward 17)	N/A	N/A	Requisition and delivery note
										2	Delivery of Production Inputs				
Agricultural Development (Livestock)		Provide agricultural development services	Number of SMMEs facilitated for subcontracting in capital projects	7 SMMEs subcontracted in capital projects	Business growth	R0	CAPEX		6 SMMEs facilitated for subcontracting in capital projects in ELM by 30 June 2023	1	1 subcontracting	Achieved: 4 Subcontracting opportunities were facilitated as follows: - Mamgiquwa Security & Cleaning under Nefa's Electrical - Lilian Denis under Sibhoma Construction	N/A	N/A	Appointment Letter, Tender notices, briefing Attendance registers and Correspondences

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

									2	1 subcontracting	- Sibhoma N.N.W Construction and plant hire subcontracting for installation of clear view fencing in Cacadu ablution block which is MIG project Continental Engineering Ntsonkotha Subconstruction under the project of Department of Education			
		Number of business licenses issued	20 Businesses and Hawkers licensed (6 Indwe, 8 Cacadu. and 6 Dordrecht	Compliance and Revenue generation	R0	Opex	2_22_22.3_P051	15 Business licenses issued (5 Indwe, 5 Cacadu and 5 Dordrecht) by 30 June 2023	1	Stakeholder engagement on Business licensing facilitated	Achieved: Stakeholder engagement on business licences was facilitated on the 29 th of July 2022 at Cacadu and 38 business licences were issued in Cacadu	N/A	N/A	Attendance register and business licence
									2	5 Business licences issued in Cacadu				
Mining	Support small scale mining innitiatives	Number of Small Scale Mining businesses supported	5 Small Scale Mining Cooperatives supported	Improved Livelihood	R200 000.00	OPEX	2_29_29.1_P066	5 Small Scale Mining businesses supported with production inputs by 30 June 2023	1	Engagements with Businesses for needs analysis	Achieved: Engagement with businesses to analysis their needs was conducted on the 6 of July 2022 at Cacadu. Subsequently, support plan was developed and implemented through procuring production inputs for brick making individuals	N/A	N/A	Attendance register and support plan
									2	Support plan developed				
		Number of Livestock branded	1000 livestock branded in 2020-2021		R 100 000.00	OPEX	2_23_23.1_P052	2000 livestock branded in Emalahleni subject to community requests farmers by 30 June 2023	1	200 livestock branded	Not Achieved: 55 livestock branded	The livestock branding programme was disrupted by the Alleged Armed Robbery at Water Services Offices in Cacadu where the Livestock Branding Vehicle was stolen	The target to be adjusted downward during the SDBIP Adjustment period in the third quarter	Reciepts

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Tourism Development and Heritage Management	Conduct Exhibition Shows	Number of Small Scale Irrigation Scheme and Crop Production Processing Plan reviewed and implementation by June 2022	Not Applicable		R 500 000.00	OPEX		1 Small Scale Irrigation Scheme and Crop Production Processing Plan reviewed and implemented by 30 June 2023	2	200 livestock branded				
									1	Small Scale Irrigation Scheme and Crop Production Processing Plan Reviewed	Achieved: Small Scale Irrigation Scheme and Crop Production plan has been reviewed and implemented through procurement of tractor and disc harrow, installation of Engine and testing of irrigation system on the 1 of November 2022	N/A	N/A	Plan, requisition and pictures
									2	Small Scale Irrigation Scheme and Crop Production Processing Plan implemented				
Job Creation	Compile reports on job creation	Number of feedlot operational plans implementation through implementation of local economic development programs by June 2022	constructed Feedlot	Commercial farming	R 200 000.00	OPEX		1 feedlot operation plan implemented by June 2023	1	Feedlot operation plan implemented	Achieved: Feedlot operation plan has been implemented through intake of 15 livestock and the feedlot is officially operationally and stakeholder engagement meeting to evaluate the progress on the 6 of December 2022	N/A	N/A	Pictures and attendance register
									2	Feedlot operation plan implemented				
Tourism Development and Heritage Management	Facilitation of Heritage event	Number of heritage events conducted.	1 Heritage event conducted	heritage preserved	R 90 000.00	Opex	2_27_27.4_P134	1 heritage event facilitated by 30 June 2023	1	Facilitate Heritage Event	Achieved: 1 heritage event was facilitated on the 21 September 2022 at Ngqoko Village, Cacadu	N/A	N/A	Attendance register
									2	Not applicable				
Tourism Development and Heritage Management	Promote the municipality as a Tourist Destination	Number of outdoor events (Hiking and Camping) facilitated	Outdoor activities events facilitated at Bozwana (Hiking) and Qwempe (Hiking & Camping)	Tourism and heritage promotion	R 110 000.00	Opex		2 Outdoor Events facilitated at Bozwana (Hiking) and Qwempe (Hiking & Camping) by June 2023	1	Facilitate plenary meeting for Bozwana Hiking.	Achieved: A plenary meeting for Bozwana Hiking was facilitated and held on the 29 of September 2022.	N/A	N/A	Virtual meeting screenshot

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Local Economic Development		Lobby Investors to the Municipal Area	Number Investment Summits facilitated	LED Strategy	Local Investment	R125 000.00	OPEX		1 Investment Summit held in the Municipal Area by June 2023	1	Development of the Investment Summit Concept Document	Not Achieved: Investment summit Concept document developed but not implemented	The target was not achieved due to budget constraints and the municipality was part of CHDM Investment summit which also covered Emalahleni.	The target to be removed during the SBDIP Adjustment period in the third quarter and the budget of R125 000 which was budgeted for the submit to be used in other LED Projects	Concept Document
										2	Facilitation of an Investment Summit				
Job Creation	To promote, facilitate and improve sustainable local economic development by June 2027		Number of local people employed in projects and reported on EPWP MIS system	220 Local People employed in Projects and Reported on EPWP MIS System by 30 June 2022	Improved livelihood		EPWP		200 local People employed in Projects and Reported on EPWP and MIS System by 30 June 2023	1	Recruitment Process facilitated and appointment of 50 local People employed in projects and reported on EPWP and MIS System	Not Achieved: 94 local labourers employed	Late appointment of Service Provider to employ local people on projects	The annual target will be achieved in Q3 and Q4 since all projects with commence with Construction in Q3 and Local People will be employed on our projects in order to meet the set target.	Report on employed people captured on EPWP and MIS System
										2	50 Local People employed in Projects and Reported on EPWP and MIS System				
										3	50 Local People employed in Projects and Reported on EPWP MIS System				
										4	50 Local People employed in Projects and Reported on EPWP MIS System				
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION															
Communication		Implement Communication Strategy programmes	Number of Communication Strategy programmes implemented	Approved Communication Strategy	Informed Citizenry	R130 000.00	Opex	3_31_31.1_P069	5 Communication Strategy programmes implemented (4 digital advertisements developed, 12 digital posters developed, 4	1	1 Radio Talkshows hosted, 2 Radio Advertisements placed, 1 Newspaper advertisements placed, 4 digital advertisement, 3 digital posters developed	Achieved: 29 Radio Talkshows hosted, 24 Radio Advertisements placed, 6 Newspaper advertisements	N/A.	N/A	Quarterly Reports

MFMA SECTION 72 REPORT

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										3	1 Radio Talkshows hosted, 2 Radio Advertisements placed, 1 Newspaper advertisements placed, 3 digital posters				
										4	1 Radio Talkshows hosted, 2 Radio Advertisements placed, 1 Newspaper advertisements placed, 3 digital posters				
Customer Care		Implement Petitions Management Policy	Number of Customer Care Strategy Programmes Implemented	Approved Customer Care Strategy	Improved Customer Care Service		Opex	3_32_32.1_P070	2 Customer Care Strategy Programmes Implemented (Resolution of customer complaints and Petitions Management) by 30 June 2023	1	Customer Complaints received, registered and resolved; Petitions received, registered and addressed	Achieved: One complaint received, registered and resolved and one petition received, registered and resolved	N/A	N/A	Quarterly Reports
										2	Customer Complaints received, registered and resolved; Petitions received, registered and addressed				
										3	Customer Complaints received				
										4	Customer Complaints received, registered and resolved;				
						R0									
		Implementation of public participation strategy	Number of public participation strategy programmes implemented	4 Public Participation Strategy Programmes Implemented	Improved public participation	R730 000.00		3_33_33.1_P071	4 Public Participation Strategy Programmes Implemented (2 Mayoral Imbizos, 2 IDP Consultation Programmes, by 30 June 2023)	1	Not Applicable	Not Achieved: The IDP consultation was conducted successful in all 17 wards from 16 November 2022 to 02 December 2022 but Imbizo was not conducted.	Annual report was not yet adopted by the council.	Imbizo to be conducted on quarter 3.	Quarterly Reports
Public Participation										2	2 Public Participation Strategy Programme implemented (1 Mayoral Imbizo and 1 IDP Consultation Programme)				
										3	Not Applicable				
										4	2 Public Participation Strategy Programme implemented				
			Number of Traditional Council Meetings Conducted	Traditional Council Meetings		R200 000.00	OPEX		4 Traditional Council Meetings conducted by June 2023	1	1 Traditional Meeting conducted	Not Achieved	Late appointment of traditional leaders	Deferral of the target to the Third quarter	Attendance register
										2	1 Traditional Meeting conducted			Deferral of the target to the Third quarter	Attendance register
										3	1 Traditional Meeting conducted				
										4	1 Traditional Meeting conducted				
			Number of Ward Committee Capacity Building Programmes implemented			3 090 000.00	OPEX	1_33_33.2_P135	1 Ward Committee Capacity Building Programme implemented by 30 June 2023.	1	Review of Skills Audit Plan.	Achieved: Skills audit was done in all ward committees and procurement of service provider was facilitated	N/A	N/A	Quarterly Reports
										2	Procurement of service provider facilitated.				
										3	Capacity Building Program				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										4	Review of Skills Audit Plan.				
Internal Audit			Risk based Internal Audit Plan submitted to Audit Committee for approval	2019-2020 Risk based Internal Audit Plan	Functional Internal Audit	R101 000.00	Opex	3_35_35.2_P076	2022/2023 Risk based Internal Audit Plan submitted to Audit Committee by 31 June 2023	1	2021/2022 Risk based Internal Audit Plan submitted to Audit Committee	Achieved: 2022/2023 Risk Based Internal Audit Plan submitted and approved by the AC on the 23rd August 2022	N/A	N/A	Quarterly Reports
										2	Not Applicable				
										3	Not Applicable				
										4	Not Applicable				
		Monitor the implementation of the audit outcome improvement plan	Number of Audit Committee meetings convened	Audit Committee Meetings held	Functional Audit Committee	R350 000.00	OPEX	3_35_35.1_P075	4 Audit Committee meetings convened by 30 June 2023	1	1 Audit Committee meeting convened	Achieved: 4 AC Meeting was held on the 22 July 2022, 23rd, 29th August 2022 and 22nd October 2022	N/A	N/A	Agenda
										2	1 Audit Committee meeting convened				
										3	1 Audit Committee meeting convened				
										4	1 Audit Committee meeting convened				
		Review municipal internal controls through execution of the Internal Audit Plan	Number of AOIP follow up reports submitted to the AC.	3 AOIP Follow up reports submitted to AC	Improved Audit Outcomes	R0	Opex	1_35_35.4_P137	3 follow up reports on the implementation of the AOIP by 30 June 2023	1	1 Follow up Report on the Implementation of AOIP submitted to Audit Committee	Achieved: AC Meeting was held on the 22 July 2022, 23rd & 29th August 2022	N/A	N/A	Quarterly Reports
										2	Not Applicable				
										3	1 Follow up Report on the Implementation of AOIP		N/A	N/A	Quarterly Reports
										4	1 Follow up Report on the Implementation of AOIP				
Risk Management		Implement Risk Management Strategy and Operational Plan	Risk Management Strategy and Operational Plan Implemented	Risk Management Strategy and Risk Management Committee	Acceptable risk levels	R35 000.00	Opex	3_36_36.1_P079	2022/2023 Risk Management Strategy and Operational Plan implemented by 31 June 2023	1	Risk Management Strategy and Operational Plan implemented	Achieved: Risk Management Strategy developed and Risk Management Committee took place on the 19 Aug 2022.	N/A	N/A	Quarterly Reports
										2	Risk Management Strategy and Operational Plan implemented				
										3	Risk Management Strategy and				
										4	Risk Management Strategy and Operational Plan implemented				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Fraud Manage ment		Implement Fraud and Anti-Corruption prevention plan	Fraud and Anti-Corruption Prevention Plans Implemented	Fraud Prevention Plan			R0	Opex	3_37_37.1_P081	Fraud and Anti - Corruption Prevention Plan implemented by 30 June 2023.	1	Not Applicable	Achieved: Fraud and Anti - Corruption Prevention Plan implemented	N/A	N/A	Quarterly Reports
											2	Fraud and Anti - Corruption Prevention Plan implemented				
											3	Not Applicable				
											4	Fraud and Anti - Corruption Prevention Plan implemented				
KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
Hu-man Re-sources		Implement the Human Resources Plan	Number of HRD Strategy Programmes implemented	4 HRD strategy programmes implemented	Skilled and capable workforce	R100 000.00		Opex	4_40_40.1_P084	3 HRD Strategy programme implemented by June 2023	1	1 HRD Strategy programme implemented (Customer care and Labour Law from the WSP implemented)	Achieved: Customer Care workshop in partnership with CHDM was held on the 27 September 2022 and Skills audit has been conducted in all three units	N/A	N/A	Quarterly Reports
											2	1 HRD Strategy programme implemented Internal Skills Audit)				
											3	1 HRD Strategy programme implemented (Internal bursaries				
											4	1 HRD Strategy programme implemented (Corbit 5 and ITL Foundation i.e Examiner of Driving Liscense from the WSP				
Institution al Performa nce Manage ment		Implement PMS Framework Policy and Procedure Manual	Percentage of Performance and Accountability Agreements signed and implemented in line with the requirements of the reviewed PMS Framework and Policy	performance and Accountability Agreements - 2021/2022	Improved service Delivery	50 000.00			4_41_41.1_P085	100% of Performance and Accountability Agreements signed and implemented in line with the reviewed PMS Framework and policy by 30 June 2023	1	100 % of Performance and Accountability Agreements signed (6 Performance and 12 Accountability Agreements signed), Quarter 4 Performance Assessments facilitated	Not Achieved	The department has not yet appointed a specialist in the position	The position to be filled in the third quarter but HR Practitioner to perform the duties to ensure that the target is achieved in the third quarter	Quarterly Reports
											2	Quarter 1 Performance Assessments facilitated				
												Mid-Year Performance Assesments facilitated				

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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										4	Quarter 3 Informal Performance Assessments facilitated.				
Human Resource Plan		Implement the Human Resources Plan	Human Resources Plan implemented	Approved Organisational structure that is responding to the needs of the institution.	Improved Service Delivery	R 100 000.00	Opex	4_43_43.1_P087	Human Resources Plan Implemented (Implementation of Person to Post Plan) by 30 June 2023	1	Consultation process on the vacant/merged positions and placement processes implemented.	Not Achieved.	Target is not specific, it is limiting and it will be corrected during adjustment.	This will be corrected during adjustment in Quarter 3 of 22/23	Quarterly Reports
										2	Cordination of internal job description writng and submitted for evaluation to the DJEC.				
										3	Cordination of departmental inputs on the reviewal of the organisational structure and related policies				
										4	Cordination of approval of organisational structure and				
ICT	To provide an intergrated ICT environme nt to ensure safety of information by 2027	Implementati on of ICT Projects	Number of ICT projects implemented	2 ICT projects implemented	Improved Network Environment	R 2 950 000.00	OPEX		5 Information and Communication Technology (ICT) projects implemented (Multi-Protocol Layered System (MPLS), Security systems, lisencing of software, Telephone Management System (TMS) and backup solution) by 30 June 2023	1	Coordinate Procurement of Computer Equipment (2 Servers, Uninterruptable Power Supply (UPS). Administer and monitor TMS	Achieved	N/A	N/A	Quarterly Reports
										2	Coordinate Implementation of Multi-Protocol Layered System (MPLS) network solution to link all 8 sites. Administer and monitor TMS				
										3	Coordinate Lisencing of Software (office 385, Cibex, Hosting of website solution). Administer and monitor TMS				
										4	Monitoring and maintenance of backup solution. Administer and monitor TMS				
Occupati onal Health and Safety		Implement OHS Strategy Programmes	Number of OHS Strategy Programmes Implemented	05 OHS Strategy Programmes implemented	Healthy and Safe environment	1 100 000.00	Opex	4_44_44.1_P088	3 OHS Strategy programs implemented by 30 June 2027 (Medical Examinations, Personal Protective	1	Consultation processes on the review of the OHS Strategy.	Achieved: The department of labour as a key stakeholder in the enforcement of	N/A	N/A	Quarterly Reports

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

									Equipment and Ensuring Compliance with COVID-19 regulations)	2	Cordinating the issuing of PPE and ensuring compliance with COVID-19 protocols.	Occupational Health and Safety compliance was consulted. The strategy shall be presented to Occupational Health and Safety Committee for the members to input on what has been raised by the department of labour. PPE has been distributed.			
										3	1 OHS Strategy Programme implemented (Medical Examinations and compliance with COVID-19 protocols)				
										4	1 OHS Strategy Programme implemented. (Awareness on OHS and COVID-19)				
Special Programmes		Implement the approved Special Programmes Strategy	Number of SPU strategy programs implemented	Approved SPU Strategy	Social Cohesion	R 280 000.00	Opex	4_52_52.1_P100	5 SPU strategy programs Implemented (Women's Day, Nelson Mandela Day, Disability Day, Youth Day, Children programs) by 30 June 2023	1	2 SPU Strategy Programmes implemented (Nelson Mandela Day and Woman's Day)	Achieved: 3 SPU Strategy Programmes implemented through Nelson Mandela held on the 18 July 2022; Women's day held on the 31 August 2022 and disability Day was held at Cacadu stadium on the 23 November 2022	N/A	N/A	Attendance register
										2	1 SPU Strategy Programmes implemented (Disability Day)				
										3	Back to School Program Implemented (children)				
										4	1 SPU Strategy Programmes implemented (Youth Day)				
Employee		Implement Employee Wellness	Number of employee	4 Employee Wellness	Improved Institutional	R 400 000.00	Opex	4_52_52.1_P102	4 Wellness programs implemented (Life	1	1 Wellness programme implemented (Life Skills/Welfare Programme)	Achieved: 2 sessions were held	N/A	N/A	Quarterly Reports

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Wellness		Programs	wellness programs implemented	programs implemented	Performance				Skills/Welfare Programme for both Councillors and Officials, Team building programme, Wellness Day) by 30 June 2023	2	1 Wellness programs implemented (Financial Advise)	respectively on the 20 September 2022 in partnership with the CHDM on financial wellness, and on the 23 November 2022 in partnership with Glen Grey,			
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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										3	1 Wellness programs implemented (Team Building Programme)				
										4	1 Wellness programs implemented (Wellness Day)				
IDP		Develop and implement a responsive institutional plan	IDP reviewed and submitted to Council for adoption	2022-2027 developed IDP	Development Planning	R350 000	Opex	4_54_54.2_P106	IDP reviewed and submitted to Council structures for approval by 30 June 2023	1	Draft Reviewed Situational Analysis Report developed and presented to Council Structures for noting	Achieved: Draft Reviewed Situational Analysis Report developed, presented to Council Structures for noting and the review of development needs was facilitated in all wards	N/A	N/A	Attendance Register, Agenda and Council Resolution
										2	review of development needs facilitated				
										3	Draft Reviewed IDP submitted to Council Structures for noting				
										4	Final Draft Reviewed IDP submitted to Council Structures for noting and Council for adoption				
Strategic Planning			Strategic Planning Session Conducted	Institutional Strategic Planning Session	Coordinated Planning	R400 000.00	OPEX		Institutional Strategic Planning Session Conducted by end March 2023	1	N/A	N/A	N/A	N/A	N/A
										2	N/A	N/A	N/A	N/A	N/A
										3	Institutional Strategic planning Session Conducted				
										4	n/a				
			Annual reports developed, submitted to Council for adoption	2020-2021 Annual report	Improved service Delivery	R0	Opex	4_55_55.1_P107	Annual Report for 2021/2022 developed, submitted to Council for approval	1	1st Draft Annual Report 2020/2021 developed and submitted to Council Structures and AG for compliance	Not Achieved	1st Draft Annual Report 2020/2021 developed and submitted to Council Structures and AG for compliance on the 30th of August 2022. However, the draft Annual Report 2021/2022	Draft Annual Report to be submitted to Council Structures and Council for approval in the third quarter of 2022/23 financial year	Attendance Register, Agenda and Council Resolution

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										2	Draft Annual Report 2021/2022 submitted to Council Structures and Council for approval		was not submitted to Council due to the process that had to be followed prior submission to Council Structures which was not due in the quarter under review		
										3	not Applicable				
										4	Schedule on the Preparation of Annual Report prepared and circulated to relevant stakeholders				
Institutional Performance Management			Implementation of Performance Management Framework, Policy and Procedure Manual	Reviewed Performance Management Framework, Policy and Procedure Manual	Improved service Delivery	R0	Opex	4_55_55.2_P108	Reviewed Performance Management Framework, Policy and Procedure Manual implemented by 30 June 2023	1	4th Quarter Performance Report prepared and submitted to Council Structures for noting	Achieved: 4th Quarter and 1st Quarter Performance Report prepared and submitted to Council Structure for noting	N/A	N/A	Report and Council Resolution

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										2	1st Quarter Performance Report prepared and submitted to Council Structures for noting					
										3	2022/2023 Mid Year Performance Report prepared and submitted to Council for noting,, Draft SDBIP 2023/2024 developed and submitted to Council for noting					
										4	3rd Quarter Performance Report prepared and submitted to Council Structures for noting, SDBIP 2023/2024 developed and submitted to Council Structures for approval					
KPA 5 : FINANCIAL VIABILITY																
Supply Chain Manage	To maintain and	Compliance with Supply Chain	Percentage of Irregular Expenditure	0% of Irregular Expenditure on new	Improved compliance with SCM legislation		R0	Opex	5_56_56.1_P109	0% of Irregular Expenditure on new procurement submitted	1	0% of Irregular Expenditure on new procurement submitted to Council	Achieved: 0% of Irregular Expenditure on new procurement	N/A	N/A	Quarterly reports

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

ment	improve financial viability of the municipality by June 2027	Regulation and National Treasury Guidelines on Procurement Processes	on new procurement	procurement					to Council by 30 June 2023	2	0% of Irregular Expenditure on new procurement submitted to Council	submitted to Council			
										3	0% of Irregular Expenditure on new procurement submitted to Council				
										4	0% of Irregular Expenditure on new procurement submitted to Council				
Grant Management	To maintain and improve financial viability of the municipality by June 2027	100% Expenditure on budget on received conditional grants Annual Financial Statements	% expenditure of budget on received conditional grants	100% expenditure of budget on received conditional grants		3,100,000.00	FMG		100% expenditure of received conditional grants by 30 June 2023	1	100% expenditure of conditional grant budget allocated for the quarter as per business plan/cash flows	Achieved: 105% expenditure of conditional grant budget allocated at mid term as per business plan/cash flows. (Mid Term Target = R 1 725 860 ; Actual Spending = R 1 816 290)	N/A	N/A	Quarterly reports
										2	100% expenditure of conditional grant budget allocated for the quarter as per business plan/cash flows				
										3	100% expenditure of conditional				
										4	100% expenditure of conditional grant budget allocated for the quarter as per business plan/cash flows				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Budget and Reporting	To achieve clean administration by June 2027	Compile AFS that fairly present the financial position, financial performance and cash flows.	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	5_57_57.1_P112	Zero recurring material audit queries raised by AG on the 2021/22 Annual Financial Statements.	1	2021/2022 GRAP compliant Annual Financial Statements developed and submitted to AG	Achieved: 2021/2022 GRAP compliant Annual Financial Statements developed and submitted to AG	N/A	N/A	Quarterly reports
										2	Not Applicable				
										3	Not Applicable				
										4	Not Applicable				
Budget and Reporting	To achieve clean administration by June 2027	Respond to all request for information by Auditor-General	Percentage of submission of information requested by AG for 2021/2022 audit 2020/2021 audit	2020/2021 RFI Register	Clean Administration	4,500,000.00	Opex	5_57_57.2_P113	100% submission of Information requested by AG for 2021/2022 audit by 30 June 2023 audit by 30 June 2022	1	Not Applicable	Achieved: 100% submission of Information requested by AG for 2021/2022 audit	N/A	N/A	Quarterly reports
										2	100% submission of Information requested by AG for 2021/2022 audit				
										3	Not Applicable				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										4	Not Applicable				
Budget and Reporting	To achieve clean administration by June 2027	By budgeting according to IDP Priorities	% alignment of 2022/23 adopted Budget aligned to adopted IDP	2021/2022 mSCOA Compliant Adjusted Budget	Improved compliance with the MFMA and Budget and reporting regulations	R0	Opex	5_57_57.4_P115	100% alignment of 2022/23 adopted Budget to the adopted IDP by 30 June 2023	1	Approved 2022/23 budget implemented.	Achieved: Approved 2022/23 budget implemented	N/A	N/A	Quarterly reports
										2	Approved 2022/23 budget implemented.				
										3	mSCOA Compliant Adjustment Budget for the 2022/23 financial year compiled and submitted to Council for approval				
										4	Approved mSCOA Compliant Adjusted 2022/23 budget implemented.				
Budget and reporting	To achieve clean administration by June 2027	By budgeting according to IDP Priorities	mSCOA compliant budget adopted	2021/2022 mSCOA Compliant Adjusted Budget	Improved compliance with the MFMA and Budget and reporting regulations	R0	Opex	5_57_57.1_P116	2023/2024 mSCOA compliant budget adopted by Council by 31 May 2023	1	Not Applicable	N/A	N/A	N/A	Quarterly reports
										2	Not Applicable				
										3	2023/24 Draft mSCOA Compliant Budget compiled and submitted to Council & National Treasury as legislated by MFMA				
										4	2023/24 mSCOA Compliant Final Budget compiled and submitted to Council & National Treasury as legislated by MFMA				
	To achieve clean administration by June 2027	Prepare MFMA reports as required by the MFMA legislation	Number of Monthly financial reports (Sec 71 and grant reports) & Quarterly	2020/2021 MFMA/ mSCOA reports		1,700,000.00	Opex	5_57_57.6_P117	12 Monthly, 1 half year and 4 Quarterly MFMA/ mSCOA reports developed and submitted to Treasury for compliance by 30 June 2023	1	3 Monthly (June 2022, July 2022, Aug 2022), 1 Quarterly (Quarter 4 2021/22) MFMA Report developed and submitted to Treasury for compliance	Achieved: 6 monthly: June 2022, July 2022, Aug 2022 (Quarter 4 2021/22), Sept 2022, Oct 2022, Nov 2022 (1st Quarter - July - Sept 2022 - 2022/23)	N/A	N/A	Quarterly reports 1. Creditors age analysis . 2. 3 monthly Mscosa compliant payroll reconciliations

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

			(Sec 52d) submitted to Mayor and Treasury on the 10th working day of each month.							2	3 Monthly (Sept 2022, Oct 2022, Nov 2022), 1 Quarterly (1st Quarter - July - Sept 2022 - 2022/23) MFMA Report developed and submitted to Treasury for compliance	MFMA Report developed and submitted to Treasury for compliance			
										3	3 Monthly (Dec 2022, Jan 2023 and Feb 2023), 1 half year and 1 Quarterly (2nd Quarter - Oct - Dec 2022) MFMA Report submitted to Mayor & Treasury within legislated timeframes				
										4	3 Monthly (March 2023 - May 2023), 1 Quarterly (Quarter 3 - Jan - March 2023) MFMA Report developed and submitted to Mayor & Treasury within the legislated timeframes				
Expenditure Management	To implement proper expenditure management in compliance with legislation by June 2027	Pay Creditors within 30 days	% of expenditure in compliance with Section 65& 66 of the MFMA	100% expenditure compliant with Section 65 & 66 of the MFMA for 2021/2022	Improved Compliance with MFMA Legislation and Expenditure	R0	Opex	5_58_58.2_P119	100% expenditure compliant with Section 65 & 66 of the MFMA by June 2023	1	100% payment of creditors and employees within 30 days as per legislated framework	Achieved: 100% payment of creditors and employees within 30 days as per legislated framework	N/A	N/A	Quarterly reports
										2	100% payment of creditors and employees within 30 days as per legislated framework				
										3	100% payment of creditors and employees within 30 days as per legislated framework				
										4	100% payment of creditors and employees within 30 days as per legislated framework				
Revenue Management	To increase the amount of revenue collected	By ensuring that all valued properties are billed timeously	% of billable properties included in the municipal billing system as per the	2020/2021 Supplementary. Valuation Roll	Improved correctness of debtor's information on the billing system	160,000.00	Opex	5_59_59.1_P120	100% billable properties included in the municipal billing system as per the GRV & latest supplementary Valuation Roll by June 2023	1	100% Billable Properties included in the Municipal Billing System as per the Supplementary Valuation Roll	Achieved: 100% Billable Properties included in the Municipal Billing System as per the Supplementary	N/A	N/A	Quarterly reports

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

	annually by June 2027		supplementary Valuation Roll							2	100% Billable Properties included in the Municipal Billing System as per the Supplementary Valuation Roll	Valuation Roll			
										3	100% Billable Properties included in the Municipal Billing				
										4	100% Billable Properties included in the Municipal Billing				
Revenue Management	To increase the amount of revenue collected annually by June 2027	By fully implementing the credit control and debt collection policy	% of billed income collected	121% Collection rate	Improve the financial viability of the Municipality.	18,453,210.00	Opex	5_59_59.2_P121	95% of billed income collected by 30 June 2023.	1	45% revenue collection rate achieved	Achieved: 84% revenue collection rate achieved	N/A	N/A	Quarterly reports
										2	60% revenue collection rate achieved				
										3	75% billable revenue collection rate achieved				
										4	95% billable revenue collection rate achieved				
Revenue Management	To increase the amount of revenue collected annually by June 2027	Percentage collection of all budgeted revenue sources	% of billed income collected	42% Collection rate		24,108,474.72		5_59_59.3_P122	95% of non-billed income collected by 30 June 2023.	1	45% non-billable revenue collection rate achieved	Not Achieved: 57% revenue collection rate achieved	Disruptions to municipal operations due to load shedding and poor network connectivity resulted in revenue sites not operating at full	1. Procure a backup during normal budget adjustment in the 3rd quarter to minimise the impact of loadshedding & poor connectivity.	Quarterly reports

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

										2	60% non-billable revenue collection rate achieved		capacity	2. Revise the collection targets in the 3rd quarter budget adjustment.	
										3	75% non-billable revenue collection rate achieved				
										4	95% non-billable revenue collection rate achieved				
			Cost Coverage ratio exceeding 2	2021/2022 cost coverage ratio		R0	OPEX	5_60_60.1_P123	Cost -coverage ratio exceeding 2 Cost by 30 June 2023	1	Cost -coverage ratio exceeding 2 per quarter	Achieved: Cost -coverage ratio exceeding 2 per quarter	N/A	N/A	Quarterly Report on cost coverage ratio
										2	Cost -coverage ratio exceeding 2 per quarter				
										3	Cost -coverage ratio exceeding 2 per quarter				
										4	Cost -coverage ratio exceeding 2 per quarter				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Asset Management	To achieve clean administration by June 2027	Compile and maintain a GRAP compliant fixed assets register	GRAP compliant fixed asset register for 2021/2022 compiled and maintained	GRAP & mSCOA 2020/2021 Fixed Assets Register compiled and maintained	Clean Administration	1,600,000.00	Opex	5_57_57.3_P114	GRAP & mSCOA compliant fixed assets register for 2022/2023 developed and maintained by 30 June 2023	1	GRAP compliant fixed assets register for 2022/23 developed and maintained	Achieved: GRAP compliant fixed assets register for 2022/23 developed and maintained	N/A	N/A	Quarterly Report
										2	GRAP compliant fixed assets register for 2022/23 developed and maintained				
										3	GRAP compliant fixed assets register for 2022/23 developed and maintained				
										4	GRAP compliant fixed assets register for 2022/23 developed and maintained				
			% of compliance with SCM Turn Tound Policy	2021-2022 Procurement Plan	Timeous Procurement	R0	n/a	new	100% compliance with Supply Chain Management Turn Around Policy by June 2023	1	100% compliance with Supply Chain Management Turn Around Policy	Not Achieved	80% compliance with the SCM Turnaround Policy due to the delays in bid committee sittings for above R200 000 bids.	1h. Implement a schedule of bid committee sittings for above R200 000 bids.	Quatrly Report on Procurement plan
										2	100% compliance with Supply Chain Management Turn Around Policy				
										3	100% compliance with Supply Chain Management Turn Around Policy				
										4	100% compliance with Supply Chain Management Turn Around Policy				

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - JULY 2022 TO DECEMBER 2022

Fleet Management			Fleet functionality	2021-2022 Asset register	Improved Service delivery	3 670 000.00	Opex		4 Quarterly Reports on Implementation of Fleet Management Policy submitted to Council Structures for noting by 30 June 2023	1	4th Quarterly Reports on Implementation of Fleet Management Policy submitted to Council Structures for noting	Achieved: 4th Quarter and 1st Quarter on implementation of Fleet Management Policy submitted to Council Structures for noting on the 12th July 2022 and 27th day of October 2022.	N/A	N/A	Quarterly reports
										2	1st Quarterly Reports on Implementation of Fleet Management Policy submitted to Council Structures for noting				
										3	2nd Quarterly Reports on				

								4	3rd Quarterly Reports on Implementation of Fleet Management Policy submitted to				
	Number for Municipal vehicles procurement facilitated	Procurement process facilitated in 2021	Improved Service delivery	3 500 000.00	CAPEX	4_51_51.1_P 0 99	Procurement for 5 vehicles facilitated by June 2023	1	Facilitate Procurement	Achieved: Procurement has been facilitated, specifications have been drafted and approved. They have been submitted to SCM office.	N/A	N/A	Approved Requisition with Budget and Specification