



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

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

## **SOL PLAATJE LOCAL MUNICIPALITY**

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**Due date: 15 May 2024**

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## **List of Abbreviations and Acronyms used in the Monthly Budget Statement**

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

## PART 1: IN-YEAR REPORT

TO: THE EXECUTIVE MAYOR

**DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE: MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT: S71 MONTHLY REPORT FOR THE PERIOD ENDING 30 APRIL 2024**

### 1. Purpose

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

The municipality realises, the critical importance of having a minimum 3 month's cash coverage which is a sound directive and required norm from National Treasury. This has been the focus of the municipality for the past few months to ensure that Sol Plaatje Municipality recovers fully to ensure its sustainability and financial viability. Serious actions will have to be taken to realise this target and Council's buy-in be secured, to the turn the municipality around is critically important. The municipality's main goal is to remain positive and committed in stabilising the municipality, improving its cash position and improving on quality service being rendered.

Currently, the total debtor's book is standing at R3,817,484 billion, of which 89% of the debt is owed in excess of 90 days. Of the total debt, R770,213 million is owed by government, R641,632 million by business and R2,324,635 billion by households. The municipality is urging government, businesses and households to meet their obligation to the municipality or make payment arrangements with the municipality. The cash collection is not at a desired level, and this does not bode well for the municipality's financial position. *There needs to be a major paradigm shift in the payment culture across all customer groups. This can only be achieved when the Credit Control and Debt Collection Policy is strictly, consistently and fairly applied to all customer groups.* Consumers that are not paying for services, must remember that no municipality will remain sustainable and functional if it expected to provide "services for free". And in the same breath, the municipality must employ all measures to ensure that customers receive quality and reliable services. The value of providing these services, should never be underestimated by the municipality as there is a direct correlation between providing quality services and consumers' willingness to pay.

Tough decisions have to be taken to have a meaningful impact and produce positive results. This action is long overdue, especially in light of the municipality's financial crisis and major threat to its financial viability and sustainability. In order for the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced which must be complimented by strict consequence management. Serious consideration should be given to the service delivery and financial implications of all decisions taken. Ensure that acts, regulations and policies are adhered to diligently, consistently and fairly. Enhance revenue collection and ensure that operational and capital funds are spent effectively with good value for money. Improving on preventative maintenance and spending funds cost-effectively and efficiently to address service delivery challenges can no longer be delayed, we have noted an increase in emergency maintenance which seems excessive as no competitive bidding is taking as a result of the impact of asset failure on service delivery. We are striving to ensure assets are maintained at desired levels and are being utilised optimally. The spending of funds will have to be prioritised, wastage be curbed, and overall personnel performance and productivity be monitored and improved. Municipal officials should also take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure.

Refrain from committing acts of financial misconduct and/or criminal offences as per Chapter 15 of the MFMA.

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

## 2. Background

Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 April 2009, regarding the "Local Government: Municipal Finance Management Act 2003 and the Municipal Budget and Reporting Regulations" necessitates those specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance. "The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required Tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act." Further, Section 71 of the MFMA requires that, "the accounting officer of a municipality must by no later than **10 working days** after the end of each month submit to the Mayor of the municipality, and the relevant national and provincial treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month." For the reporting period ending **30 April 2024**, the ten working day reporting limit expires on **15 May 2024**. The National Treasury will use only the *mSCOA* data strings required for submission as prescribed and all publications will use the data collected from the *mSCOA* data strings" which must be submitted before or on **15 May 2024**, (ten working day limit).

### 3. Executive summary

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

Summary Statement of Financial Performance: YTD Budget					
Description R thousand	YTD Budget April 2024	YTD Actual April 2024	Variance Favourable (Unfavourable)	% YTD Actual vs YTD Budget	% Variance Favourable (Unfavourable)
Total Revenue (excluding capital transfers and contributions)	2,313,773	2,343,440	29,667	101.3%	1.3%
Total Revenue (including capital transfers and contributions)	2,475,116	2,432,265	(42,850)	98.3%	-1.7%
Total Operational Expenditure	2,298,476	2,084,241	(214,235)	90.7%	-9.3%

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

As indicated in Table 1 above, as at 30 April 2024, the billed revenue excluding capital grants amounted to R2,343,440 billion which resulted in a satisfactory variance of 1.3% when compared to the YTD Budget of R2,313,773 billion. The billed revenue including capital grants amounted to R2,432,265 billion, resulting in a satisfactory variance of minus 1.7% when compared to the YTD budget of R2,475,116 billion. Capital grants are recognised in the Statement of Financial Performance, monthly as soon as the conditions of the grant have been met. Reasons for the variances are articulated in Section 4.1 below. The Total Operational Expenditure amounted to R2,084,241 billion versus the YTD Budget of R2,298,476 billion, resulting in an unsatisfactory variance of minus 9.3%. Reasons for the variance are articulated in Section 4.2 below.

Summary Statement of Financial Performance: Adjusted Budget					
Description R thousand	Adjusted Budget	YTD Actual April 2024	Variance Favourable (Unfavourable)	% YTD Actual vs Adjusted Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 83.33%
Total Revenue (excluding capital transfers and contributions)	2,798,666	2,343,440	2,110,218	83.7%	0.4%
Total Revenue (including capital transfers and contributions)	2,960,015	2,432,265	2,185,597	82.2%	-1.2%
Total Operational Expenditure	2,782,911	2,084,241	1,852,332	74.9%	-8.4%

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

Indicated in Table 2 above is the YTD actual compared to the Adjusted Budget. When calculating the ideal In-Year-Monitoring percentage of 83.33% [calculated as follow: (100/12 months x 10 months of the year)] as at the end of April 2024, the Total operational revenue excluding capital grants versus the Adjusted Budget resulted in a satisfactory variance of 0.4%. The Total operational revenue including capital grants versus the Adjusted Budget resulted in a satisfactory variance of minus 1.2%. The Total Operational Expenditure resulted in a fairly satisfactory variance of minus 8.4%.

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

#### 4. Budget performance overview

The municipality is implementing the 2<sup>nd</sup> Adjustment budget for 2023/24 financial year. The original budget for 2023/24 was assessed as funded with a firm recommendation from NT that the collection rate must improve. After the main adjustments budget the municipality received the final adjusted DoRA with various adjustments on grants. Articulated in the table below are the adjustments.

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

The 2<sup>nd</sup> Adjustment budget and adjusted SDBIP was submitted to Council for approval, but was not approved due to various concerns raised by Council in respect of consequence management for non-compliance etc. Due to the risk of incurring unauthorised expenditure these adjustments were effected on the system, whilst awaiting approval.

As per the tables above overall Operational revenue is performing satisfactorily, with the Adjusted budget being 83.7% spent versus the ideal percentage of 83.33%. Operational expenditure is slightly under-spent with the contributing factors being Depreciation which is not provided for, fourth quarter recognition of Debt impairment and the bi-annual payment of the long-term borrowing. Performance on the capital is extremely poor at 46.2% spent as at the end of April 2024.

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

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

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

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

- A take-over of a defaulting municipality's electricity business;
- NERSA strengthening of license conditions;
- A National Treasury dispute resolution process;



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

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

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

#### **Monitor and report on implementation –**

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

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

The municipality has made significant strides to settle the monthly current accounts for Eskom and Waterboard. The arrear debt owed to Waterboard has also been reduced significantly. Both ESKOM and DWS is satisfied with the progress the municipality has made and the municipality has an amicable and good working relationship with both institutions. The ring-fencing of cash received for Electricity and Water is accounted for on a daily basis. This has however put pressure on the municipality to settle order creditors. The biggest concern is the settling of accounts for the high months for Eskom (Jun to Aug). The municipality settled an amount of R62,973 million on current account for March 2024 excluding interest amounting to R3,338 million on 26 April 2024. Total invoice amount was R66,311 million. Due to the debt agreement with DWS and the Incentive scheme initiated by the Department, the municipality has made significant strides in reducing the arrear debt owed to the Department and settled all invoices raised for the 2022/23 financial year in full. The municipality is working towards being up to date for the current year because the July and November 2023 invoices were unpaid. On a very positive note, during April the municipality settled the July 2023 invoice in full and made a partial payment of R6,000 million on the November 2023 account amounting to R17,070 million. The balance of R11,070 million was settled on 14 May 2024. The municipality was not in a position to settle the February 2024 account of R36,046 million on 1 April 2024, as per the due date. DWS overbilled the Municipality and this has been corrected on the March 2024 account, amounting to R5,194 million. The ***Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: April 2024***

March 2024 account was settled on the 29 April 2024. Our servitude period commenced on the 1<sup>st</sup> of April, which is the free water quota allocated to the municipality. This means that no billing will be raised until our servitude is exhausted. The municipality will sincerely endeavour to settle the R36 million outstanding for the current year on or before 30 June 2024. A bit on the downside, the municipality had insufficient cash to settle the debt instalment for Waterboard amounting to R6,000 million on or before the 5<sup>th</sup> of May 2024 and the proposed debt instalment of R6,700 million to Eskom on 15<sup>th</sup> of May 2024.

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

#### 4.1 Operating Revenue by Source

Description	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	Achieved YTD Budget	YTD variance	YTD variance	Achieved Adjusted Budget	Adjusted Budget Variance	Adjusted Budget Variance IYM
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	% - 83.33%
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity	995,202	1,616	656,896	838,591	78.3%	(181,695)	-21.7%	66.0%	(172,439)	-17.3%
Service charges - Water	300,114	24,198	246,972	256,395	96.3%	(9,423)	-3.7%	82.3%	(3,123)	-1.0%
Service charges - Waste Water Management	89,858	8,192	80,589	74,882	107.6%	5,708	7.6%	89.7%	5,708	6.4%
Service charges - Waste management	65,412	6,558	64,335	54,510	118.0%	9,825	18.0%	98.4%	9,825	15.0%
Sale of Goods and Rendering of Services	17,379	1,367	15,448	14,063	109.8%	1,385	9.8%	88.9%	965	5.6%
Agency services	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	250,400	22,357	213,238	189,645	112.4%	23,593	12.4%	85.2%	4,571	1.8%
Interest from Current and Non Current Assets	9,500	930	9,887	7,333	134.8%	2,553	34.8%	104.1%	1,970	20.7%
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	28,130	2,959	23,860	23,162	103.0%	699	3.0%	84.8%	419	1.5%
Licence and permits	1,200	48	538	1,000	53.8%	(462)	-46.2%	44.9%	(462)	-38.5%
Operational Revenue	3,134	789	4,420	2,612	169.2%	1,808	69.2%	141.0%	1,808	57.7%
<b>Non-Exchange Revenue</b>										
Property rates	660,893	44,980	591,168	550,745	107.3%	40,423	7.3%	89.4%	40,423	6.1%
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	37,910	1,214	29,123	29,900	97.4%	(777)	-2.6%	76.8%	(2,469)	-6.5%
Licence and permits	6,150	178	6,080	5,125	118.6%	955	18.6%	98.9%	955	15.5%
Transfers and subsidies - Operational	287,603	7,071	273,379	238,343	114.7%	35,036	14.7%	95.1%	33,710	11.7%
Interest	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	44,680	47,691	126,436	26,808	471.6%	99,628	371.6%	283.0%	89,203	199.6%
Gains on disposal of Assets	1,100	-	1,059	660	160.5%	399	60.5%	96.3%	143	13.0%
Other Gains	-	-	11	-	-	11	-	-	11	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2,798,666</b>	<b>170,149</b>	<b>2,343,440</b>	<b>2,313,773</b>	<b>101.3%</b>	<b>29,667</b>	<b>1.3%</b>	<b>83.7%</b>	<b>11,219</b>	<b>0.4%</b>
Transfers and subsidies - capital	161,349	17,422	88,825	161,342	55.1%	(72,517)	-44.9%	55.1%	(45,632)	-28.3%
<b>Total Revenue (including capital transfers and contributions)</b>	<b>2,960,015</b>	<b>187,570</b>	<b>2,432,265</b>	<b>2,475,116</b>	<b>98.3%</b>	<b>(42,850)</b>	<b>-1.7%</b>	<b>82.2%</b>	<b>(34,414)</b>	<b>-1.2%</b>

Table 3: Table C4 Financial Performance (Revenue)

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

## **Comparison against the YTD Budget**

### **Exchange Revenue**

- ❖ Service charges - Electricity is showing an unsatisfactory variance of minus 21.7%. Service charges Water is showing a slight under-recovery of minus 3.7%. The downward adjustment during the Adjustment budget is only factored in for remaining 5 months of the year, resulting in a slightly distorted variance. This is also attributable to the non-implementation of the basic and capacity charges for households, which has not been resolved. It is imperative that the Billing section does a proper investigation to ensure that all properties have functional meters installed and are billed accurately. The same applies to all Service charges., Sanitation and Refuse is showing an over-recovery when compared to the YTD budget.
- ❖ Sale of Goods and Rendering of Services is overstated by 9.8%, as a result of advance receipts on the approval of buildings plan to the tune of R2,833 million. Cemetery and burial fees is also performing well at 98.13% achievement versus the budget, whilst Entrance fees for example Sport grounds and stadiums, community halls and swimming pools are also showing positive results with an overall percentage of 130.15%. Income from the Market is also at 103.67% against the budget.
- ❖ Interest earned from Receivables is showing a positive variance of 12.4% due to the increase in specifically debt over 90 days, high level of debt over 90 days and the higher interest rate. This was adjusted upwards, but the same applies in respect of the phase in over the last 5 months of the year.
- ❖ Interest from Current and Non-current Assets shows a positive variance of 34.8%. The municipality is improving on its cash and investment management and regularly invest funds not immediately needed for operations. The municipality is also investing capital grants already received. The bulk of the interest earned will be recognised as part of the year-end procedures.
- ❖ Licences and permits are showing a negative variance of 46.2%, as a result of the receipts on Road & Trsp: Operator & Pub Driv Permits being lower than anticipated.
- ❖ Operational Revenue is showing a positive variance of 69.2%, as a result of an over-recovery on Incidental Cash Surpluses and Commission: Transaction Handling Fees.

### **Non-Exchange Revenue**

- ❖ Property Rates is showing a positive YTD variance of 7.3%, due to the annual billing on Property rates.
- ❖ Fines, penalties and forfeits is showing a satisfactory variance of minus 2.6%, as a result on an over-recovery on Penalties: Disconnection Fees, whilst Fines: Law Enforcement is showing an under-recovery.
- ❖ Transfers and subsidies - Operational is showing a satisfactory variance of 14.7%. The percentage is still slightly higher due to the receipt of the third tranche of the Equitable Share.
- ❖ Operational Revenue is showing a positive variance of 371.6%. The budget was corrected during the Adjustment budget, however this is only projected for the remaining 5 months of the year, thus resulting in the distorted percentage. The YTD actual is also higher than anticipated and this must be investigated.
- ❖ Gains on disposal of assets, predominantly pertains to the sale of land. The budget was corrected during the Adjustment budget however, this is only projected for the remaining 5 months of the year, thus resulting in the distorted percentage. Other Gains must be investigated.
- ❖ Transfers and subsidies - Capital is showing a negative variance of minus 55.1% when compared to the YTD budget. Capital grants remains lower than anticipated due to poor capital grant expenditure. Serious intervention will have to be taken by management to improve on monthly capital grant expenditure and capital expenditure overall. Capital grants are recognised in the Statement of Financial Performance, on a monthly basis as soon as the conditions of the grant have been met.

## **Comparison against Adjusted Budget**

Based on the IYM percentage of 83.33%, the majority of revenue sources are performing satisfactorily.

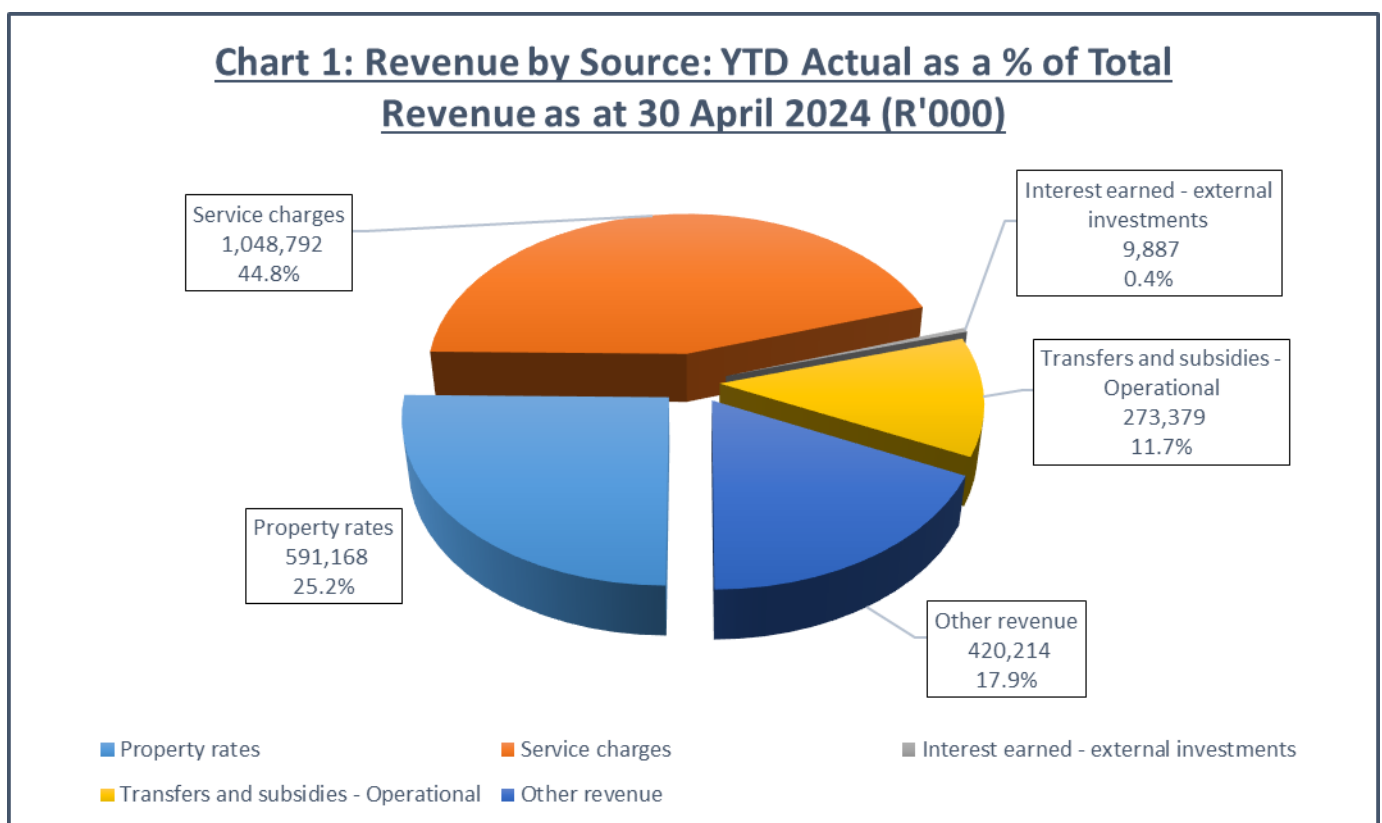
## **Exchange Revenue**

- ❖ Service charges for Water against the Adjusted budget is satisfactory, whilst Service charges Electricity is showing a negative variance of 17.3%. Service charges Waste water management and Waste management is showing an over-recovery.
- ❖ Sale of Goods and Rendering of Services is showing a positive variance of 5.6%. Same factors are applicable as described in the paragraph above.
- ❖ Interest earned from Receivables is showing a positive variance of 1.8%.
- ❖ Interest from Current and Non-current Assets shows a positive variance of 20.7%. Same factors are applicable as described in the paragraph above.
- ❖ Licences and permits are showing an unsatisfactory variance of minus 38.5%. Same factors are applicable as described in the paragraph above.
- ❖ Operational Revenue is showing a satisfactory variance of 57.7%. Same factors are applicable as described in the paragraph above.

## Non-Exchange Revenue

- ❖ Property Rates is showing a positive variance of 6.1%, due to the annual billing on Property rates.
- ❖ Fines, penalties and forfeits is showing a fairly satisfactory variance of minus 6.5%. Same factors are applicable as described in the paragraph above.
- ❖ Transfers and subsidies - Operational is showing a positive variance of 11.7% as a result the receipt of the third tranche of the Equitable Share.
- ❖ Operational Revenue is showing a positive variance of 199.6%. This will be investigated. Same factors are applicable as described in the paragraph above.
- ❖ Gains on disposal of assets, predominantly pertains to the sale of land, whilst Other Gains will be investigated.
- ❖ Transfers and subsidies - Capital is showing a negative variance of minus 28.3%. Capital grants remains lower than anticipated due to poor capital grant expenditure. Serious intervention will have to be taken by Management to improve on monthly capital grant expenditure and capital expenditure overall. Capital grants are recognised in the Statement of Financial Performance, on a monthly basis as soon as the conditions of the grant have been met.

Indicated in Chart 1 below is the weighting of the YTD Actual on billed Revenue per Source as a percentage of total operational revenue as at 30 April 2024. The main contributors of the municipality's revenue are Service Charges (44.8%), Property Rates (25.2%) and Transfers and subsidies (11.7%). The contribution per Revenue source is still slightly distorted, as a result of the annual billing of Property rates and the receipt of the third tranche of the Equitable Share.



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

## 4.2 Operating Expenditure by Type

Description	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance	Achieved Adjusted Budget	Adjusted Budget Variance	Adjusted Budget Variance IYM % - 83.33%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Expenditure By Type										
Employee related costs	910,366	72,500	726,611	751,938	96.6%	(25,327)	-3.4%	79.8%	(32,027)	-3.5%
Remuneration of councillors	35,559	2,802	29,348	29,633	99.0%	(284)	-1.0%	82.5%	(284)	-0.8%
Bulk purchases - electricity	790,100	58,207	598,970	657,227	91.1%	(58,257)	-8.9%	75.8%	(59,447)	-7.5%
Inventory consumed	336,955	21,114	238,391	274,313	86.9%	(35,923)	-13.1%	70.7%	(42,406)	-12.6%
Debt impairment	317,500	-	238,125	264,583	90.0%	(26,458)	-10.0%	75.0%	(26,458)	-8.3%
Depreciation and amortisation	86,650	-	-	72,208	0.0%	(72,208)	-100.0%	0.0%	(72,208)	-83.3%
Interest	20,055	0	10,008	16,582	60.4%	(6,573)	-39.6%	49.9%	(6,704)	-33.4%
Contracted services	56,913	1,191	34,801	45,374	76.7%	(10,573)	-23.3%	61.1%	(12,626)	-22.2%
Transfers and subsidies	3,560	1	2,424	3,200	75.7%	(776)	-24.3%	68.1%	(543)	-15.3%
Irrecoverable debts written off	-	(1)	-	-	-	-	-	-	-	-
Operational costs	159,253	10,490	140,764	129,537	108.7%	11,227	8.7%	88.4%	8,054	5.1%
Losses on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Losses	66,000	36,914	64,799	53,880	120.3%	10,919	20.3%	98.2%	9,799	14.8%
<b>Total Expenditure</b>	<b>2,782,911</b>	<b>203,219</b>	<b>2,084,241</b>	<b>2,298,476</b>	<b>90.7%</b>	<b>(214,235)</b>	<b>-9.3%</b>	<b>74.9%</b>	<b>(234,852)</b>	<b>-8.4%</b>

Table 4: Table C4 Financial Performance (Expenditure)

### Comparison against YTD Budget

As indicated in the Table 4 above, as at 30 April 2024 current YTD expenditure shows an unsatisfactory variance of minus 8.4%. The YTD actual amounted to R2,084,241 billion against the YTD Budget of R2,298,476 million.

- ❖ Employee related costs shows a satisfactory variance of minus 3.4%. Post-retirement benefit obligations are not factored in and will only be finalised as part of year-end procedures.
- ❖ Remuneration of councillors is showing a satisfactory variance of minus 0.1%.
- ❖ Bulk purchases – Electricity is showing a satisfactory variance of minus 8.9%. It should be noted that currently Interest on overdue accounts is included in this line item. The actual will be corrected, however the municipality did not budget for Interest on overdue accounts for bulk electricity due to municipal debt relief. An amount of R43 million has been reversed for the current year.
- ❖ The expenditure on Inventory consumed is showing an unsatisfactory variance of minus 13.1%. Expenditure for the first month of the year is normally low, due later re-opening of the financial year after year-end closure. Various commitments are raised on the system, awaiting delivery of goods and services. It has been reiterated monthly that expenditure on Inventory consumed needs to be monitored closely and remedial action be taken to ensure that funds are spent effectively with good value for money and that funds will be fully spent at year-end. The major backlog and deterioration of infrastructure and high-level of crisis management is negatively influencing this expenditure line items and sound financial management of budgets is not adequately exercised. Deviations and re-directing of funds to manage crisis's is severely and rapidly depleting the R&M budget, impeding on the funds required for day-to-day maintenance. Lack of maintenance plans and planned maintenance is impeding on the municipality's ability to maintain assets optimally. There are limited resources available with severe budgetary constraints with the current cash flow position putting major strain on the municipality's finances to actually address service delivery challenges. The municipality is obligated to ensure that tariffs are cost-reflective whilst ensuring that tariff increases are inflationary related as prescribed by NT's annual MFMA Budget circulars. This is a major impediment for the municipality to increase the R&M budget to a desired level to actually address backlogs, whilst employee costs, provision for bad debts and other expenditure is putting further strain on the budgets each year.

R&M Expenditure per Directorate per Inventory type as at 30 April 2024 (Amounts in Rand)	Sum of Original Budget	Sum of Adjustment Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Original	Sum of % Spent Adj budget	% Spent compared against ideal IYM % of 83.33%
<b>☒ VOTE 1 - COUNCILLORS AND ADMIN</b>	<b>286,000</b>	<b>286,000</b>	<b>1,957</b>	<b>116,830</b>	<b>40.85%</b>	<b>40.85%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	118,000	124,000	1,957	62,602	53.05%	50.49%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	2,000	2,000	-	-	0.00%	0.00%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	166,000	160,000	-	54,228	32.67%	33.89%	UNSATISFACTORY
<b>☒ VOTE 2 - MUNICIPAL AND GENERAL</b>	<b>30,576,000</b>	<b>24,092,000</b>	<b>3,794,378</b>	<b>28,072,741</b>	<b>91.81%</b>	<b>116.52%</b>	OVERSPENT
2320601 (INV-CONSUMABLE-SR/STATIONERY)	670,000	670,000	162,588	478,179	71.37%	71.37%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	250,000	244,000	29,041	197,609	79.04%	80.99%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	-	6,000	-	5,102	#DIV/0!	85.03%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	29,656,000	23,172,000	3,602,750	27,391,851	92.37%	118.21%	OVERSPENT
<b>☒ VOTE 3 - MUNICIPAL MANAGER</b>	<b>138,000</b>	<b>138,000</b>	<b>7,538</b>	<b>92,992</b>	<b>67.39%</b>	<b>67.39%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	120,000	122,000	7,538	81,321	67.77%	66.66%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	18,000	16,000	-	11,671	64.84%	72.94%	UNSATISFACTORY
<b>☒ VOTE 4 - CORPORATE SERVICES</b>	<b>10,645,730</b>	<b>2,645,730</b>	<b>153,366</b>	<b>1,743,991</b>	<b>16.38%</b>	<b>65.92%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	867,000	921,000	88,498	718,124	82.83%	77.97%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	260,000	262,000	14,510	230,730	88.74%	88.07%	SATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	340,730	595,230	44,782	513,334	150.66%	86.24%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	9,178,000	867,500	5,576	281,804	3.07%	32.48%	UNSATISFACTORY
<b>☒ VOTE 5 - COMMUNITY SERVICES</b>	<b>34,528,500</b>	<b>44,290,115</b>	<b>2,792,597</b>	<b>22,591,437</b>	<b>65.43%</b>	<b>51.01%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	1,008,500	1,122,800	43,930	704,094	69.82%	62.71%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	58,000	58,000	-	1,555	2.68%	2.68%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	195,000	225,000	7,749	193,565	99.26%	86.03%	SATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	965,000	1,069,000	69,237	757,597	78.51%	70.87%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	7,457,000	8,445,000	746,077	6,825,185	91.53%	80.82%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	953,000	308,000	30,294	234,837	24.64%	76.25%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	23,892,000	33,062,315	1,895,310	13,874,604	58.07%	41.97%	UNSATISFACTORY
<b>☒ VOTE 6 - FINANCIAL SERVICES</b>	<b>2,399,000</b>	<b>2,354,000</b>	<b>92,237</b>	<b>1,473,286</b>	<b>61.41%</b>	<b>62.59%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	1,270,000	1,297,100	34,758	890,718	70.14%	68.67%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	159,000	173,000	6,718	125,737	79.08%	72.68%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	172,000	172,000	16,153	123,311	71.69%	71.69%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	798,000	711,900	34,608	333,519	41.79%	46.85%	UNSATISFACTORY
<b>☒ VOTE 7 - STRATEGY &amp; ECONOMIC DEVELOPMENT</b>	<b>6,430,000</b>	<b>8,930,000</b>	<b>1,155,190</b>	<b>5,780,214</b>	<b>89.89%</b>	<b>64.73%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	464,000	499,500	9,986	201,973	43.53%	40.44%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	61,000	71,500	692	34,987	57.36%	48.93%	UNSATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	362,000	345,000	34,905	300,715	83.07%	87.16%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	6,000	35,000	936	8,439	140.64%	24.11%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	5,537,000	7,979,000	1,108,671	5,234,100	94.53%	65.60%	UNSATISFACTORY
<b>☒ VOTE 8 - INFRASTRUCTURE SERVICES</b>	<b>220,896,654</b>	<b>254,219,654</b>	<b>13,116,547</b>	<b>178,519,055</b>	<b>80.82%</b>	<b>70.22%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	677,000	639,000	19,555	399,967	59.08%	62.59%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	2,000	2,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	13,660,000	26,650,000	3,391,674	14,772,782	108.15%	55.43%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	721,000	787,000	32,709	731,768	101.49%	92.98%	OVERSPENT
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	6,650,000	9,032,000	894,205	7,874,145	118.41%	87.18%	SATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	360,000	578,000	35,091	454,116	126.14%	78.57%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	137,626,654	152,131,654	12,081,938	90,393,613	65.68%	59.42%	UNSATISFACTORY
2326600 (INVENTORY - WATER)	61,200,000	64,400,000	-3,338,625	63,892,664	104.40%	99.21%	OVERSPENT
<b>Grand Total</b>	<b>305,899,884</b>	<b>336,955,499</b>	<b>21,113,810</b>	<b>238,390,546</b>	<b>77.93%</b>	<b>70.75%</b>	UNSATISFACTORY

Table 4.1 R&M Expenditure per Directorate per inventory type

R&M Expenditure per Service per Inventory Type as at 30 April 2024 (Amounts in Rand)	Sum of Original Budget	Sum of Adjustment Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Original Budget	Sum of % Spent Adj Budget	% Spent compared against ideal IYM % of 83.33%
<b>2480 - REFUSE</b>	<b>20,731,000</b>	<b>19,751,000</b>	<b>1,251,174</b>	<b>10,803,401</b>	<b>52.11%</b>	<b>54.70%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	71,000	71,000	-	43,815	61.71%	61.71%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	210,000	210,000	-	13,640	6.50%	6.50%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL FLEET)	5,000,000	5,750,000	404,561	4,279,880	85.60%	74.43%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	750,000	-	-	-	0.00%	-	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	14,700,000	13,720,000	846,613	6,466,066	43.99%	47.13%	UNSATISFACTORY
<b>2830 - ROADS</b>	<b>46,038,000</b>	<b>42,438,000</b>	<b>5,602,144</b>	<b>29,365,209</b>	<b>63.78%</b>	<b>69.20%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	50,000	60,000	-	53,223	106.45%	88.71%	OVERSPENT
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	54,000	44,000	-	59,677	110.51%	135.63%	OVERSPENT
2323600 (INVENTORY - MATERIALS & SUPPLIES)	45,934,000	42,334,000	5,602,144	29,252,308	63.68%	69.10%	UNSATISFACTORY
<b>2840 - HOUSING</b>	<b>3,497,000</b>	<b>3,497,000</b>	<b>165,063</b>	<b>1,819,407</b>	<b>52.03%</b>	<b>52.03%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	98,000	128,000	4,908	104,559	106.69%	81.69%	SATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	1,000	1,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	125,000	125,000	-	123,719	98.98%	98.98%	OVERSPENT
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	150,000	150,000	5,938	61,865	41.24%	41.24%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	3,123,000	3,093,000	154,217	1,529,265	48.97%	49.44%	UNSATISFACTORY
<b>2850 - SEWERAGE</b>	<b>20,739,000</b>	<b>30,039,000</b>	<b>1,495,422</b>	<b>13,271,339</b>	<b>63.99%</b>	<b>44.18%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	45,000	45,000	2,896	17,738	39.42%	39.42%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	150,000	140,000	-	92,969	61.98%	66.41%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	239,000	258,000	3,480	247,364	103.50%	95.88%	OVERSPENT
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	1,700,000	2,680,000	218,843	2,053,317	120.78%	76.62%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	100,000	70,000	-	59,330	59.33%	84.76%	SATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	18,505,000	26,846,000	1,270,203	10,800,622	58.37%	40.23%	UNSATISFACTORY
<b>2860 - WATER</b>	<b>105,314,000</b>	<b>130,737,000</b>	<b>13,481,678</b>	<b>101,556,769</b>	<b>96.43%</b>	<b>77.68%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	95,000	80,000	4,552	48,327	50.87%	60.41%	UNSATISFACTORY
2320603 (INV-CONSUMABLE-SR/PUR CHEMICALS)	13,510,000	26,510,000	70,180	11,288,140	83.55%	42.58%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	105,000	122,000	-	103,973	99.02%	85.22%	SATISFACTORY
2320611 (INV-CONSUMABLE-ZR/FUEL FLEET)	1,600,000	2,248,000	198,531	1,701,735	106.36%	75.70%	UNSATISFACTORY
2320612 (INV-CONSUMABLE-ZR/FUEL NON FLEET)	260,000	508,000	50,762	359,695	138.34%	70.81%	UNSATISFACTORY
2323600 (INVENTORY - MATERIALS & SUPPLIES)	28,544,000	36,869,000	1,205,821	20,823,609	72.95%	56.48%	UNSATISFACTORY
2326600 (INVENTORY - WATER)	61,200,000	64,400,000	11,951,831	67,231,290	109.86%	104.40%	OVERSPENT
<b>2880 - ELECTRICITY</b>	<b>49,461,000</b>	<b>50,961,000</b>	<b>3,017,919</b>	<b>20,270,602</b>	<b>40.98%</b>	<b>39.78%</b>	UNSATISFACTORY
2320601 (INV-CONSUMABLE-SR/STATIONERY)	194,000	184,000	4,964	69,095	35.62%	37.55%	UNSATISFACTORY
2320602 (INV-CONSUMABLE-SR/FIRST AID)	1,000	1,000	-	-	0.00%	0.00%	UNSATISFACTORY
2320604 (INV-CONSUMABLE-SR/CLEAN MATERIALS)	71,000	81,000	-	72,544	102.18%	89.56%	OVERSPENT
2323600 (INVENTORY - MATERIALS & SUPPLIES)	49,195,000	50,695,000	3,012,956	20,128,963	40.92%	39.71%	UNSATISFACTORY
<b>Grand Total</b>	<b>245,780,000</b>	<b>277,423,000</b>	<b>25,013,400</b>	<b>177,086,727</b>	<b>72.05%</b>	<b>63.83%</b>	UNSATISFACTORY

Table 4.2 R&M Expenditure per Service per inventory type

- ❖ Debt impairment will be provided for on a quarterly basis. The journal for the fourth quarter must still be processed on the financial system.
- ❖ Depreciation was projected for on a straight-line basis but is only be provided for, as part of year-end procedures. The municipality is currently engaging our service provider to make use of the available Asset module on the financial system. A demonstration is being scheduled by our service provider. This is something that will be resolved as soon as possible based on the strict recommendation from National Treasury during the 2023/24 Mid-year Engagement.
- ❖ Interest is showing an unsatisfactory variance of minus 39.6%, due to the Interest on External borrowing being paid bi-annually and the first instalment for the current financial year was paid during December 2023. The next instalment is due at end of June 2024. The interest on overdue accounts for the ESKOM bulk account is being captured on the system under Bulk purchases electricity, as there is no provision for Interest on overdue accounts. This is attributable to the fact that the municipality could not factor this cost into the electricity tariffs and expect the community to fund this and secondly, the municipality intended to apply for the municipal debt relief. Interest on overdue accounts for ESKOM was not factored into the Adjustment budget, due to the municipal debt relief. A corrective journal will be processed. Minor interest charges on overdue accounts was handled through a budget virement on the system, until it was corrected during the Adjustment budget. A formal communiqué must be distributed to warn users on the late submission of payments which is incurring unnecessary charges and which they may be held liable for in future. All Interest paid on overdue accounts must be recognized as Fruitless and Wasteful expenditure in the Annual Financial Statements.
- ❖ Expenditure on Contracted services is showing a satisfactory variance of minus 23.3%. The sub-item OS: B&A Project Management is showing an under-expenditure, possibly due to outstanding invoices. Contr: Prepaid Electricity Vendors is also showing a saving at year-end.
- ❖ Transfers and subsidies showing negative variance of minus 24.3%, due to Other grants showing minimal movement due to cash flow constraints.
- ❖ Operational cost is showing an unsatisfactory variance of 8.7% as a result of the following line items under Operational Cost (OC)



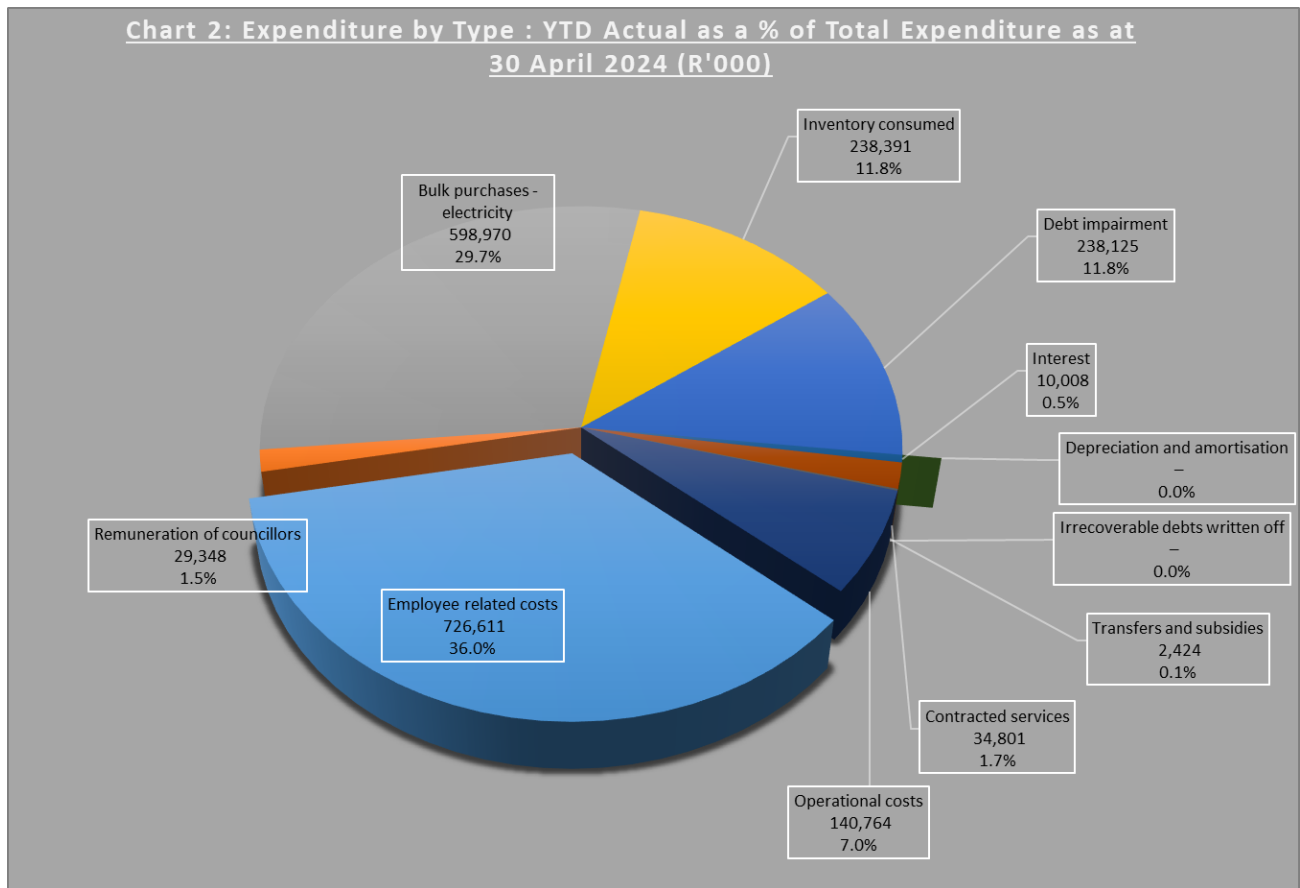
- The municipality is offering a 10% discount on the early settlement of a consumer's municipal bill. This discount is reflected as an expense under OC: Cash Discount of R33,070 million with a zero budget, but these costs will be transferred and debited against Revenue at year-end because it is considered Revenue foregone. The prorata split is done manually between Property rates and service charges, excluding Electricity Revenue because the system cannot handle the automated split per Revenue source. This will be discussed again with our service provider.
  - Costs incurred of R4,669 million on OC: Ext Com Serv Prov - S/Ware Licences, for predominantly annual software license fees.
  - Cost incurred of R9,489 million on OC: Professional Bodies M/Ship & Subs, for predominantly annual SALGA membership fees.
  - OC: Audit Cost: External incurred of R7,729 million.
- ❖ Other Losses is showing a variance of 20.3%. Bulk purchases Water is treated in line with GRAP 12. The invoices are captured on the balance sheet under Water: Input Vol: Bulk Purchases and then journalized to the Income Statement and is simultaneously split between Water Inventory and Water losses. The corrective journal to recognise Water inventory and losses portion for the actuals for the year is fully provided for, as the billing from the Waterboard is from July to March each year. Our servitude (free water) commences from April each year.

### **Operating Expenditure by Type: Comparison against Adjusted Budget**

Indicated in Table 4 above, is the YTD actual compared to the Adjusted Budget. The ideal In-Year-Monitoring percentage as at the end of April 2024 is 83.33%. The total operational expenditure against the Adjusted budget is 74.9% spent, resulting in an unsatisfactory variance of minus 8.4%.

- ❖ Employee related costs shows a satisfactory variance of minus 3.5%. Same factors are applicable as explained above.
- ❖ Remuneration of councillors is showing a satisfactory variance of minus 0.8%. Same factors are applicable as explained above.
- ❖ Bulk purchases – Electricity is showing a satisfactory variance of minus 7.5%. Same factors are applicable as explained above.
- ❖ The expenditure on Inventory consumed is showing a satisfactory variance of minus 12.6%. Same factors are applicable as explained above.
- ❖ Debt impairment is showing a variance of 8.3%. Debt impairment will be provided for on a quarterly basis and the journal for the fourth quarter must still be processed on the system.
- ❖ Depreciation was projected for on a straight-line basis but will only be provided for, as part of year-end procedures. Same factors are applicable as explained above.
- ❖ Interest is showing an unsatisfactory variance of minus 33.4%. Same factors are applicable as explained above.
- ❖ Expenditure on Contracted services is unsatisfactory at minus 22.2%, when compared to the Adjusted budget.
- ❖ Transfers and subsidies show a satisfactory variance of minus 15.3%. Same factors are applicable as explained above.
- ❖ Operational cost is showing a satisfactory variance of 5.1%. Same factors are applicable as explained above.
- ❖ Other Losses is showing an unsatisfactory variance of minus 14.8%. Same factors are applicable as explained above.

**Chart 2: Expenditure by Type : YTD Actual as a % of Total Expenditure as at 30 April 2024 (R'000)**



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

Also indicated in Chart 2 above is the weighting of the YTD Actual on Expenditure by Type as a percentage of total operational expenditure as at 30 April 2024. The main cost drivers of the municipality are Employee Related Costs (36%), Bulk Purchases – Electricity (29.7%) and Debt Impairment (11.8%) and Inventory consumed (11.8%).

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

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

**Bulk Purchases: Electricity, Water inventory and Water losses**

❖ Indicated in Table 5.1 below, is the YTD expenditure on Bulk Purchases: Electricity. When compared to the IYM percentage of 83.33% as at end of April 2024, Bulk Purchases Electricity is showing a fairly satisfactory variance of minus 7.52%. It should be noted that for the interim interest on overdue accounts is included under this line item, no provision was made for Interest on overdue accounts during the Adjustment budget, due to the municipality partaking in the municipal debt relief.

Description	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Adjustments Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 83.33%
BULK PURCHASES: ELECTRICITY	790,100,000	58,207,357	598,970,078	75.81%	-7.52%
<b>Total</b>	<b>790,100,000</b>	<b>58,207,357</b>	<b>598,970,078</b>	<b>75.81%</b>	<b>-7.52%</b>

Table 5.1: Summary of YTD Bulk Electricity expenditure

- ❖ Indicated in Table 5.2 below, is the Water inventory and Water losses which is showing a satisfactory variance of 15.3%, when compared to the ideal percentage of 83.33%. During the Adjustment budget for 2021/22 and advised by NT, Bulk purchases Water was split between Inventory Water and Water losses in the Statement of Financial Performance aligned to GRAP 12. A corrective journal for the actuals pertaining to Water inventory and losses was processed on the system. The actuals were corrected, so that it aligns to the actual bulk water purchased.

Description	Adjustments Budget	Monthly Actual	YTD Actual	% Spent Adjustments Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 83.33%
INVENTORY - WATER	64,400,000	-3,338,625	63,892,664	99.2%	15.9%
NON-REVENUE WATER LOSSES	66,000,000	36,914,356	64,787,558	98.2%	14.8%
<b>Total</b>	<b>130,400,000</b>	<b>33,575,731</b>	<b>128,680,222</b>	<b>98.7%</b>	<b>15.3%</b>

Table 5.2: Summary of YTD Bulk Water expenditure

### Outstanding debt: ESKOM and DWS

ESKOM - Outstanding debt (R'000)	Sum of Invoice amount	Sum of Payments (2023/24)	Sum of Interest written-off	Sum of Outstanding Balance	Sum of Arrear Debt	Sum of Interest Charges 2023/24
<b>2021/22</b>	<b>523,811</b>	<b>-</b>	<b>-</b>	<b>523,811</b>	<b>523,811</b>	<b>-</b>
Oct-21	51,028	-	-	51,028	51,028	-
Nov-21	50,813	-	-	50,813	50,813	-
Dec-21	51,379	-	-	51,379	51,379	-
Jan-22	53,401	-	-	53,401	53,401	-
Feb-22	51,445	-	-	51,445	51,445	-
Mar-22	54,652	-	-	54,652	54,652	-
Apr-22	51,835	-	-	51,835	51,835	-
May-22	57,826	-	-	57,826	57,826	-
Jun-22	101,431	-	-	101,431	101,431	-
<b>2022/23</b>	<b>389,602</b>	<b>103,242</b>	<b>(37,482)</b>	<b>248,878</b>	<b>248,878</b>	<b>-</b>
Dec-22	48,088	-	-	48,088	48,088	-
Jan-23	59,491	-	-	59,491	59,491	-
Feb-23	56,821	-	(9,504)	47,317	47,317	-
Apr-23	45,106	-	(7,923)	37,183	37,183	-
May-23	65,831	-	(9,033)	56,798	56,798	-
Jun-23	114,264	103,242	(11,022)	-	-	-
<b>2023/24</b>	<b>795,108</b>	<b>551,430</b>	<b>(43,756)</b>	<b>199,922</b>	<b>135,148</b>	<b>64,714</b>
Jul-23	131,032	76,662	(8,736)	45,634	45,634	8,736
Aug-23	123,594	70,000	(10,784)	42,810	42,810	10,784
Sep-23	71,421	30,000	(10,598)	30,823	30,823	10,598
Oct-23	76,317	62,679	(13,638)	-	-	13,638
Nov-23	70,580	62,348	-	8,232	8,232	8,232
Dec-23	64,311	61,246	-	3,065	3,065	3,065
Jan-24	65,735	63,044	-	2,691	2,691	2,691
Feb-24	64,371	62,479	-	1,893	1,893	1,893
Mar-24	66,311	62,973	-	3,338	-	3,338
Apr-24	61,436	-	-	61,436	-	1,739
<b>Grand Total</b>	<b>1,708,521</b>	<b>654,672</b>	<b>(81,239)</b>	<b>972,611</b>	<b>907,837</b>	<b>64,714</b>

Table 6.1: Summary of outstanding ESKOM debt

Indicated in Table 6.1 above, is the total outstanding debt owed to ESKOM amounting to R972,611 million. It should be noted that R81,239 million interest charges were reversed, for interest charges from March 2023 to October 2023, as part of the municipal debt relief programme. The municipality settled an amount of R62,973 million on current account excluding interest amounting to R66,311 million on 26 April 2024. The amounts paid excludes interest charges of R3,338 million that is unpaid, in line with the MFMA Circular 124, the municipality must settle billed charges including VAT. The total arrear debt amounts to R907,837 million summarized as follow 2021/22 (R523,811m), 2022/23 (R248,878m) and 2023/24 (R199,922m). The total interest charged on overdue accounts from July 2023 to April 2024 amounts to R64,714 million which must be disclosed as Fruitless and Wasteful Expenditure for the year under review. The interest charges that were reversed for the 2023/24 financial year amounts to R43,756 million.

The total billed amount for the 2023/24 financial year amounts to R795,107 million. Total payments for the 2023/24 financial year amounts to R654,672 million of which R103,242 million relates to 2022/23 financial year and R551,430 million was paid for invoices for 2023/24 financial year. The current arrangement with ESKOM is that the municipality must at least settle the monthly current account. There was no formal payment arrangement in place for 2022/23 financial year and the payment arrangement for the debt incurred after March 2023 must be concluded for 2023/24 financial year. The municipality has been doing well in settling the monthly current account and going forward will endeavour to pay over actual receipts from Electricity sales for the same period. The municipality especially struggles during the high months, when the ESKOM bill is double that of the low months.

DWS - Outstanding debt (R'000)	Sum of Invoice amount	Sum of Payments (2023/24)	Sum of Outstanding Balance	Sum of Arrear Debt
<b>2021/22</b>	<b>126,431</b>	<b>66,667</b>	<b>59,764</b>	<b>59,764</b>
INTEREST (APR-JUN 2022)	6,191	-	6,191	6,191
Aug-21	15,075	15,075	-	-
Sep-21	15,795	15,795	-	-
Oct-21	15,275	15,275	-	-
Nov-21	14,523	14,523	-	-
Dec-21	11,108	6,000	5,108	5,108
Jan-22	17,098	-	17,098	17,098
Feb-22	16,437	-	16,437	16,437
Mar-22	14,930	-	14,930	14,930
<b>2022/23</b>	<b>82</b>	<b>82</b>	<b>-</b>	<b>-</b>
WRM LEVIES JUN 2023	82	82	-	-
<b>2023/24</b>	<b>150,080</b>	<b>102,964</b>	<b>47,116</b>	<b>47,116</b>
Jul-23	15,303	15,303	-	-
Aug-23	13,588	13,588	-	-
Sep-23	18,332	18,332	-	-
Oct-23	17,633	17,633	-	-
WRM LEVIES JUL 2023	82	82	-	-
WRM LEVIES AUG 2023	82	82	-	-
WRM LEVIES SEP 2023	82	82	-	-
Nov-23	17,070	6,000	11,070	11,070
Dec-23	13,333	13,333	-	-
Jan-24	13,333	13,333	-	-
Feb-24	36,046	-	36,046	36,046
Mar-24	5,194	5,194	-	-
<b>Grand Total</b>	<b>276,594</b>	<b>169,713</b>	<b>106,880</b>	<b>106,880</b>

Table 6.2: Summary of outstanding DWS debt

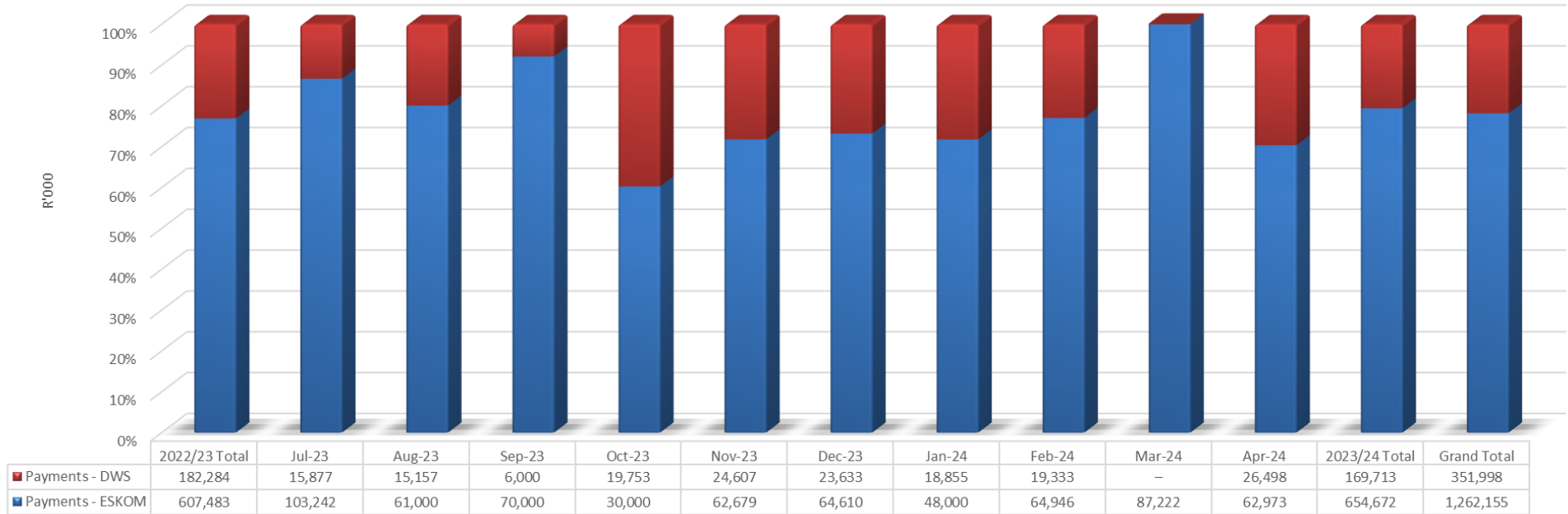
Indicated in Table 6.2 above, is the total outstanding debt owed to DWS which amounts to R106,880 million. No billing was raised for April 2024, due to the servitude (free water) that commences from 1 April each year. The total debt also has to be concurred with the Department. The total arrear debt amounts to R106,880 million which pertains to outstanding invoices for 2021/22 financial year (R59,764m). This amount includes interest of R14,704 million which must still be written off by the Department, once all the arrear debt has been settled. All the invoices for the 2022/23 financial year, has been settled in full and for the 2023/24 financial year an amount of R47,116m is still unpaid.

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

- Settling 10% of the arrear debt (municipality complied)
- Settling the current account each month (municipality complied since inception of Incentive scheme but has defaulted on some months. All invoices for 2022/23 financial year have been settled in full. The biggest concern for the municipality is to settle the outstanding invoices for November 2023 and February 2024 as a matter of urgency.

- Settling the monthly debt instalment (municipality complied, but defaulted for March and April 2024, due to insufficient cash available from operations).
- Repayment of debt over 12 months (municipality requested 24-month repayment period, which was approved by the Department)
- Also included in the Incentive scheme, is the writing-off of all accrued interest and suppression of interest going forward, hence no interest was charged for the prior and current financial year. The repayment proposal was approved by the Department.

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



**Chart 2.1: Monthly payments to DWS & ESKOM**

Indicated in Chart 2.1 above, are the monthly payments made to DWS and ESKOM for 2022/23 and 2023/24 fin year as at 30 April 2024.

The total amount paid to DWS for April 2024 amounted to R26,498 million. The municipality had insufficient cash available to settle the July and November 2023 accounts in full. The municipality settled the July 2023 invoice in full and a portion of the November 2023 invoice. The invoice for February 2024 also remains unpaid and must be resolved as a matter of urgency. Payments for 2022/23 amounts to R182,284 million and payments for 2023/24 amounts to R169,713 million. The total payments amount to R351,998 million. The municipality has shown significant improvement over the financial year in terms of payments to DWS, with the average amount paid per month amounting to approximately R18,000 million.

The municipality settled an amount of R62,973 million on March 2024 account excluding interest amounting to R3,338 million on 26 April 2024. The total payments made for the 2022/23 financial year amounts to R607,483 million and for 2023/24 financial year the payments amount to R654,672 million, resulting in the total payments for both periods amounting to R1,262,155 billion. The municipality has been improving on payments made to Eskom from November 2023 to date. The high months remains a major concern.

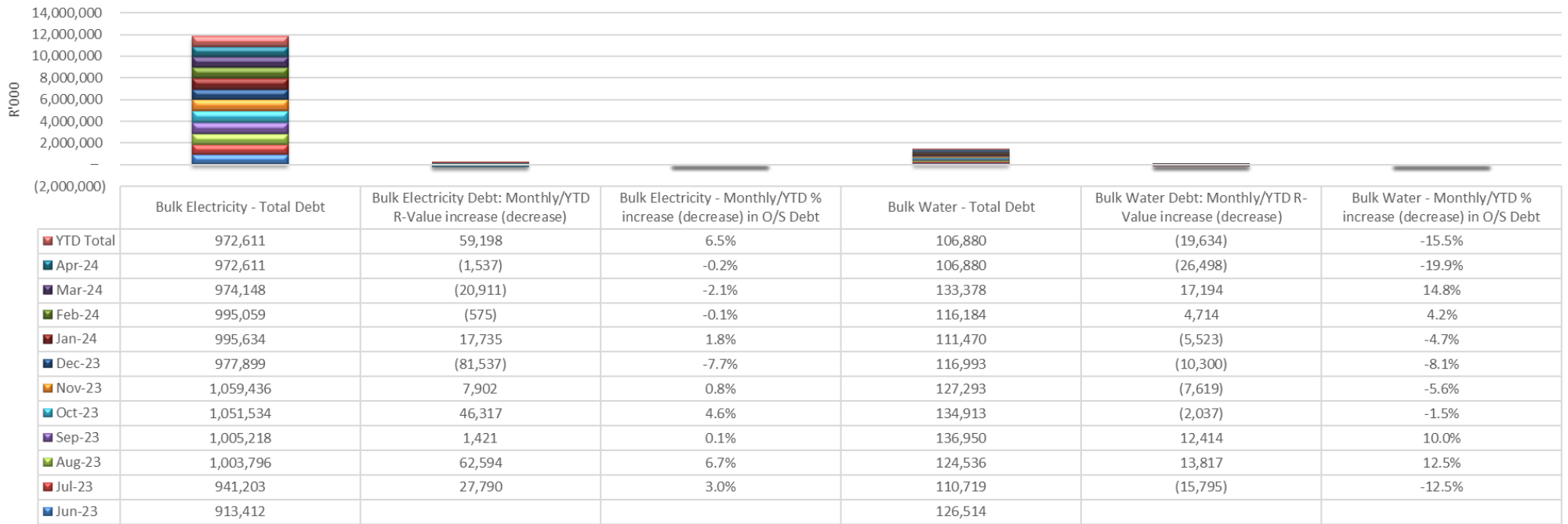
FIN YEAR PER PAYMENT DATE	Sum of VOTE AMOUNT
2022/23	R 607,483,087.93
2023/24	R 654,671,586.50
20230801	R 103,241,512.23
20230830	R 61,000,000.00
20230928	R 35,000,000.00
20230929	R 35,000,000.00
20231031	R 30,000,000.00
20231130	R 62,678,528.38
20231220	R 2,262,000.00
20231228	R 62,347,938.72
20240130	R 48,000,000.00
20240209	R 13,246,492.61
20240219	R 6,700,000.00
20240228	R 45,000,000.00
20240304	R 18,043,546.82
20240319	R 6,700,000.00
20240328	R 62,478,598.42
20240426	R 62,972,969.32
<b>Grand Total ESKOM</b>	<b>R 1,262,154,674.43</b>

FIN YEAR PER PAYMENT DATE	Sum of VOTE AMOUNT
2022/23	R 182,284,059.00
2023/24	R 169,713,490.19
20230727	R 82,471.24
20230712	R 15,794,682.80
20230804	R 15,074,754.70
20230830	R 82,471.24
20230914	R 6,000,000.00
20231003	R 13,588,064.81
20231005	R 82,471.24
20231027	R 82,471.24
20231018	R 6,000,000.00
20231106	R 6,275,086.61
20231114	R 18,331,770.78
20231208	R 6,000,000.00
20231212	R 17,633,270.36
20240105	R 5,522,530.48
20240130	R 13,332,894.88
20240212	R 6,000,000.00
20240301	R 13,332,894.88
20240412	R 21,303,350.74
20240429	R 5,194,304.19
<b>Grand Total DWS</b>	<b>R 351,997,549.19</b>

Table 6.3: Summary of payments per payment date

Indicated in tables 6.3 above, are the payments to ESKOM and DWS per financial year and per payment date, which corresponds to Chart 2.1 above. On 26 April 2024, the municipality settled an amount of R62,973 million to ESKOM for the March 2024 account. Due to insufficient cash available, the debt payment of R6,700 million as part of the debt repayment proposal was not paid. On 12 April 2024 the municipality settled an amount of R21,303 million to DWS, for the full settlement of the July 2023 account and partial payment on the November 2023 account. On 29 April 2024 settled an amount of R5,194 million on the March 2024 current water account.

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



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

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

**ESKOM** - From March 2024 to April 2024, debt owed to ESKOM decreased by R1,537 million or 0.2%, from R974,148 million to R972,611 million. When comparing the total outstanding debt to June 2023, the outstanding debt increased by R59,198 million or 6.5%, from R913,412 million to R972,611 million. The total amount that was subject to the payment arrangement was R163,062 million for debt that accrued after March 2023. To date the municipality settled an amount of R15,662 million with the total current outstanding balance amounting to R147,400 million.

**DWS** - From March to April 2024, debt owed to DWS decreased by R26,498 million or 19.9%, from R133,378 million to R106,880 million. When comparing the total outstanding debt to June 2023, the outstanding debt decreased by R19,634 million or 15.5% from R126,514 million to R106,880 million. The municipality has made significant strides in reducing the debt owed to DWS. The total capital debt amounted to R159,373 million, whilst the municipality settled an amount of R114,327 resulting in an outstanding balance of R59,674 million. An amount of R14,704 million for interest incurred must still be written-off, resulting in a net outstanding balance of R45,061 million.



### 4.3 Capital expenditure

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure - April 2024										
Capital expenditure	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjusted Budget Variance	Adjusted Budget Variance IYM % - 83.33%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Capital expenditure	216,739	9,606	100,049	202,799	49.33%	(102,751)	-50.7%	46.2%	(80,567)	-37.2%
Funded by										
Capital transfers recognised	161,349	9,558	88,298	161,343	54.73%	(73,044)	-45.3%	54.7%	(46,159)	-28.6%
Internally generated funds	55,390	48	11,750	41,457	28.3%	(29,706)	-71.7%	21.2%	(34,408)	-62.1%
Weighting Capital transfer recognised	74.4%	99.5%	88.3%	79.6%						
Weighting Internally generated funds	25.6%	0.5%	11.7%	20.4%						

Table 7: High level summary: Capital Expenditure

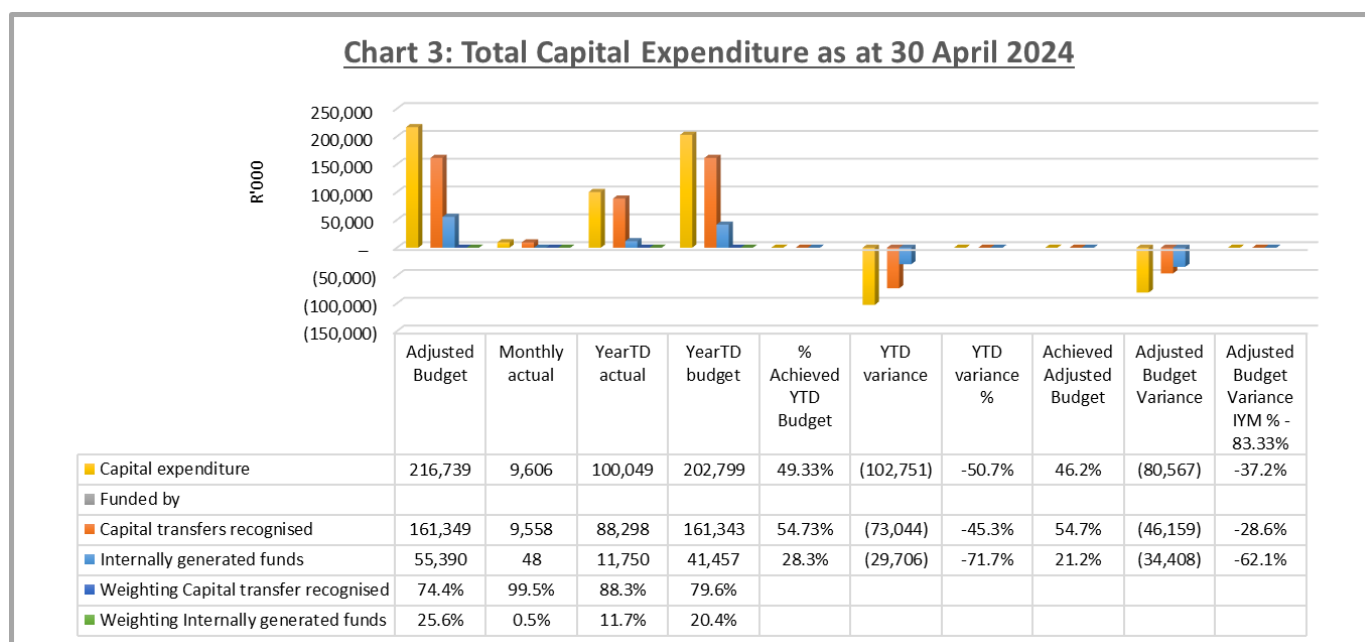


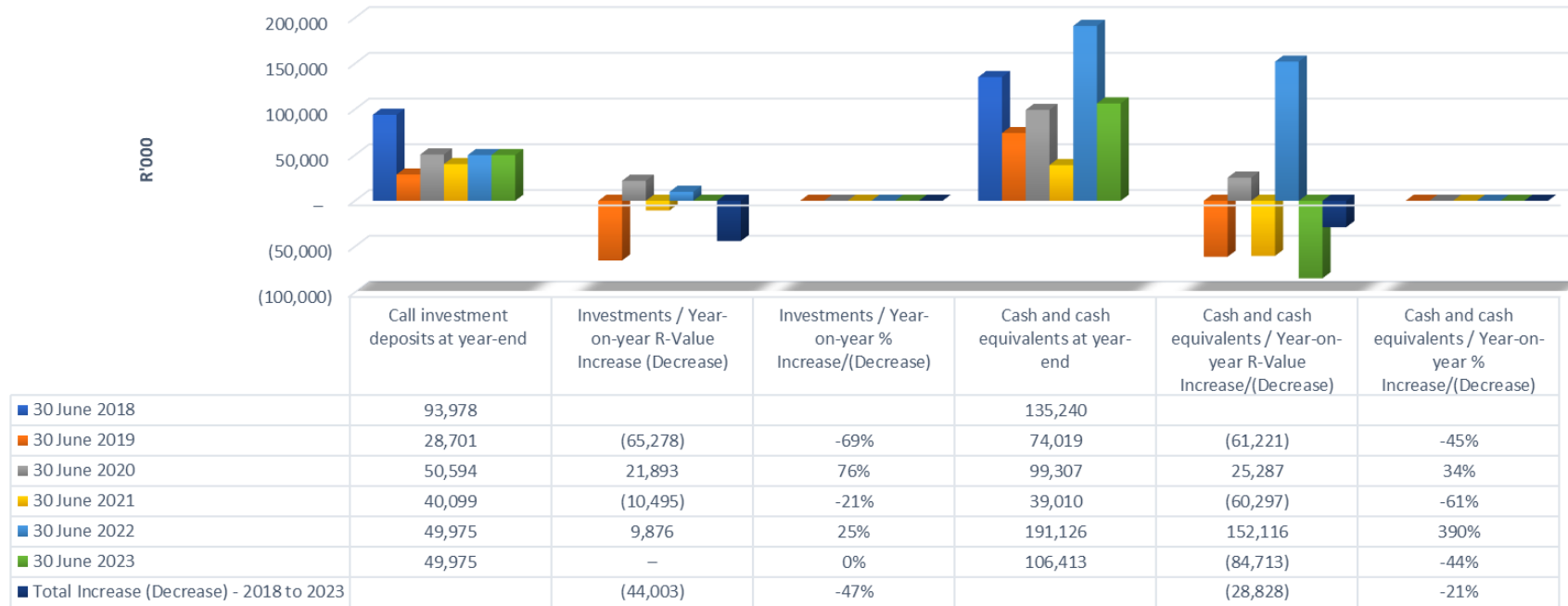
Chart 3: Total Capital expenditure

As indicated in the Table 7 and Chart 3 above, the YTD Actual on capital expenditure as at end of April 2024 amounted to R100,049 million and 49.33% spent when compared to the YTD budget of R202,799 million and 46.2% spent when compared to the Adjusted Budget of R216,739 million. The total YTD capex is funded from Capital grants R88,298 million (88.3%) and Internally generated funds R11,750 million (11.7%). Capex is extremely low and major intervention is required for the financial year. Planning of project managers also needs to improve going forward. One of the major challenges that the municipality is experiencing is in respect of tendering processes.

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

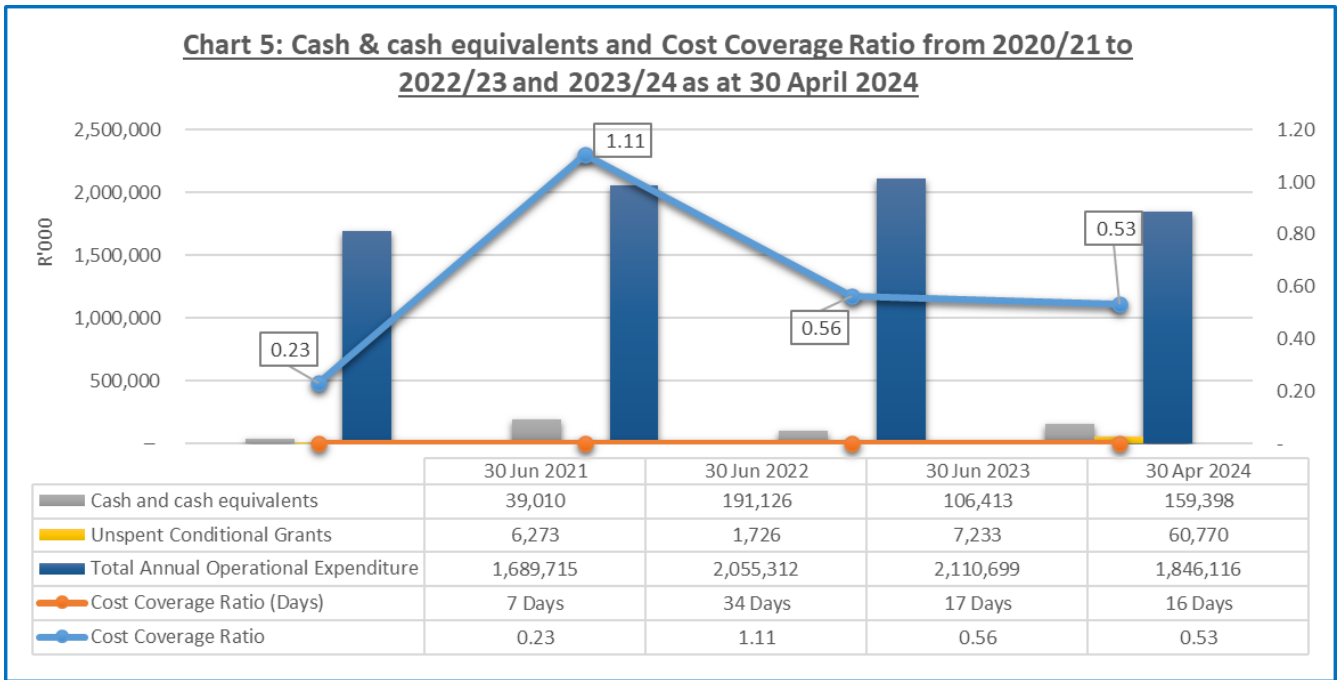
#### 4.4 Cash flows

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



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

Investments decreased by R65,278 million or 69% from 2018 to 2019. Investments increased by R21,893 million or 76% from 2019 to 2020. Investments decreased by R10,495 million or 21% from 2020 to 2021. Investments increased by R9,876 million or 25% from 2021 to 2022. The total investment remained the same from 2022 to 2023. From 2018 to 2023, the total investments decreased by R44,003 million or 47%. The same trend can be seen year-on-year, as indicated in the chart above in respect of the Cash and cash equivalents. There has been a substantial increase in the Cash and Cash equivalents for the year ended 30 June 2022, due to portion of the Equitable Share that was held as reserve, to avert a crisis situation, where the municipality cannot pay salaries. This is attributable to various factors inter alia, the lower collection rate, increased capital expenditure, especially increase on CRR funding year-on-year, the non-implementation of the basic charge for the 2018/19 financial year, increase in bulk purchases, operational expenditure, including excessive expenditure on Overtime and EPWP, variation orders on contracts, excessive water and electricity losses. And the servicing of the long-term loan. The decline in investments and Cash & cash equivalents is concerning and must be addressed by management.



**Chart 5: Cash & cash equivalents and Cost coverage ratio**

Indicated in Chart 5 above, is the Cost coverage ratio, number of days coverage and the Cash and cash equivalents for the year. The required NT norm is 3 months Cost coverage. The audited outcome for the year ended 30 June 2021 is (0.23; 7 days; R39,010m). There was a marginal improvement for the year ended 30 June 2022 (1.11; 34 days; R191,126m), but this was as a result of increased Cash and cash equivalents, which was predominantly Equitable share funds that the municipality was saving to build up some kind of reserve. The audited outcomes for the year ended 30 June 2023 is (0.56; 17 days; R106,413m). The Cost coverage ratio as at 30 April 2024 is calculated at (0.53; 16 days; R159,398m).

Cash at this stage is monitored on a daily basis. The Cost coverage ratio is a critical indicator that the municipality is in a severe cash flow crisis and not in the conducive position to settle short-term commitments. This is a critical threat to the municipality's ability to pay salaries, bulk accounts and day-to-day operations which can have a detrimental effect on service delivery and irrevocably damage the municipality's relationship with its service providers and further tarnishing the municipality's reputation. This is also evident by the escalation in debt owed to Eskom and DWS. However, as a result of the debt agreement with DWS and the Incentive initiated by the Department, the municipality has made significant strides in reducing the arrear debt and settling all invoices for the 2022/23 financial year in full.

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

## 5. In-year budget statement tables

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

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

## PART 2: SUPPORTING DOCUMENTATION

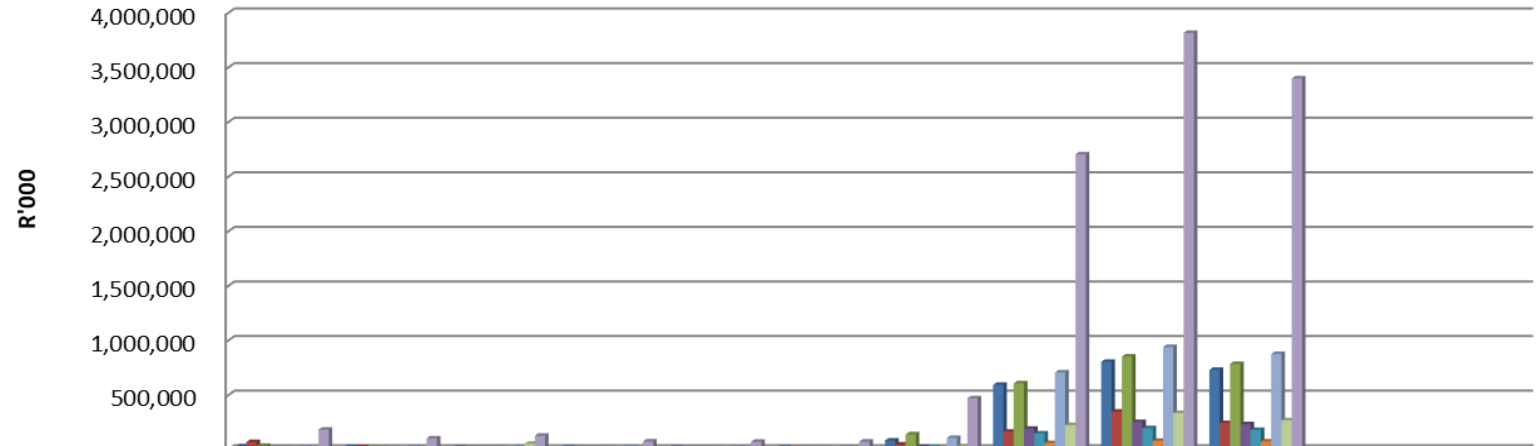
### 6. Debtors' Analysis

NC091 Sol Plaatje - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	31,888	24,763	16,278	18,730	16,697	18,145	83,883	594,341	804,727	731,798	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	70,601	23,399	12,366	9,664	9,524	9,653	48,942	165,584	349,734	243,368	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	36,454	16,671	13,791	13,017	12,011	11,477	141,095	608,602	853,119	786,203	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	8,417	5,860	5,329	5,124	4,985	4,804	26,660	192,801	253,979	234,373	-	-	
Receivables from Exchange Transactions - Waste Management	1600	6,998	4,640	4,167	4,002	4,011	3,710	20,487	149,533	197,547	181,743	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	2,351	1,719	1,718	1,722	1,718	1,711	9,805	60,832	81,576	75,788	-	-	
Interest on Arrear Debtor Accounts	1810	21,848	21,097	20,755	20,782	20,418	19,760	107,957	707,486	940,102	876,402	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-	-	-	
Other	1900	5,699	6,124	54,406	2,853	4,035	5,616	32,158	225,809	336,700	270,470	-	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>184,256</b>	<b>104,273</b>	<b>128,810</b>	<b>75,894</b>	<b>73,400</b>	<b>74,876</b>	<b>470,988</b>	<b>2,704,988</b>	<b>3,817,484</b>	<b>3,400,145</b>	<b>-</b>	<b>-</b>	
<b>2022/23 - totals only</b>		#####	98883871	80780366	66950690	64521621	71923637	#####	#####	3,316,968	2,966,194	0	0	
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	29,765	14,008	9,553	9,613	9,256	8,477	121,437	568,105	770,213	716,888	-	-	
Commercial	2300	74,368	29,070	18,286	14,986	14,646	14,614	72,700	402,963	641,632	519,908	-	-	
Households	2400	77,740	59,249	98,499	49,750	47,733	50,085	269,024	1,672,555	2,324,635	2,089,147	-	-	
Other	2500	2,384	1,947	2,471	1,544	1,766	1,700	7,827	61,365	81,004	74,202	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>184,256</b>	<b>104,273</b>	<b>128,810</b>	<b>75,894</b>	<b>73,400</b>	<b>74,876</b>	<b>470,988</b>	<b>2,704,988</b>	<b>3,817,484</b>	<b>3,400,145</b>	<b>-</b>	<b>-</b>	

Table 8: Supporting Table SC3: Aged Debtors

**Chart 6.1: Debtor's Age Analysis by Income Source as at 30 April 2024**



	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total O/S Debt	Debt over 90 days	% of Total Debt over 90 days	Weighting per Income source
Trade and Other Receivables from Exchange Transactions - Water	31,888	24,763	16,278	18,730	16,697	18,145	83,883	594,341	804,727	731,798	91%	21%
Trade and Other Receivables from Exchange Transactions - Electricity	70,601	23,399	12,366	9,664	9,524	9,653	48,942	165,584	349,734	243,368	70%	9%
Receivables from Non-exchange Transactions - Property Rates	36,454	16,671	13,791	13,017	12,011	11,477	141,095	608,602	853,119	786,203	92%	22%
Receivables from Exchange Transactions - Waste Water Management	8,417	5,860	5,329	5,124	4,985	4,804	26,660	192,801	253,979	234,373	92%	7%
Receivables from Exchange Transactions - Waste Management	6,998	4,640	4,167	4,002	4,011	3,710	20,487	149,533	197,547	181,743	92%	5%
Receivables from Exchange Transactions - Property Rental Debtors	2,351	1,719	1,718	1,722	1,718	1,711	9,805	60,832	81,576	75,788	93%	2%
Interest on Arrear Debtor Accounts	21,848	21,097	20,755	20,782	20,418	19,760	107,957	707,486	940,102	876,402	93%	25%
Other	5,699	6,124	54,406	2,853	4,035	5,616	32,158	225,809	336,700	270,470	80%	9%
<b>Total By Income Source</b>	<b>184,256</b>	<b>104,273</b>	<b>128,810</b>	<b>75,894</b>	<b>73,400</b>	<b>74,876</b>	<b>470,988</b>	<b>2,704,988</b>	<b>3,817,484</b>	<b>3,400,145</b>	<b>89%</b>	

**Chart 6.1: Debtor's age analysis by Income Source**

Indicated in Table 8 and Chart 6.1 above is the total outstanding debt by Income Source, including the debt over 90 days, the percentage of total Debt over 90 days and percentage weighting. The total O/S Debt amounts to R3,817,484 billion as at the end of April 2024 with the bulk of SPM's debt is aged over 90 days with an overall weighting of 89%.

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

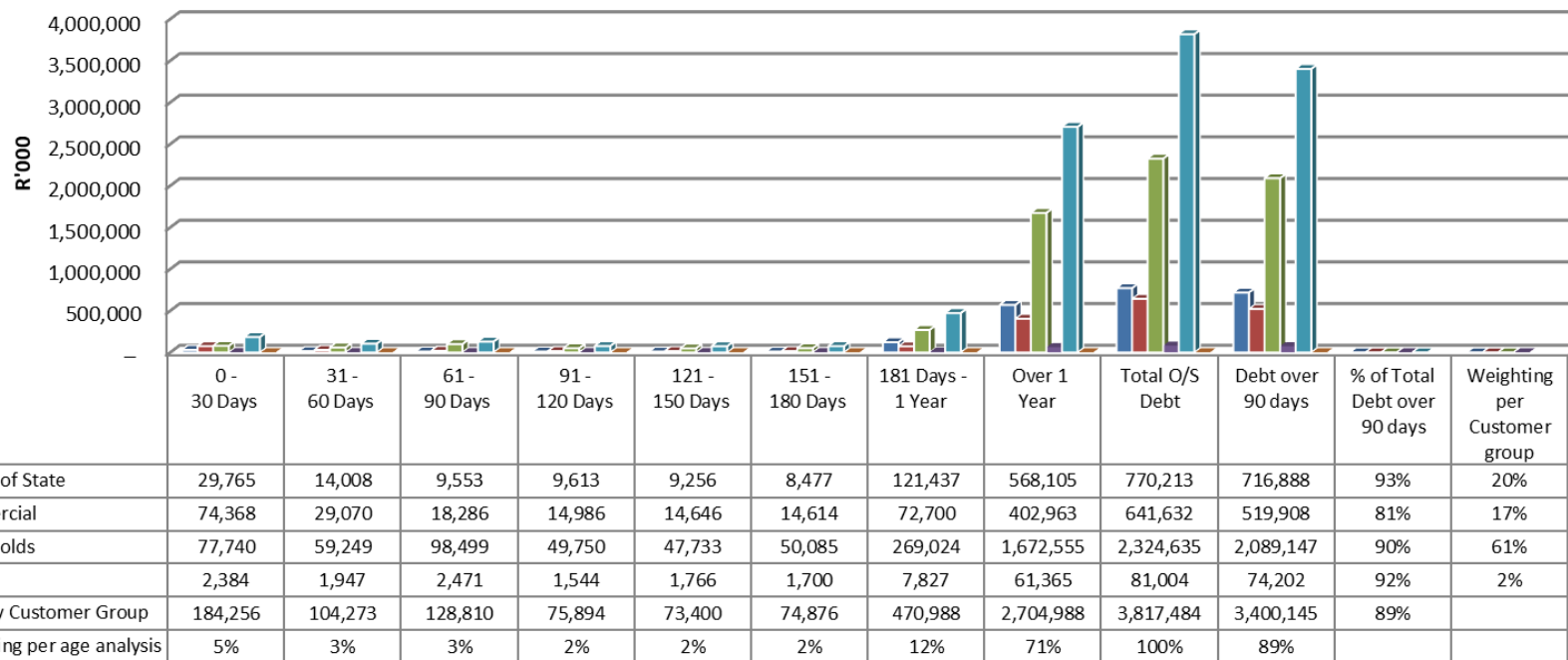
- ❖ Interest on Arrear Debtor Accounts at 93%
- ❖ Receivables from Exchange Transactions - Property Rental Debtors at 93%
- ❖ Receivables from Non-Exchange Transactions – Property Rates at 92%
- ❖ Receivables from Exchange Transactions - Waste Water Management and Waste Management at 92%.

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

- ❖ Receivables from Non-exchange Transactions - Property Rates at 22%

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

**Chart 6.2: Debtor's Age Analysis by Customer Group as at 30 April 2024**



**Chart 6.2: Debtor's age analysis by Customer Group**

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

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

- ❖ Organs of State at 93%; Commercial at 81%; Households at 90% and Other at 92%.

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

- ❖ Organs of state at 20%, total debt outstanding is R770,213 million
- ❖ Businesses at 17%, total debt outstanding is R641,632 million
- ❖ Households at 61%, total debt outstanding is R2,089,147 billion
- ❖ Other at 2%, total debt outstanding is R74,202 million.

An analysis revealed that the catalysts for this condition are the sheer volume of accountholders in arrears, the poor economic circumstances of a large number of our accountholders, and the increasing cost of services beyond the Municipality's control. There is a substantial portion of irrecoverable, stagnant debt that attracts interest every month. We have a backlog of processing this debt and submitting this to Council for approval to write off. We have revised our policies to make our processes more effective. This will allow us to focus on preventing debt from ageing where possible in tracing and updating our debtors' information and of course recovering outstanding amounts.

We anticipate a marked turnaround of this trend and in conjunction with a concerted effort to retard the escalation of ageing debt, we are focusing on improving the accuracy and regularity of our billing as well as our communication with our accountholders. Indigent verification is a continuous process and we are encouraging accountholders whose households qualify, to approach the Municipality for an assessment and possible registration as an Indigent Household. The benefits of this are the provision of free basic services and assistance with arrear debt owed to the Municipality. The payment culture of consumers needs to improve across all areas. Articulated in the paragraph below under "Revenue Management" is a detailed plan with interventions and improvements.

### **Revenue Management: Activities for the month of April 2024**

We have had a good month with regards to the disconnection of conventional meters (Government Departments, Business and Households). Our Cut Team and the Electricians have worked hand in hand in ensuring that Clients pay their Municipal accounts, failing which they face the consequence of having their electricity disconnected. We are slowly overcoming issues hindering the disconnection process such as gate locks etc. by disconnecting the main electricity supply by digging and cutting the electricity supply cables; including disconnections at the substation (all safety procedures observed).

We are aiming to move conventional electricity users owing the Municipality to prepaid meter usage as soon as meters are procured. This will mean that Clients pay for electricity via **prepaid** means vs the current situation where we are supplying Clients with electricity then billing them afterwards. We have also been blocking prepaid meters of Customers owing the Municipality exorbitant amounts

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

We are meeting with the top 100 Debtors of the Municipality, dealing with their disputes, negotiating settlement amounts that will benefit the Municipality.

The Provision of Debt Collection Services Tender has been advertised on 26 April 2024 and closes on 27 May 2024. The introduction of legal collections will greatly assist with the collection of the monies owed to the Municipality.

We have had technical issues that have delayed the implementation of partial blocking of accounts that are owing, the IT Section with BCX are working on resolving this issue in order for us to implement partial blocking.



We are receiving monthly payments from our Government Customers and are holding meetings with the Departments in order to obtain the monies that are owed to the Municipality. The receipts for March 2024 were R43,834,544.11 as compared to R24,060,235.76 that was paid for the month of April 2024.

The drop in the amount is due to the fact that Department of Public Works made a large payment on Rates in the month of March 2024.

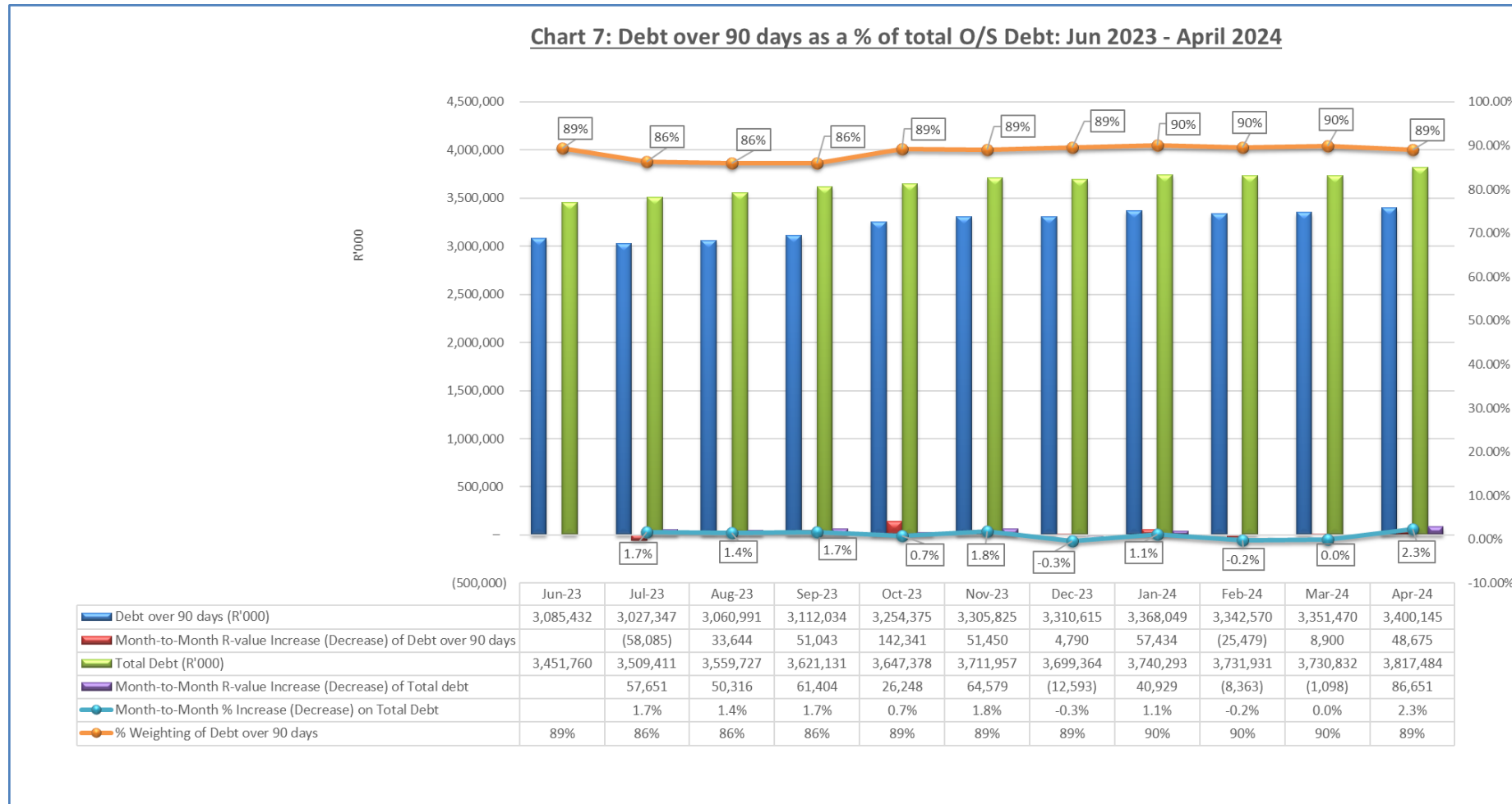
<b>GOVERNMENT DEBT</b>	
DEPARTMENTS	<b>RECEIPTS APRIL 2024</b>
NATIONAL PUBLIC WORKS	R4,530,916.87
PROVINCIAL PUBLIC WORKS	R27,303.25
DEPARTMENTS OF HEALTH	R3,355,834.91
SOCIAL DEVELOPMENT	R228,677.27
ECONOMIC DEV & TOURISM	R432,886.49
COGHSTA/ HOUSING	R162,622.40
PROVINCIAL LEGISLATURE	R12,455.26
CORRECTIONAL SERVICE	R6,494,576.39
NATIONAL DEFENCE FORCE	R2,656,933.01
AGRICULTURE	R57,707.49
EDUCATION	R541,683.49
SPORTS, ARTS & CULTURE	R277,888.44
TRANSPORT	DISPUTE
DE BEERS	R1,205,400.29
TELKOM	R779,737.59
ESKOM	DISPUTE
TRANSNET	R954,049.91
SAPS	R370,470.11
SCHOOLS	R1,971,092.59
<b>TOTAL</b>	<b>R24,060,235.76</b>

**Kindly receive a correction to last month's report:**

We submitted that receipts for *March 2024* were R32,057,548.98 as compared to the R43,834,544.11 that was paid for the month of *April 2024*.

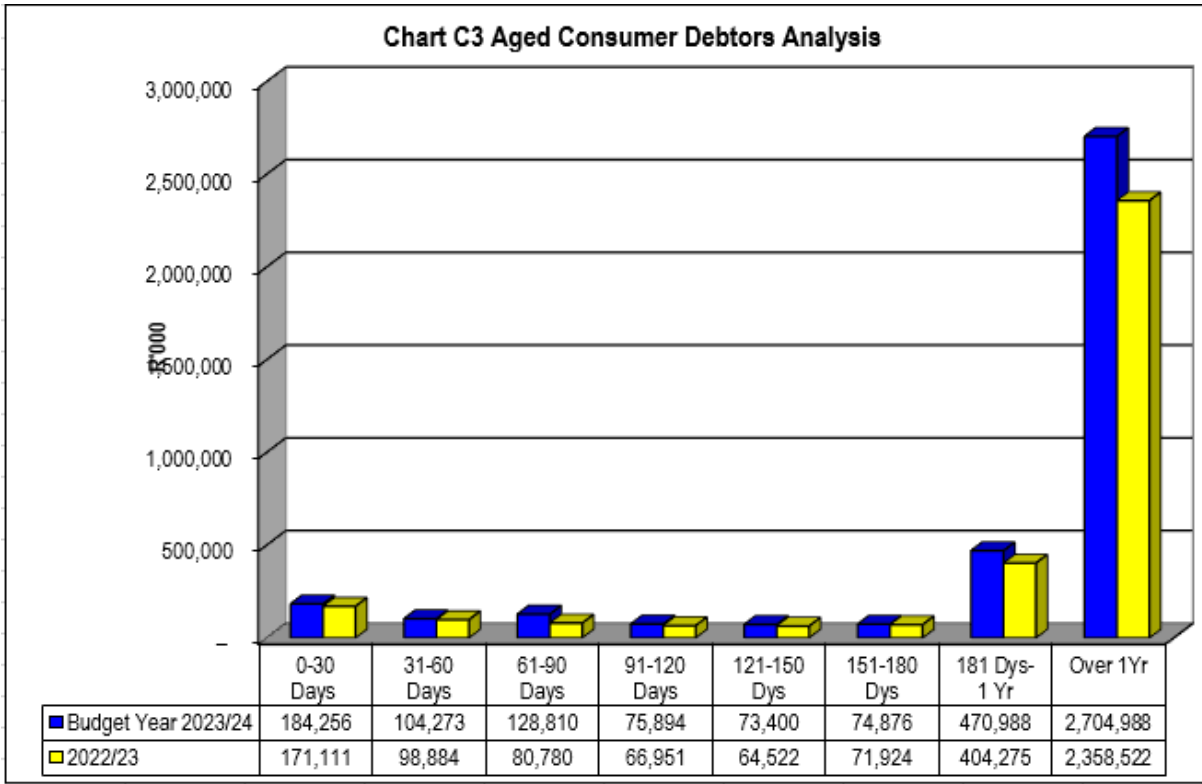
The report should have stated that **February** 2024 were R32,057,548.98 as compared to the R43,834,544.11 that was paid for the month of **March** 2024.

Chart 7 below, depicts the month-on-month summary of Debt over 90 days as a percentage of total O/S Debt which declined from 90% to 89% for the month under review. Debt over 90 days increased by R48,675 million in respect of the month-to-month comparison. The month-to-month increase on Total debt amounted to R86,651 million. It is concerning that total debt over 90 days is hovering at an average of 89 percent. During the 2023/24 MTREF Budget Benchmark exercise NT also encouraged the municipality, to explore all avenues to recoup long outstanding debt, to improve on financial liquidity and to improve the collection rate to at least 89% to be realistically funded from a cash perspective.

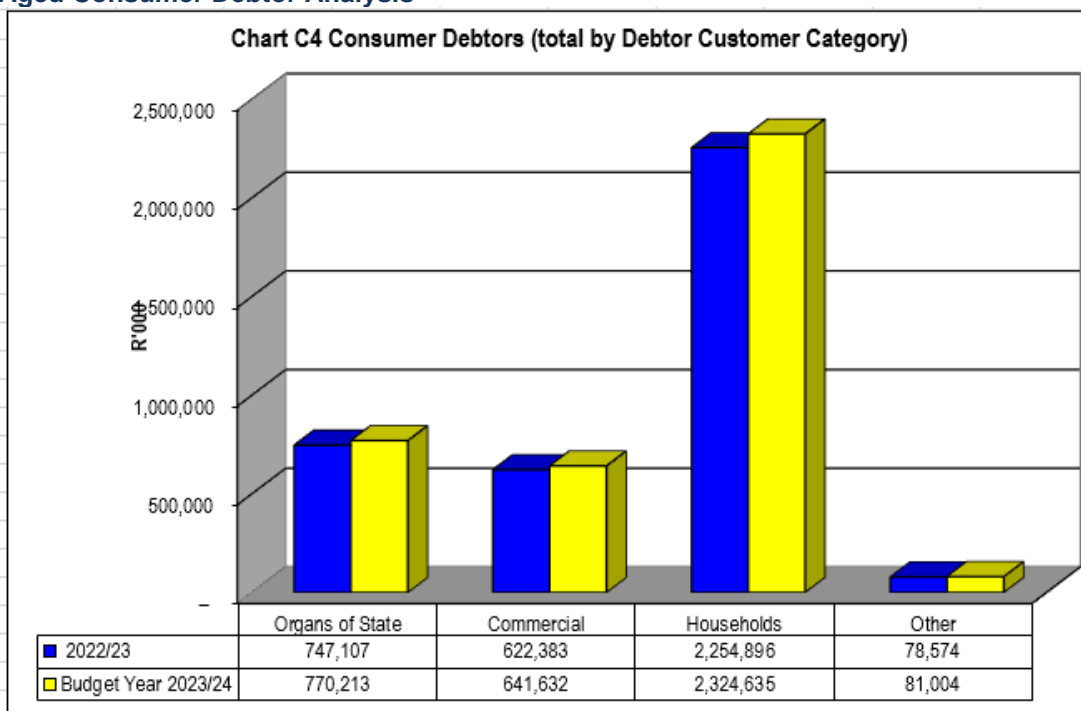


**Chart 7: Debt over 90 days as a percentage of Total O/S Debt**

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



**Chart 8: Aged Consumer Debtor Analysis**



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

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

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

## Revised collection rate

As per Table 9 below, when taking into consideration what was billed in March 2024 and received in April 2024, the monthly collection rate is 55%, for Property Rates and Service charges only. When including Other billing and receipts, the monthly collection rate is 55%. It should be noted that receipts are aligned to the billing cycle which is normally from the 26<sup>th</sup> of the prior month to the 25<sup>th</sup> of the current month. The monthly collection rate is unsatisfactory for the month under review. Unallocated receipts amounted to R39,870 million and will be allocated during May 2024. Indicated in Table 10 below is the revised average collection rate of 84.8%, for Property rates and Service charges only. The average collection rate when taking into consideration on the annual billing on Property rates and Other was calculated at 77.7%. The lower collection rate is not an ideal situation and is having a dire impact on the cash flow of the municipality. The current status quo cannot continue, and drastic action will have to be taken to address this critical issue.

When considering the average collection rate, various factors are taken into account, like the receipts on Prepaid Electricity, unallocated credits, etc. The YTD billing on Property Rates and Service Charges are obtained from the general ledger. Billing on Other is obtained from the BS902 report (Debits Raised Versus Payments). The BS566 report (Payments per Service per Day/Period) includes all monies received from 1 April to 30 April 2024. Unallocated credits are obtained from the cashbook. Government in particular and businesses/households that opt to get billed annually, had until the end of September 2023 to settle their outstanding accounts.

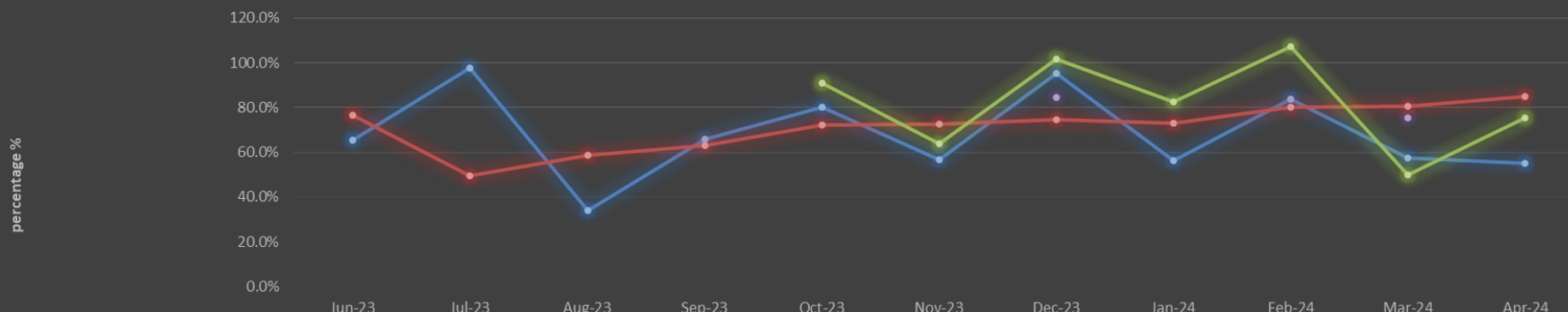
Monthly Collection Rate	Debits (Billed March 2024)	Credits (Received April 2024)	% Collected
PROPERTY RATES	45,080,049	38,484,974	85%
ELECTRICITY	90,678,747	40,935,559	45%
WATER	27,981,707	12,876,733	46%
SEWERAGE	9,775,967	4,298,261	44%
REFUSE	7,943,643	3,522,661	44%
<b>PROP RATES &amp; SERVICES</b>	<b>181,460,112</b>	<b>100,118,188</b>	<b>55%</b>
OTHER	24,826,555	13,203,834	53%
<b>TOTAL</b>	<b>206,286,667</b>	<b>113,322,022</b>	<b>55%</b>

Table 9: Monthly collection rate

REVENUE BY SOURCE	YTD ACTUAL APRIL 2024	YTD RECEIPTS	Rate
PROPERTY RATES	R 591,168,001	R 440,908,176	<b>74.6%</b>
SERVICE CHARGE ELECTRICITY	R 398,077,256	R 438,382,534	<b>110.1%</b>
SERVICE CHARGE ELECTRICITY - PREPAIDS	R 258,818,607	R 258,818,607	<b>100.0%</b>
SERVICE CHARGE WATER	R 246,972,029	R 138,066,722	<b>55.9%</b>
SERVICE CHARGE SANITATION	R 80,589,462	R 39,802,158	<b>49.4%</b>
SERVICE CHARGE REFUSE	R 64,335,048	R 34,333,447	<b>53.4%</b>
UNALLOCATED CREDITS		R 39,869,882	
<b>REVISED AVERAGE COLLECTION RATE - APRIL 2024</b>	<b>R 1,639,960,403</b>	<b>R 1,390,181,526</b>	<b>84.8%</b>
<b>REVISED AVERAGE COLLECTION RATE - APRIL 2024</b>	<b>1,639,960,402.78</b>	<b>1,390,181,525.92</b>	<b>84.8%</b>
LESS ANNUAL BILLING ON PROPERTY RATES	R -141,456,341.14	-104,573,693.42	<b>73.9%</b>
INCLUDING OTHER	R 310,415,722	R 120,334,264	<b>38.8%</b>
<b>REVISED AVERAGE COLLECTION RATE LESS ANNUAL BILLING AND INCLUDING OTHER</b>	<b>R 1,808,919,783.96</b>	<b>R 1,405,942,096.22</b>	<b>77.7%</b>

Table 10: Revised Average collection rate

**Chart 10: Comparative trend: Monthly and Revised average collection rate - Jun 2023 to Apr 2024**



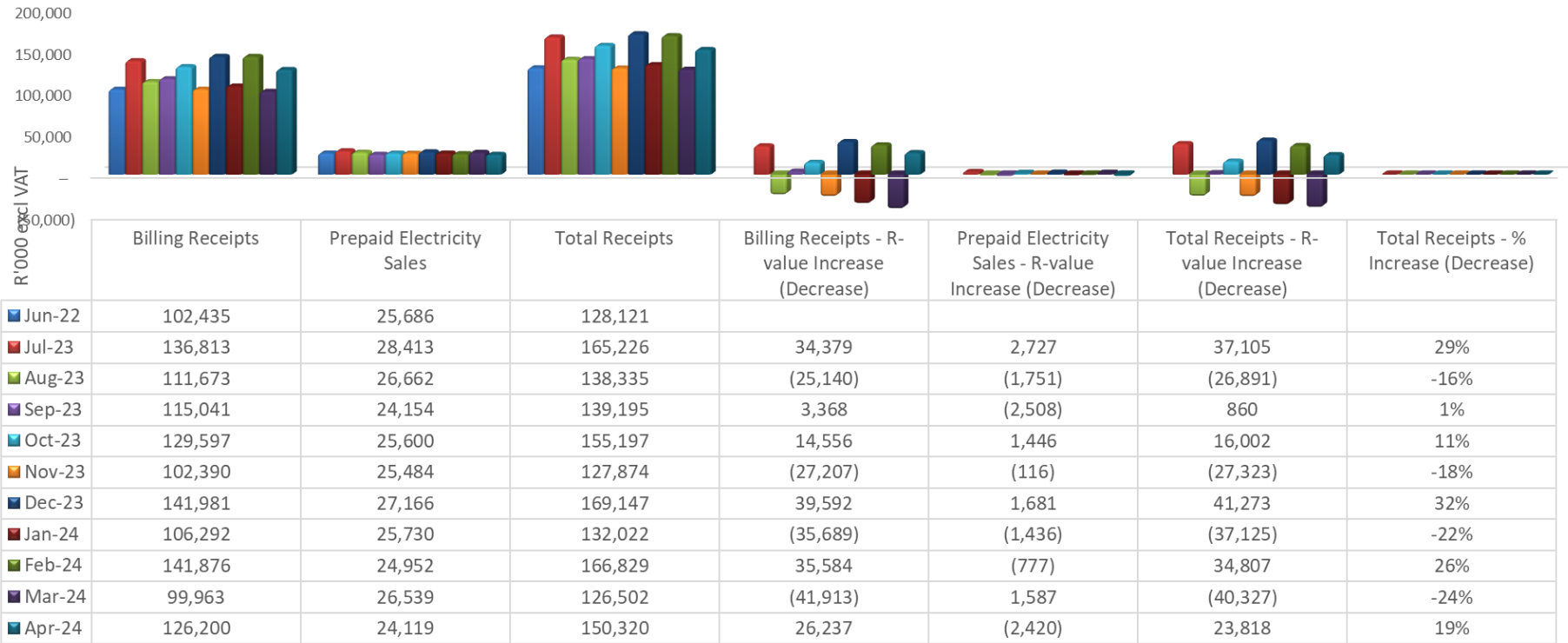
	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Monthly collection rate	65.5%	97.7%	34.0%	66.0%	80.2%	56.7%	95.3%	56.2%	83.6%	57.5%	55.0%
Revised average collection rate	76.7%	49.3%	58.6%	63.1%	72.0%	72.7%	74.6%	73.1%	80.2%	80.7%	84.8%
Average collection rate per Ward (Monthly)					91.0%	63.9%	101.7%	82.6%	107.0%	50.0%	75.3%
Average collection rate per Ward (Quarterly)							84.4%			75.5%	

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

Indicated in Chart 10 above, is the comparative trend between the monthly and average collection rate from June 2023 to April 2024. The monthly collection rate for August 2023 and the revised average collection for July 2023, is low due to the annual billing of Property rates. It should be noted that the monthly collection rate takes into account what was billed in the previous month and received in the current month. The receipts are also based on the billing cycle, which will normally be from 26<sup>th</sup> of the previous month to 25<sup>th</sup> of the current month. The monthly collection rate also excludes Prepaid electricity sales and Other billing. It should be noted from June 2023 to January 2024, Other was included in the calculation but from March 2024 onwards, the collection rate is based on the receipts versus billing for Property Rates and Service charges only. The lower collection levels are not ideal because on a monthly basis, the municipality is not receiving enough cash to cover its short-term commitments. For the municipal debt relief, the municipality is also expected to report the average collection rate per ward. The monthly collection rate per ward was 75.3% for the month under review. The billing for Electricity was high for the month of March 2024, due to a billing correction. It should be noted that an amount of R39,870m was unallocated at month-end, which negatively influenced these collection rates.

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

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

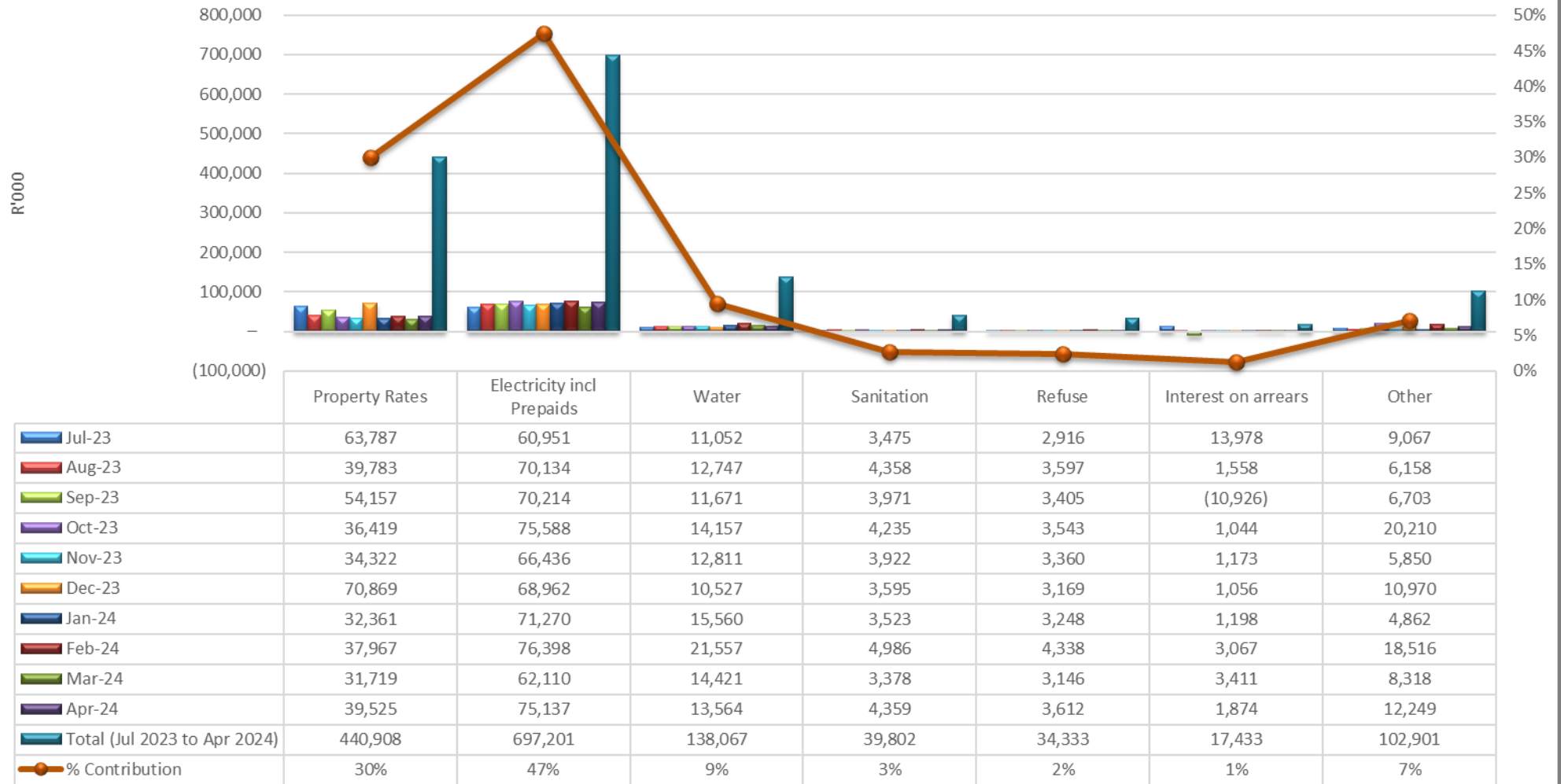


**Chart 11.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity**

As indicated in Chart 11.1 above, the Total Receipts amounted to R150,320 million which resulted in an increase of R23,818 million or 19% in respect of the month-to-month comparison. Billing receipts increased by R26,237 million, whilst Prepaid Electricity Sales decreased by R2,420 million. The deteriorating situation for the past few months/years does not bode well for the municipality's cash flow because on a monthly basis the municipality does not collect sufficient cash to cover its monthly commitments. Unallocated billing receipts at month end amounted to R39,870 million. Unallocated receipts are not factored into the actual receipts as per the chart above. All unallocated receipts are investigated and assistance from the bank is also requested when the municipality is unable to trace receipts so that it can be allocated timeously and accurately.



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



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

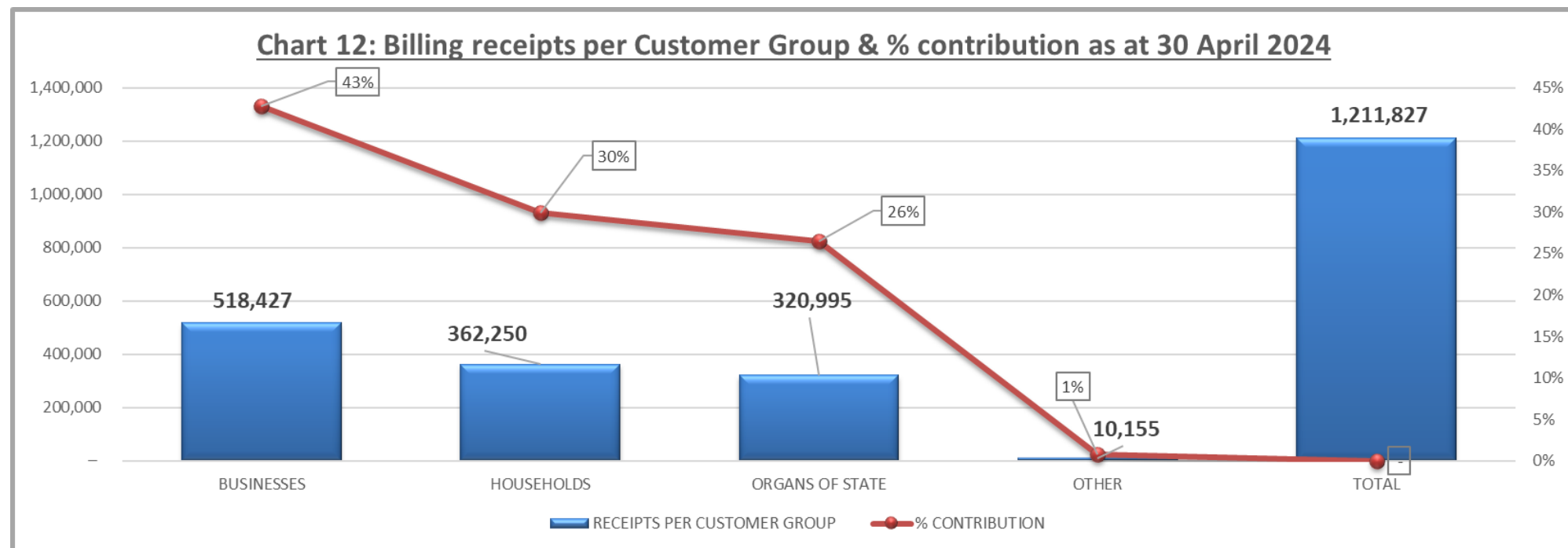
Indicated in Chart 11.2 above, is the month-to-month receipts per Revenue source and percentage contribution of receipts per revenue source as at 30 April 2024. Receipts are relatively constant based on the month-to-month comparison. The actual cash collected remains a serious concern and positive results can be achieved, provided that the Credit Control and Debt Collection Policy is strictly, consistently, and fairly applied. The majority of revenue streams that are showing improvement in relation to the monthly comparison. Data from the above chart, indicates that Electricity incl Prepays at R697,201 million (47%) is the highest contributor, followed by Property rates at R440,908 million (30%) being received. This illustrates the sensitivity and vulnerability in respect of electricity sales that the municipality is facing. Any major reductions in this revenue source can severely affect the municipality's financial

position and this was clearly demonstrated when the municipality had to abolish the implementation of the basic charge in 2018/19 financial year. Measures should be implemented to ensure that receipts from annual Property rates billing materialises. Receipts from Water constitutes 9% and Other 7% overall.

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

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

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



**Chart 12: Billing receipts per Customer Group**

Indicated in Chart 12 above, is the billing receipts and percentage contribution per major Customer group as at 30 April 2024. The municipality received R518,427 million (43%) from Businesses, Households R362,250 million (30%), Organs of State R399520, million (26%) and Other R10,155 million (1%).

## 7. Creditors' Analysis

NC091 Sol Plaatje - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
<b>R thousands</b>												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	61,436	3,338	1,893	2,691	3,065	8,232	176,065	715,890	972,611	812,071	
Bulk Water	0200	-	-	36,046	-	-	11,070	-	59,764	106,880	144,541	
PAYE deductions	0300	10,894	-	-	-	-	-	-	-	10,894	9,478	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	8,250	-	-	-	-	-	-	-	8,250	7,939	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	12,785	170	221	-	-	0	-	0	13,176	55,965	
Auditor General	0800	116	-	-	-	-	-	-	-	116	79	
Other	0900	18,729	-	-	-	-	-	-	10,548	29,278	22,999	
<b>Total By Customer Type</b>	<b>1000</b>	<b>112,210</b>	<b>3,508</b>	<b>38,159</b>	<b>2,691</b>	<b>3,065</b>	<b>19,302</b>	<b>176,065</b>	<b>786,203</b>	<b>1,141,205</b>	<b>1,053,072</b>	

Table 11: Supporting Table SC4: Aged Creditors

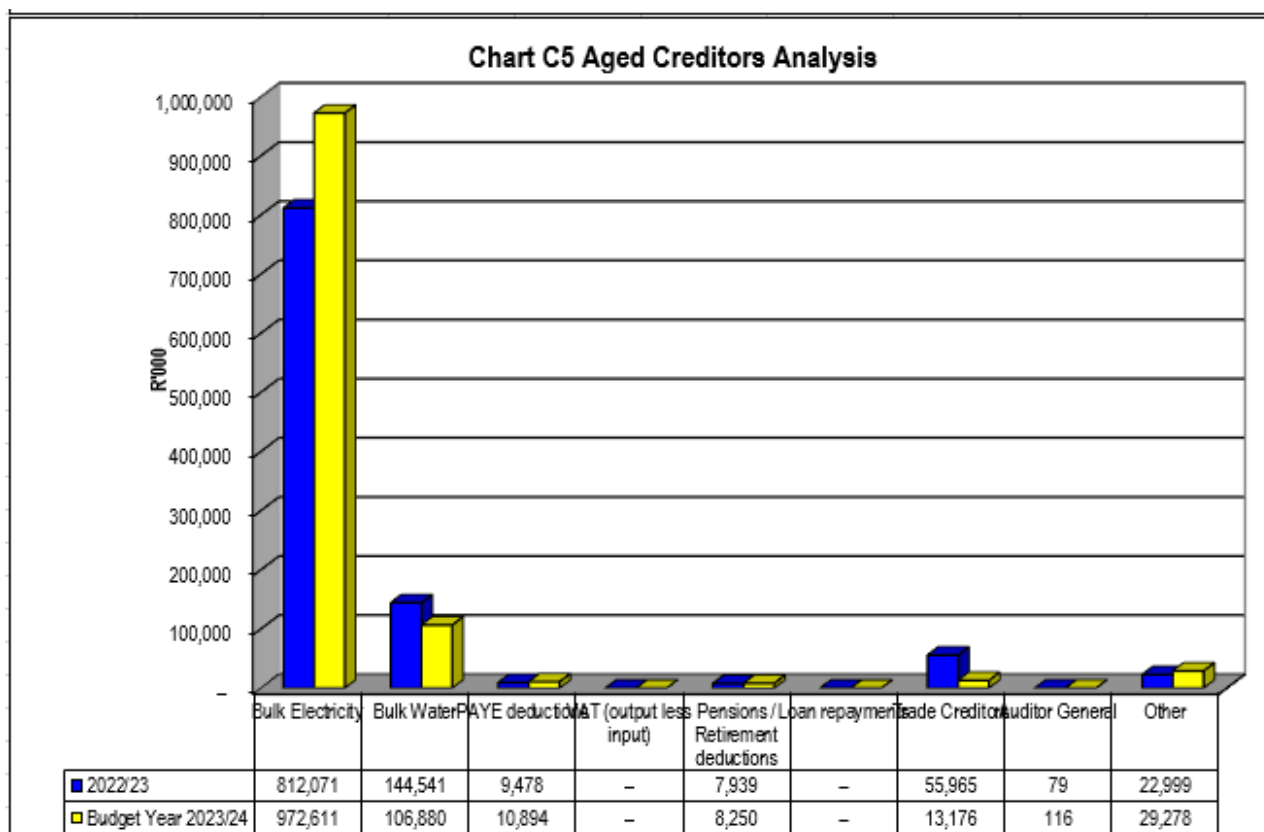


Chart 13: Aged Creditors Analysis

It should be noted that comparative figure for 2022/23 is based on the outstanding creditors as at 30 April 2023 (prior year totals for the same period).

**Bulk Electricity** – As at the 30 April 2024, the outstanding debt owed to Eskom amounted to R972,611 million. The current agreement with Eskom is that the municipality must settle its monthly current account. As per the Debt Relief approval, the municipality must enter into a payment arrangement with Eskom for the debt that accumulated after March 2023. This proposal was submitted to Eskom for approval.

**Bulk Water** – As at the 30 April 2024, the outstanding debt owed to DWS amounted R106,880 million. A payment agreement with DWS for the 2022/23 financial year has been concluded for a period of 24 months and the municipality is participating in the Incentive scheme that the Department is providing to municipalities. All invoices for 2022/23 financial year were settled in full. The debt must be concurred with the Department.

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

**VAT** – after the monthly VAT reconciliation, we claimed an amount of R13,474 million from SARS.

**Trade creditors** are all suppliers registered on the municipality's database and it is a prerequisite for these suppliers to be registered on the Central Supplier Database (CSD).

**Auditor General** – the current account due to the AGSA is R116 thousand.

**Other creditors** – includes Sundry creditors which were unpaid as at 30 April 2024 of which the biggest contributor is other third party salary payments amounting to R17,983 million which was paid by 7 May 2024.

## 8. Investment portfolio analysis

The market value of the investment portfolio has been utilized and for the period ending 30 April 2024, the value of total investments made was R138,593 million including interest. Investment top-ups for the month under review amounted to R30,000 million, while an amount of R26,881 million was partially or prematurely withdrawn. This does not bode well for the municipality and we are running into major trouble in terms of meeting commitments to pay salaries, Eskom and DWS and even other creditors. The disclosure of interest has to be discussed with NT so that the municipality can align interest received to the data strings, whilst NT must provide guidance of the YTD accrued interest that are not yet reflected in the books. This exercise is normally performed during year-end procedures. Please note that the investments are committed and/or held for the following reasons:

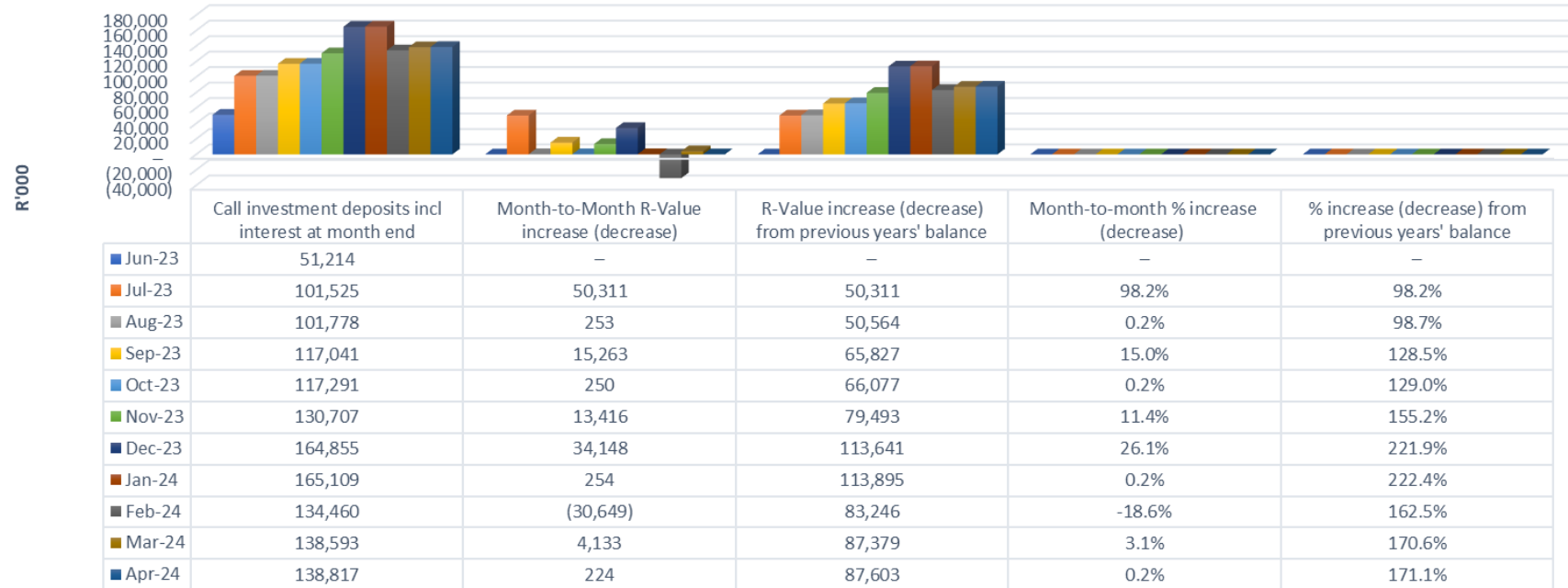
Purpose	R'000
• A fixed deposit that was invested and ceded to Development Bank of South Africa representing the equivalent of one instalment of the long-term loan.	21,943
• A fixed deposit that was made as a security to the Self-Insurance Workman Compensation reserve as required by the Department of Labour - Compensation Commissioner.	8,010
• Unspent Capital grant receipts that was invested for the current year.	78,582
• The investment account set aside for ESKOM and DWS.	0
• Own funds invested	30,282
<b>Total</b>	<b>138,817</b>

### NC091 Sol Plaatje - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>R thousands</b>														
<b>Municipality</b>														
Absa Bank - 9382218821		Monthly	Call a/c	No	Fixed	8.90%	0	n/a		43,865	321	(321)	-	43,864
Standard Bank 048466271-089		6 months	Call a/c	No	Variable	6.9	0			0	-	-	-	0
Standard Bank 04 846 6271- 090		48 hours	Notice	No	Fixed	8.85%	0	n/a		30,000	204	(204)	-	30,000
Standard Bank 048466271-073		6 months	Notice	Yes	Fixed	8.50%	0		2019/05/07	-	-	-	-	-
Absa Bank 20-6295-4443		12 months	Notice	Yes	Fixed	7.40%	0		2023/06/28	7,952	57	-	-	8,010
Standard Bank - 048466271-087		48 hours	Notice	No	Variable	0.088	0		2023/08/31	35,000	236	(236)	-	35,000
Standard Bank 048466271-088		12 months	Notice	No	Fixed	970.00%	0		2024/11/10	21,776	167	-	-	21,943
<b>Municipality sub-total</b>										<b>138,593</b>		<b>(761)</b>	<b>-</b>	<b>138,817</b>

Table 12: Supporting Table SC5: Investment portfolio

**Chart 14: Call investment deposits incl interest for the period ending 30 April  
2024**



**Chart 14: Call investment deposits at month-end**

As indicated in the Chart 5 above from March to April 2024 investments incl interest increased by R224 thousand or 0.2%, in respect of the month-to-month comparison. Investments increased by R87,603 million or 171.1% when compared to the previous years' balance of R51,214 million. Various commitments must be met monthly including Salaries, Bulk Electricity, Bulk Water in the billing period and capital expenditure. The majority of staff receive their annual bonuses in December of each year. Bi-annual long-term loan repayments, in December and June of each year. The non-charging of the basic charge for the 2018/19 financial year for domestic consumers also had a negative impact on the income from Sale of Electricity and thus negatively affecting the municipality's cash flow. The movement on investments should be monitored going forward and a concerted effort should be done to collect current and long outstanding debt. Capital and Operational expenditure overall, also needs to be reviewed and prioritised.

## 9. Allocation and grant receipts and expenditure

### Operational and Capital Grants: Receipts

NC091 Sol Plaatje - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		248,673	273,621	272,937	7,071	268,946	227,607	41,339	18.2%	272,937
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		239,158	263,135	263,135	7,233	263,135	219,279	43,856	20.0%	263,135
Expanded Public Works Programme Integrated Grant		3,959	3,286	3,102	(184)	3,102	2,628	474	18.0%	3,102
Infrastructure Skills Development Grant		3,856	5,500	5,000	21	2,177	4,283	(2,106)	-49.2%	5,000
Local Government Financial Management Grant		1,700	1,700	1,700	-	532	1,417	(885)	-62.5%	1,700
Municipal Disaster Relief Grant	3	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		15,984	8,300	14,666	-	4,433	10,736	(6,303)	-58.7%	14,666
Capacity Building and Other Grants		9,684	8,300	9,066	-	4,433	7,376	(2,943)	-39.9%	9,066
Infrastructure Grant		6,300	-	5,600	-	-	3,360	(3,360)	-100.0%	5,600
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Higher Education SA (HESA)		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	264,657	281,921	287,603	7,071	273,379	238,343	35,036	14.7%	287,603
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		108,149	214,233	136,499	7,326	75,729	146,432	(70,703)	-48.3%	136,499
Energy Efficiency and Demand Side Management Grant		4,000	4,000	6,000	-	4,050	4,000	50	1.3%	6,000
Integrated National Electrification Programme Grant		24,400	48,026	27,104	1,449	10,148	29,797	(19,649)	-65.9%	27,104
Integrated Urban Development Grant		70,390	74,207	63,395	5,877	43,582	58,235	(14,653)	-25.2%	63,395
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	2,000	-	-	-	1,000	(1,000)	-100.0%	-
Regional Bulk Infrastructure Grant		-	86,000	40,000	-	17,949	53,400	(35,451)	-66.4%	40,000
Water Services Infrastructure Grant		9,359	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		3,387	-	-	-	-	-	-	-	-
Infrastructure Grant		3,387	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	6,000	-	3,000	3,600	(600)	-16.7%	6,000
Specify (Add grant description)		-	-	6,000	-	3,000	3,600	(600)	-16.7%	6,000
<b>Other grant providers:</b>		-	-	18,850	10,096	10,096	11,310	(1,214)	-10.7%	18,850
[insert description]		-	-	18,850	10,096	10,096	11,310	(1,214)	-10.7%	18,850
European Union		-	-	18,850	10,096	10,096	11,310	(1,214)	-10.7%	18,850
<b>Total Capital Transfers and Grants</b>	5	111,536	214,233	161,349	17,422	88,825	161,342	(72,517)	-44.9%	161,349
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	376,193	496,154	448,952	24,493	362,204	399,686	(37,481)	-9.4%	448,952

Table 13: Supporting Table SC6: Transfers and grant receipts

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

No Capital grant monies received for the month under review.

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

## Operational and Capital Grants: Expenditure

NC091 Sol Plaatje - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		123,170	141,242	233,630	9,919	183,855	191,787	(7,932)	-4.1%	233,630
Equitable Share		112,671	130,756	223,891	9,466	177,322	183,495	(6,173)	-3.4%	223,891
Expanded Public Works Programme Integrated Grant		4,943	3,286	3,103	34	3,426	2,629	797	30.3%	3,103
Infrastructure Skills Development Grant		3,856	5,500	4,936	244	2,399	4,245	(1,846)	-43.5%	4,936
Local Government Financial Management Grant		1,700	1,700	1,700	176	707	1,418	(710)	-50.1%	1,700
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		11,438	8,300	14,610	181	9,121	11,134	(2,014)	-18.1%	14,610
Capacity Building and Other Grants		8,500	8,300	9,060	81	7,156	7,379	(224)	-3.0%	9,060
Infrastructure Grant		2,938	-	5,550	100	1,965	3,755	(1,790)	-47.7%	5,550
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>134,609</b>	<b>149,542</b>	<b>248,240</b>	<b>10,099</b>	<b>192,975</b>	<b>202,921</b>	<b>(9,946)</b>	<b>-4.9%</b>	<b>248,240</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		96,392	214,233	136,499	9,067	75,202	146,433	(71,230)	-48.6%	136,499
Energy Efficiency and Demand Side Management Grant		4,000	4,000	6,000	-	3,993	4,000	(7)	-0.2%	6,000
Integrated National Electrification Programme Grant		22,829	48,026	27,104	1,863	10,879	29,797	(18,918)	-63.5%	27,104
Integrated Urban Development Grant		61,424	74,207	63,395	7,204	42,381	58,235	(15,854)	-27.2%	63,395
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	2,000	-	-	-	1,000	(1,000)	-100.0%	-
Regional Bulk Infrastructure Grant		-	86,000	40,000	-	17,949	53,400	(35,452)	-66.4%	40,000
Water Services Infrastructure Grant		8,138	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	6,000	-	3,000	3,600	(600)	-16.7%	6,000
Specify (Add grant description)		-	-	6,000	-	3,000	3,600	(600)	-16.7%	6,000
<b>Other grant providers:</b>		-	-	18,850	492	10,096	11,310	(1,214)	-10.7%	18,850
European Union		-	-	18,850	492	10,096	11,310	(1,214)	-10.7%	18,850
<b>Total capital expenditure of Transfers and Grants</b>		<b>96,392</b>	<b>214,233</b>	<b>161,349</b>	<b>9,558</b>	<b>88,298</b>	<b>161,343</b>	<b>(73,044)</b>	<b>-45.3%</b>	<b>161,349</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>231,000</b>	<b>363,775</b>	<b>409,589</b>	<b>19,658</b>	<b>281,274</b>	<b>364,264</b>	<b>(82,990)</b>	<b>-22.8%</b>	<b>409,589</b>

Table 14: Supporting Table SC7(1): Transfers and grant expenditure

The municipality is experiencing huge challenges in respect of funding for the EPWP which is not sufficient and this is putting strain on the municipality's finances. The total YTD expenditure is R24,688 million. For reporting purposes to NT and the Dept of Public Works, the municipality is only expected to report up until the allocation amount. The current years' gazetted adjusted allocation for the EPWP is R3,102 million. In addition to this, the municipality budgeted R15,000 million for this programme.

Description (R'000)	Original Budget	Increase (Decrease)	Adjustment Budget	Monthly Actual	YTD Actual	Commitments	% Spent Original	% Spent Adj Budget
INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)	48,026	(20,922)	27,104	1,863	10,879	2,455	22.7%	40.1%
IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)	74,207	(10,812)	63,395	7,204	42,381	10,942	57.1%	66.9%
EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)	4,000	2,000	6,000	-	3,993	1,651	99.8%	66.6%
NDPG (NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT)	2,000	(2,000)	-	-	-	-	0.0%	-
RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)	86,000	(46,000)	40,000	-	17,949	23	20.9%	44.9%
EUROPEAN UNION	-	18,850	18,850	492	10,096	-	-	53.6%
FRANCES BAARD DISTRICT MUNICIPALITY	-	6,000	6,000	-	3,000	-	-	50.0%
<b>Grand Total</b>	<b>214,233</b>	<b>(52,884)</b>	<b>161,349</b>	<b>9,558</b>	<b>88,298</b>	<b>15,070</b>	<b>41.2%</b>	<b>54.7%</b>

Table 15: Summary of expenditure per grant

As indicated in Table 15 above, the YTD grant expenditure amounts to R88,298 million or 54.7% spent against the Adjusted capital grant allocation of R161,349 million. Capex is usually slow for the first quarter mainly as a result of finalization of procurement processes and/or work still in progress. It remains concerning that YTD capital expenditure is so low. It should be noted that grant expenditure excludes VAT which will be recognized at year-end in the Statement of Financial performance, when all conditions of the grant have been met. Capex also excludes Commitments. Please refer to Section 4.3 in the Executive Summary which highlights some of the factors that

negatively influences the delay in grant expenditure.

### Rollover Grants: Expenditure

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

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

The National Treasury in assessing your roll over request used the criteria set out in Circular No. 123 of the Municipal Finance Management Act, 2003 (Act No.56 of 2003) as a guide for the consideration of the roll over submission by your municipality.

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

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

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

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

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

### Stopping of allocations for 2023/24 financial year

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

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

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

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



## 10. Councillor and board member allowances and employee benefits

NC091 Sol Plaatje - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

Summary of Employee and Councillor remuneration	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages										
Pension and UIF Contributions		882	-	1,098	85	895	659	236	36%	1,098
Medical Aid Contributions		425	-	489	52	436	293	142	48%	489
Motor Vehicle Allowance										
Cellphone Allowance		3,040	2,938	2,954	255	2,487	2,458	30	1%	2,954
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		27,876	32,621	31,018	2,411	25,530	26,223	(692)	-3%	31,018
<b>Sub Total - Councillors</b>		<b>32,224</b>	<b>35,559</b>	<b>35,559</b>	<b>2,802</b>	<b>29,348</b>	<b>29,633</b>	<b>(284)</b>	<b>-1%</b>	<b>35,559</b>
<b>% increase</b>	4		<b>10.3%</b>	<b>10.3%</b>						<b>10.3%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		6,702	8,158	8,126	342	4,193	6,788	(2,595)	-38%	8,126
Pension and UIF Contributions		969	1,558	1,558	32	370	1,298	(928)	-71%	1,558
Medical Aid Contributions		233	215	215	14	164	179	(15)	-8%	215
Overtime										
Performance Bonus										
Motor Vehicle Allowance		1,534	1,985	1,985	86	893	1,655	(761)	-46%	1,985
Cellphone Allowance		132	202	202	8	84	168	(84)	-50%	202
Housing Allowances		28	26	26	2	19	21	(3)	-12%	26
Other benefits and allowances										
Payments in lieu of leave										
Long service awards		44	46	46	1	12	39	(27)	-70%	46
Post-retirement benefit obligations										
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
<b>Sub Total - Senior Managers of Municipality</b>		<b>9,643</b>	<b>12,190</b>	<b>12,158</b>	<b>484</b>	<b>5,735</b>	<b>10,148</b>	<b>(4,414)</b>	<b>-43%</b>	<b>12,158</b>
<b>% increase</b>	4		<b>26.4%</b>	<b>26.1%</b>						<b>26.1%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		433,826	475,973	464,937	39,500	384,621	387,924	(3,303)	-1%	464,937
Pension and UIF Contributions		79,050	91,654	91,654	6,972	70,062	76,379	(6,318)	-8%	91,654
Medical Aid Contributions		50,925	59,955	59,955	6,412	55,341	49,963	5,378	11%	59,955
Overtime		69,383	47,280	69,467	7,462	69,412	52,712	16,700	32%	69,467
Performance Bonus		30,249	36,505	36,505	1,750	28,214	30,421	(2,206)	-7%	36,505
Motor Vehicle Allowance		42,089	50,649	50,649	3,757	36,553	42,207	(5,654)	-13%	50,649
Cellphone Allowance		1,456	2,054	2,054	136	1,362	1,712	(350)	-20%	2,054
Housing Allowances		2,737	2,866	2,866	232	2,410	2,388	22	1%	2,866
Other benefits and allowances		20,261	19,589	37,200	2,696	33,289	28,981	4,308	15%	37,200
Payments in lieu of leave		14,403	15,000	15,000	677	13,674	12,500	1,174	9%	15,000
Long service awards		27,890	26,922	26,922	2,421	25,938	22,435	3,503	16%	26,922
Post-retirement benefit obligations		39,393	41,000	41,000	-	-	34,167	(34,167)	-100%	41,000
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
<b>Sub Total - Other Municipal Staff</b>		<b>811,663</b>	<b>869,447</b>	<b>898,208</b>	<b>72,015</b>	<b>720,877</b>	<b>741,790</b>	<b>(20,913)</b>	<b>-3%</b>	<b>898,208</b>
<b>% increase</b>	4		<b>7.1%</b>	<b>10.7%</b>						<b>10.7%</b>
<b>Total Parent Municipality</b>		<b>853,530</b>	<b>917,196</b>	<b>945,925</b>	<b>75,301</b>	<b>755,959</b>	<b>781,571</b>	<b>(25,611)</b>	<b>-3%</b>	<b>945,925</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>853,530</b>	<b>917,196</b>	<b>945,925</b>	<b>75,301</b>	<b>755,959</b>	<b>781,571</b>	<b>(25,611)</b>	<b>-3%</b>	<b>945,925</b>
<b>% increase</b>	4		<b>7.5%</b>	<b>10.8%</b>						<b>10.8%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>821,306</b>	<b>881,637</b>	<b>910,366</b>	<b>72,500</b>	<b>726,611</b>	<b>751,938</b>	<b>(25,327)</b>	<b>-3%</b>	<b>910,366</b>

Table 17: Supporting Table SC8: Councillor and staff benefits

As depicted in Table 17 above, Employee related costs is satisfactory and showing a variance of minus 3%. Post-retirement benefit obligations will be finalized as part of year-end procedures. It should be noted that the disclosure under Performance bonus, is the annual bonuses or 13<sup>th</sup> cheques that is budgeted for and paid out to employees. This is not subject to any performance appraisal. Individuals do act on positions from time to time, but all such acting allowances forms part of the basic salary line item. Councillors Remuneration is showing a satisfactory variance of minua 1% when compared to the YTD Budget. The gazette on the Determination of Upper limits of

salaries, allowances and benefits of different members of municipal councils was issued and implemented accordingly.

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

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

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

Description per line item (Amount in Rand)	Sum of Original Budget	Sum of Adjustments Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Adjustments Budget
MS: OVERTIME - NON STRUCTURED	28,662,000	56,368,700	6,009,623	57,447,255	102%
MS: OVERTIME - STRUCTURED	8,504,033	2,984,033	392,285	2,252,738	75%
<b>Overtime as at 30 April 2024</b>	<b>37,166,033</b>	<b>59,352,733</b>	<b>6,401,908</b>	<b>59,699,993</b>	<b>101%</b>

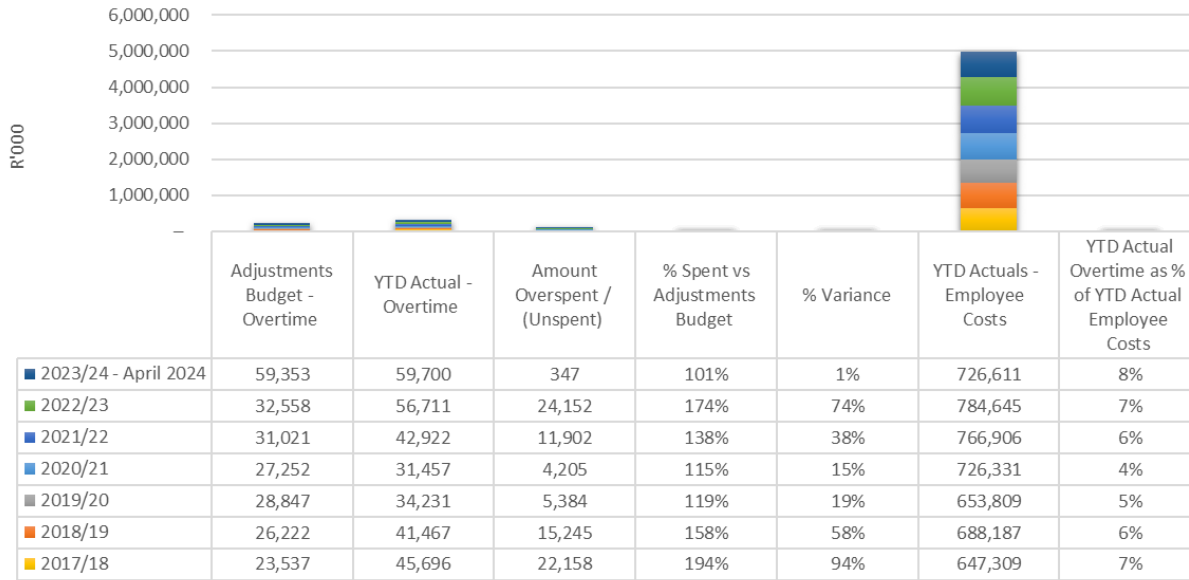
  

Directorate (Amount in Rand)	Sum of Original Budget	Sum of Adjustments Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of % Spent Adjustments Budget
20-EXECUTIVE AND COUNCIL	282,000	694,000	124,387	850,898	123%
21-MUNICIPAL AND GENERAL	-	-	-	-	
22-MUNICIPAL MANAGER	-	43,000	904	25,961	60%
23-CORPORATE SERVICES	1,870,000	4,552,000	260,692	3,016,968	66%
24-COMMUNITY SERVICES	14,740,033	17,799,533	1,862,907	16,972,605	95%
26-FINANCIAL SERVICES	521,000	2,569,000	299,236	2,242,755	87%
27-STRATEGY, ECONOMIC DEVELOPMENT & P	747,000	1,530,000	214,306	1,312,812	86%
28-INFRASTRUCTURE SERVICES	19,006,000	32,165,200	3,639,477	35,277,993	110%
<b>Overtime as at 30 April 2024</b>	<b>37,166,033</b>	<b>59,352,733</b>	<b>6,401,908</b>	<b>59,699,993</b>	<b>101%</b>

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

Overtime was capped at 30 hours across most units within the municipality, but this has since been abolished. The YTD Overtime expenditure is 101% spent versus the Adjusted budget, resulting in a negative variance of 17.25% for the period under review, when compared to the ideal IYM percentage of 83.33%.

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

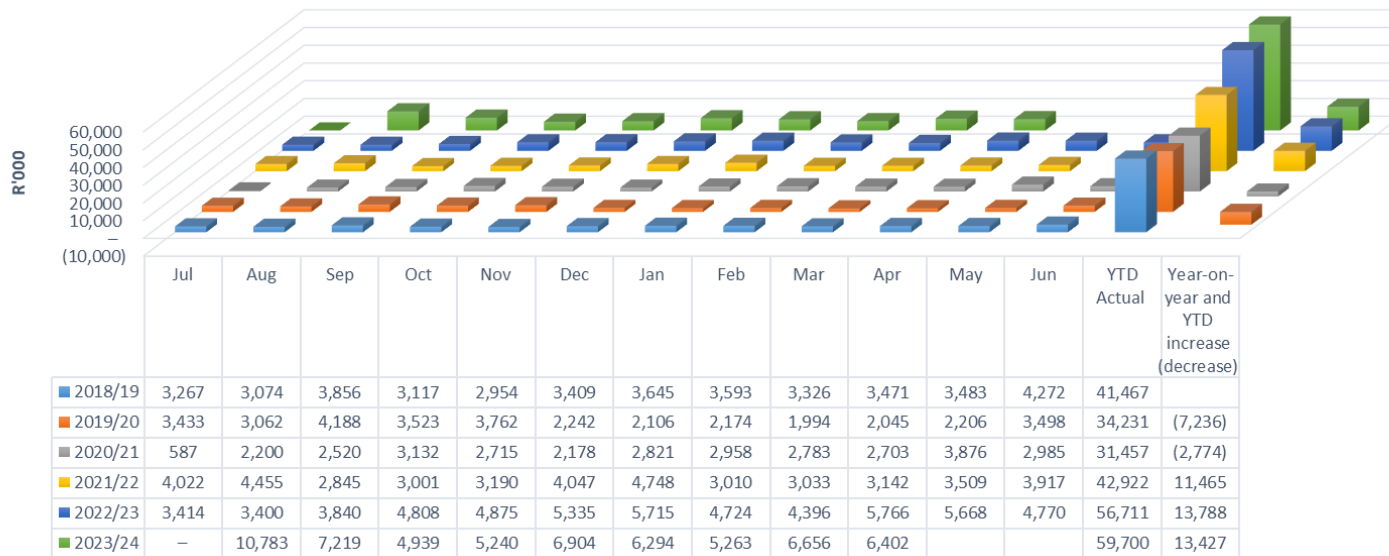


Indicated in Chart 14.1, is the actual Overtime versus Budget from 2017/18 to 2023/24 financial year, disclosing the percentage spent and the amount overspent/unspent per financial year. The chart also articulates the actual Overtime as a percentage of Total Employee costs for the same period.

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

**Chart 14.1: Overtime Actual vs Budget**

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



**Chart 14.2: Monthly and Annual Overtime Comparison**

The BTO office recommended the following precautionary measures.

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

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

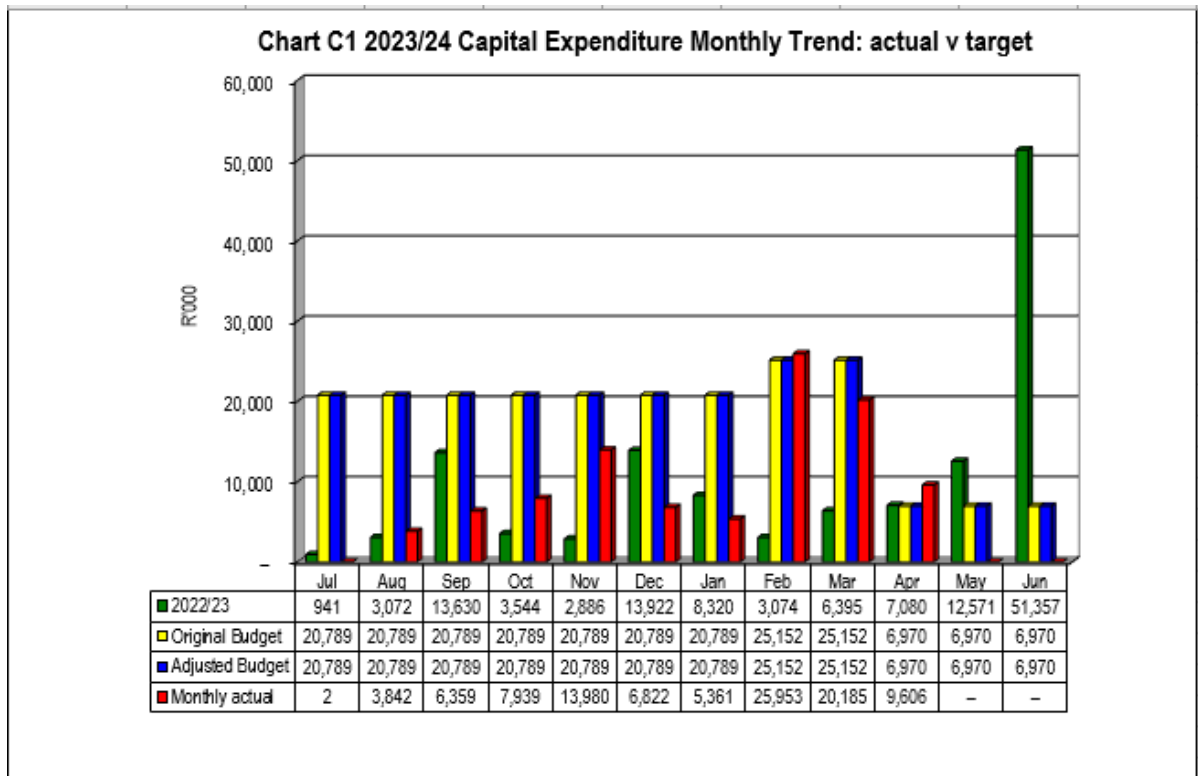
- Ensuring accountability across all directorates and ensuring that Executive directors, Line Managers and Supervisors take full responsibility.
- Identify and investigate possible abuse and alleged fraudulent allegations and taking disciplinary action, where applicable.
- Ensuring the compliance and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

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

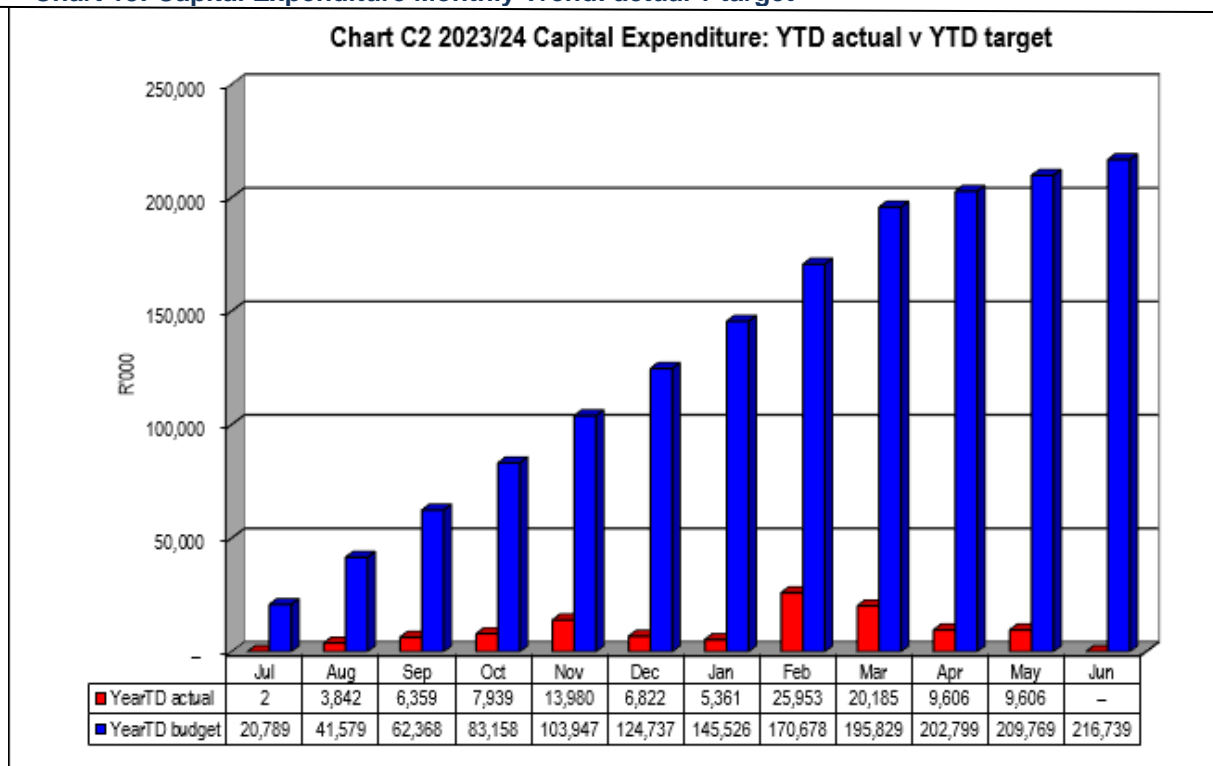
Material variances pertaining to financial performance are primarily addressed in the Executive summary under Sections 4.1 to 4.3 or emphasised elsewhere in this Monthly Budget Statement. Any other material variances to the SDBIP will be included in the quarterly Section 52 (d) report for the period ending 30 June 2024.

## 12. Capital programme performance

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



**Chart 15: Capital Expenditure Monthly Trend: actual v target**



**Chart 16: Capital Expenditure: YTD actual vs YTD target**

Projects per funding source (R'000)	Sum of Original Budget	Sum of Adjusted Budget	Sum of Monthly Actual	Sum of YTD Actual	Sum of Commitment	Sum of % Original Budget	Sum of % Adjusted Budget
<b>INEP (INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT)</b>	<b>48,026</b>	<b>27,104</b>	<b>1,863</b>	<b>10,879</b>	<b>2,455</b>	<b>22.65%</b>	<b>40.14%</b>
ELECTRIFIC LERATO PARK LINK SERV NETWORK	7,900	7,900	–	2,075	2,075	26.27%	26.27%
ELECTRIFICATION LETABO PARK	12,680	12,680	1,601	7,735	–	61.00%	61.00%
ELECTRIFICATION WITDAM -138	900	–	–	–	–	0.00%	–
RONALD'S VLEI SWITCH HOUSE NO.1	1,500	2,000	253	1,061	116	70.70%	53.03%
UPGRADE HADISON PARK 66/11 KV SUBSTATION	23,546	1,264	–	–	–	0.00%	0.00%
ASHBURNHAM/COLVILLE UPGRADES	1,500	500	–	–	201	0.00%	0.00%
ELECTRIFICATION OF COLVILLE	–	2,760	9	9	63	–	0.32%
<b>INTERNALLY GENERATED FUNDS</b>	<b>35,240</b>	<b>55,390</b>	<b>48</b>	<b>11,750</b>	<b>4,564</b>	<b>33.34%</b>	<b>21.21%</b>
ACQ-COMPUTER EQUIPMENT REPLACEMENT	4,500	6,200	48	179	78	3.99%	2.89%
ACQ-FLEET REPLACEMENT	5,000	7,110	–	–	4,485	0.00%	0.00%
ACQ-FURNITURE AND OFFICE EQUIP REPLACEM	3,000	3,000	–	–	–	0.00%	0.00%
CAPITAL SPARES-ACQ-PREPAID METERS	2,000	2,000	–	174	–	8.69%	8.69%
DSITRBUTION-ACQ-WAT METER REPLACEME	2,000	2,000	–	–	–	0.00%	0.00%
EMERGENCY LEAK REPAIR ON 6 MAJOR LEAKS	169	4,654	–	–	–	0.00%	–
EMERGENCY METER INSTALLATIONS (PHASE 1)	6,225	11,766	–	5,506	–	88.45%	46.80%
MR LEAK AND SLEAK DATA SYSTEM	880	451	–	–	–	0.00%	0.00%
NEW WTP MAJOR REFURBISH&AND BUILD WORKS	1,306	–	–	–	–	0.00%	–
NEW WTW FILTER REFURBISH&BACKWASH SYSTEM	502	–	–	–	–	0.00%	–
QLD WTP MAJOR REFURBISH AND BUILD WORKS	468	–	–	–	–	0.00%	–
PIPE CONDITION ASSESS AND CATHOD PROTECT	1,849	737	–	208	–	11.26%	28.26%
SMARTBALL LEAK DETECTION	5,848	796	–	725	–	12.40%	91.06%
WEST BYPASS LEAK REPAIRS AND REFURBISH	293	–	–	–	–	0.00%	–
WSDP DEVELOPMENT	1,200	337	–	281	–	23.42%	83.41%
LERATO PARK SEWER UPGR DOWNSTREAM INFRA	–	7,800	–	4,676	–	–	59.95%
CARTERS GLEN SEWER PUMP STATION	–	8,540	–	–	–	–	0.00%
<b>IUDG (INTEGRATED URBAN DEVELOPMENT GRANT)</b>	<b>74,207</b>	<b>63,395</b>	<b>7,204</b>	<b>42,381</b>	<b>10,942</b>	<b>57.11%</b>	<b>66.85%</b>
P-CIER RDS ROADS	20,000	19,500	976	15,756	1,204	78.78%	80.80%
PHDA PLANNING & SURVEYING	10,000	7,882	–	1,812	–	18.12%	22.99%
TOWNSHIP ESTABLISHMENT VARIOUS WARDS	5,000	4,513	739	3,016	–	60.32%	66.83%
UPGRADE GRAVEL ROADS WARDS VARIOUS	20,000	20,000	3,400	19,709	1,656	98.54%	98.54%
WATER PIPES REFURB PROG VARIOUS WARDS	19,207	8,000	2,088	2,088	3,854	10.87%	26.10%
LERATOPARK SEWER UPGRAD DOWNSTREAM INFRA	–	3,500	–	–	4,228	–	–
INDUSTRIAL HUB PRECINCT	–	–	–	–	–	–	#DIV/0!
<b>EEDSM (ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT)</b>	<b>4,000</b>	<b>6,000</b>	<b>–</b>	<b>3,993</b>	<b>1,651</b>	<b>99.83%</b>	<b>66.56%</b>
EEDSM PROJECTS	4,000	6,000	–	3,993	1,651	99.83%	66.56%
<b>NDPG (NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT)</b>	<b>2,000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.00%</b>	<b>#DIV/0!</b>
ACQ STORMWAT PROJ-STORWAT CHANNEL GALASH	2,000	–	–	–	–	0.00%	–
REDEVELOPMENT OF RC ELLIOT HALL	–	–	–	–	–	–	#DIV/0!
<b>RBIG (REGIONAL BULK INFRASTRUCTURE GRANT)</b>	<b>86,000</b>	<b>40,000</b>	<b>–</b>	<b>17,949</b>	<b>23</b>	<b>20.87%</b>	<b>44.87%</b>
EAST BYPASS REPLACE OF CORRODE10KM LINE	5,069	–	–	–	–	0.00%	–
EASTERN BYPASS REPAIR COATING AND REFURB	2,820	–	–	–	–	0.00%	–
KBY BULK METERS & PRESSURE MANAGEMENT	767	3,107	–	645	23	84.10%	20.76%
KBY NETWORK LEAK DETECTION & REPAIR PH 1	4,532	1,029	–	238	–	5.25%	23.10%
KBY NETWORK LEAK DETECTION & REPAIR PH 2	4,843	890	–	129	–	2.66%	14.47%
NEW WTP CLHORINE & DOSING WORKS UPGRADE	10,628	10,059	–	8,955	–	84.26%	89.02%
NEW WTW FILTER REFURBISH&BACKWASH SYSTEM	–	2,857	–	–	–	–	0.00%
NEWTOWN RESERVOIR EMERGENCY LEAK REPAIRS	4,725	911	–	257	–	5.45%	28.26%
OLD WTP CLHORINE & DOSING WORKS UPGRADE	16,598	5,016	–	3,773	–	22.73%	75.23%
POWER; ABSTRACTION & PUMPSTATION REPAIRS	9,487	7,157	–	1,377	–	14.51%	19.24%
PROJECT MANAGEMENT	3,230	–	–	–	–	0.00%	–
RITCHIE SUBZONE SMART METER INSTALL	107	–	–	–	–	0.00%	–
RIVERTON TO MIDSTATION BULK PIPELINE REP	3,741	–	–	–	–	0.00%	–
SMARTBALL SURVEY PRIORITY LEAK REPAIRS	12,955	6,965	–	1,971	–	15.22%	28.30%
WEST BYPASS REPLACE OF CORRODED SECTION	579	–	–	–	–	0.00%	–
WTW OHS & SECURITY MANAGEMENT	5,920	1,582	–	604	–	10.20%	38.16%
RITCHIE WTW UPGRADE AND BULK PIPELINE	–	428	–	–	–	–	0.00%
<b>EUROPEAN UNION</b>	<b>–</b>	<b>18,850</b>	<b>492</b>	<b>10,096</b>	<b>–</b>	<b>–</b>	<b>53.56%</b>
EUROPEAN UNION BEAR PROJECT	–	18,850	492	10,096	–	–	53.56%
<b>FRANCES BAARD DISTRICT MUNICIPALITY</b>	<b>–</b>	<b>6,000</b>	<b>–</b>	<b>3,000</b>	<b>–</b>	<b>–</b>	<b>50.00%</b>
RESEALING OF ROADS FBDM	–	6,000	–	3,000	–	–	50.00%
<b>Grand Total</b>	<b>249,473</b>	<b>216,739</b>	<b>9,606</b>	<b>100,049</b>	<b>19,634</b>	<b>40.10%</b>	<b>46.16%</b>

Table 19: Detailed capital expenditure report

Indicated in Table 19 above, is a list of projects with the applicable funding source compared to the Adjusted budget. The total capex is normally slow during the start of the financial year. However, capital expenditure is extremely poor compared to prior years for the same period. Urgent intervention from management is required to remedy the situation. The actual monthly expenditure for April 2024 amounted to R9,606 million. The total YTD Capex amounts to R100,049 million. Please note that Commitments amounting to R19,634 million is excluded from the YTD actual. Capital expenditure is also exclusive of VAT. Overall spending on grants is extremely low. The percentage expenditure on IUDG (66.85%) and EEDSM is 99.83%, whilst INEP is 66.56% spent, RBIG 44.87% spent and NDPG funding was withdrawn. Spending on Internally generated funds is also 21.21% spent. Implementation of projects is normally delayed due to the finalization of procurement processes. Payment certificates are settled once work is completed. Capex for the *Sol Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: April 2024*

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

### **13. Other supporting documents**

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

### **14. Conclusion**

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

#### **Communication**

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

## 15. Annexure A: C-schedules

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

NC091 Sol Plaatje - Table C1 Monthly Budget Statement Summary - M10 April

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	610,991	660,893	660,893	44,980	591,168	550,745	40,423	7%	660,893
Service charges	1,182,667	1,517,256	1,450,586	40,564	1,048,792	1,224,378	(175,585)	-14%	1,450,586
Investment revenue	8,550	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	8,550	7,000	9,500	930	9,887	7,333	2,553	35%	9,500
Other own revenue	612,144	534,455	677,687	83,675	693,593	531,318	162,275	31%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2,422,901</b>	<b>2,719,604</b>	<b>2,798,666</b>	<b>170,149</b>	<b>2,343,440</b>	<b>2,313,773</b>	<b>29,667</b>	<b>1%</b>	<b>2,798,666</b>
Employee costs	821,306	881,637	910,366	72,500	726,611	751,938	(25,327)	-	910,366
Remuneration of Councillors	32,224	35,559	35,559	2,802	29,348	29,633	(284)	-	35,559
Depreciation and amortisation	71,830	86,650	86,650	-	-	72,208	(72,208)	-	86,650
Interest	113,955	19,495	20,055	0	10,008	16,582	(6,573)	-	20,055
Inventory consumed and bulk purchases	937,060	1,090,900	1,127,055	79,321	837,361	931,540	(94,180)	-	1,127,055
Transfers and subsidies	2,599	4,560	3,560	1	2,424	3,200	(776)	-24%	3,560
Other expenditure	617,008	572,452	599,666	48,594	478,489	493,375	(14,886)	-3%	599,666
<b>Total Expenditure</b>	<b>2,595,982</b>	<b>2,691,252</b>	<b>2,782,911</b>	<b>203,219</b>	<b>2,084,241</b>	<b>2,298,476</b>	<b>(214,235)</b>	<b>-9%</b>	<b>2,782,911</b>
<b>Surplus/(Deficit)</b>	<b>(173,081)</b>	<b>28,351</b>	<b>15,755</b>	<b>(33,070)</b>	<b>259,199</b>	<b>15,298</b>	<b>243,902</b>	<b>1594%</b>	<b>15,755</b>
Transfers and subsidies - capital (monetary)	108,149	214,233	161,349	17,422	88,825	161,342	###	-45%	161,349
Transfers and subsidies - capital (in-kind)	3,387	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>	<b>171,384</b>	<b>97%</b>	<b>177,104</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>	<b>171,384</b>	<b>97%</b>	<b>177,104</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>126,016</b>	<b>249,473</b>	<b>216,739</b>	<b>9,606</b>	<b>100,049</b>	<b>202,799</b>	<b>(102,751)</b>	<b>-51%</b>	<b>216,739</b>
Capital transfers recognised	96,392	214,233	161,349	9,558	88,298	161,343	(73,044)	-45%	161,349
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	29,624	35,240	55,390	48	11,750	41,457	(29,706)	-72%	55,390
<b>Total sources of capital funds</b>	<b>126,016</b>	<b>249,473</b>	<b>216,739</b>	<b>9,606</b>	<b>100,049</b>	<b>202,799</b>	<b>(102,751)</b>	<b>-51%</b>	<b>216,739</b>
<b>Financial position</b>									
Total current assets	2,304,408	3,472,014	3,449,123		2,704,301				3,449,123
Total non current assets	2,265,500	2,466,074	2,433,340		2,365,549				2,433,340
Total current liabilities	1,457,966	1,151,431	1,161,286		1,614,168				1,161,286
Total non current liabilities	416,743	443,824	443,824		410,208				443,824
Community wealth/Equity	2,694,412	4,342,835	4,331,904		3,045,474				4,331,904
<b>Cash flows</b>									
Net cash from (used) operating	(940,714)	238,844	158,443	(72,594)	153,431	132,035	(21,395)	-16%	158,443
Net cash from (used) investing	(126,016)	(249,473)	(270,184)	(9,606)	(98,989)	(225,153)	(126,164)	56%	(270,184)
Net cash from (used) financing	-	(13,351)	(13,351)	-	1,569	(11,126)	(12,695)	114%	(13,351)
<b>Cash/cash equivalents at the month/year end</b>	<b>(869,139)</b>	<b>174,327</b>	<b>73,214</b>	<b>-</b>	<b>165,546</b>	<b>94,063</b>	<b>(71,483)</b>	<b>-76%</b>	<b>(15,556)</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	184,256	104,273	128,810	75,894	73,400	74,876	470,988	#####	3,817,484
<b>Creditors Age Analysis</b>									
Total Creditors	112,210	3,508	38,159	2,691	3,065	19,302	176,065	786,203	1,141,205



NC091 Sol Plaatje - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M10 April

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>1,180,153</b>	<b>1,271,802</b>	<b>1,237,324</b>	<b>72,545</b>	<b>1,079,423</b>	<b>1,053,693</b>	25,730	2%	<b>1,237,324</b>
Executive and council		503,511	580,455	538,477	25,470	454,548	473,071	(18,523)	-4%	538,477
Finance and administration		676,642	691,347	698,847	47,075	624,875	580,622	44,252	8%	698,847
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>31,035</b>	<b>41,568</b>	<b>47,334</b>	<b>3,618</b>	<b>34,188</b>	<b>38,100</b>	(3,912)	-10%	<b>47,334</b>
Community and social services		11,662	11,782	12,348	331	7,781	10,158	(2,377)	-23%	12,348
Sport and recreation		2,428	2,265	2,265	263	2,355	1,888	467	25%	2,265
Public safety		412	750	750	27	233	625	(392)	-63%	750
Housing		12,972	26,701	28,101	2,997	23,752	23,091	661	3%	28,101
Health		3,560	70	3,870	-	67	2,338	(2,271)	-97%	3,870
<i><b>Economic and environmental services</b></i>		<b>22,120</b>	<b>16,520</b>	<b>36,420</b>	<b>10,697</b>	<b>19,526</b>	<b>25,707</b>	(6,181)	-24%	<b>36,420</b>
Planning and development		5,342	5,595	25,495	10,408	16,307	16,602	(295)	-2%	25,495
Road transport		16,779	10,925	10,925	289	3,219	9,104	(5,885)	-65%	10,925
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>1,291,009</b>	<b>1,594,737</b>	<b>1,629,727</b>	<b>100,453</b>	<b>1,290,634</b>	<b>1,349,941</b>	(59,307)	-4%	<b>1,629,727</b>
Energy sources		773,385	1,052,252	1,056,582	50,781	797,899	879,474	(81,575)	-9%	1,056,582
Water management		328,261	364,714	373,694	30,853	309,722	309,316	406	0%	373,694
Waste water management		108,190	101,358	116,048	10,580	103,080	93,279	9,801	11%	116,048
Waste management		81,173	76,413	83,403	8,239	79,932	67,871	12,061	18%	83,403
<i><b>Other</b></i>	4	<b>10,121</b>	<b>9,210</b>	<b>9,210</b>	<b>257</b>	<b>8,494</b>	<b>7,675</b>	<b>819</b>	<b>11%</b>	<b>9,210</b>
<b>Total Revenue - Functional</b>	2	<b>2,534,437</b>	<b>2,933,837</b>	<b>2,960,015</b>	<b>187,570</b>	<b>2,432,265</b>	<b>2,475,116</b>	<b>(42,850)</b>	<b>-2%</b>	<b>2,960,015</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>757,821</b>	<b>662,700</b>	<b>774,093</b>	<b>39,757</b>	<b>562,505</b>	<b>637,868</b>	(75,363)	-12%	<b>774,093</b>
Executive and council		505,059	287,301	474,688	17,465	341,189	389,651	(48,461)	-12%	474,688
Finance and administration		247,373	368,723	292,728	21,827	216,711	242,654	(25,943)	-11%	292,728
Internal audit		5,389	6,676	6,676	466	4,605	5,563	(958)	-17%	6,676
<i><b>Community and public safety</b></i>		<b>186,168</b>	<b>195,332</b>	<b>211,356</b>	<b>16,227</b>	<b>165,704</b>	<b>172,392</b>	(6,688)	-4%	<b>211,356</b>
Community and social services		45,511	49,529	55,224	3,754	39,392	44,692	(5,299)	-12%	55,224
Sport and recreation		59,539	56,350	59,297	5,514	54,817	48,727	6,090	12%	59,297
Public safety		41,055	42,115	44,440	3,513	36,242	36,491	(249)	-1%	44,440
Housing		20,980	26,752	27,448	1,682	18,146	22,711	(4,565)	-20%	27,448
Health		19,082	20,586	24,947	1,764	17,107	19,772	(2,665)	-13%	24,947
<i><b>Economic and environmental services</b></i>		<b>138,729</b>	<b>256,194</b>	<b>176,944</b>	<b>15,896</b>	<b>138,770</b>	<b>147,168</b>	(8,397)	-6%	<b>176,944</b>
Planning and development		42,376	132,278	53,684	3,686	38,723	44,298	(5,575)	-13%	53,684
Road transport		95,517	123,016	122,359	12,141	99,317	102,120	(2,802)	-3%	122,359
Environmental protection		836	900	900	69	730	750	(20)	-3%	900
<i><b>Trading services</b></i>		<b>1,490,202</b>	<b>1,551,892</b>	<b>1,594,875</b>	<b>129,568</b>	<b>1,197,389</b>	<b>1,319,797</b>	<b>(122,407)</b>	<b>-9%</b>	<b>1,594,875</b>
Energy sources		963,125	1,031,152	1,026,815	66,348	749,609	856,692	(107,082)	-12%	1,026,815
Water management		349,874	341,800	373,716	49,998	297,200	304,746	(7,546)	-2%	373,716
Waste water management		104,093	102,527	117,278	7,456	87,268	94,290	(7,022)	-7%	117,278
Waste management		73,110	76,413	77,066	5,766	63,312	64,069	(758)	-1%	77,066
<i><b>Other</b></i>		<b>23,062</b>	<b>25,135</b>	<b>25,644</b>	<b>1,771</b>	<b>19,872</b>	<b>21,251</b>	<b>(1,379)</b>	<b>-6%</b>	<b>25,644</b>
<b>Total Expenditure - Functional</b>	3	<b>2,595,982</b>	<b>2,691,252</b>	<b>2,782,911</b>	<b>203,219</b>	<b>2,084,241</b>	<b>2,298,476</b>	<b>(214,235)</b>	<b>-9%</b>	<b>2,782,911</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>	<b>171,384</b>	<b>97%</b>	<b>177,104</b>

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		503,511	580,455	538,477	25,470	454,548	473,071	(18,523)	-3.9%	538,477
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		5,432	6,961	7,261	454	3,784	5,981	(2,198)	-36.7%	7,261
Vote 05 - Community Services		124,394	109,495	120,851	9,319	99,663	98,059	1,604	1.6%	120,851
Vote 06 - Financial Services		670,519	683,585	690,785	46,569	620,728	573,974	46,754	8.1%	690,785
Vote 07 - Strategy Econ Development And Planning		6,867	8,015	27,915	10,469	18,328	18,619	(291)	-1.6%	27,915
Vote 08 - Infrastructure And Services		1,223,713	1,545,325	1,574,725	95,290	1,235,213	1,305,411	(70,197)	-5.4%	1,574,725
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>2,534,437</b>	<b>2,933,837</b>	<b>2,960,015</b>	<b>187,570</b>	<b>2,432,265</b>	<b>2,475,116</b>	<b>(42,850)</b>	<b>-1.7%</b>	<b>2,960,015</b>
<b>Expenditure by Vote</b>	1									
Vote 01 - Executive & Council		58,395	59,173	59,628	5,304	50,931	49,584	1,347	2.7%	59,628
Vote 02 - Municipal And General		434,595	214,468	399,401	11,373	276,162	327,483	(51,322)	-15.7%	399,401
Vote 03 - Municipal Manager		22,369	26,161	28,701	1,822	23,685	23,326	359	1.5%	28,701
Vote 04 - Corporate Services		68,169	81,959	77,269	5,281	58,407	65,494	(7,088)	-10.8%	77,269
Vote 05 - Community Services		299,548	312,712	329,231	25,636	263,544	270,507	(6,963)	-2.6%	329,231
Vote 06 - Financial Services		131,248	237,712	160,249	11,153	116,677	132,587	(15,910)	-12.0%	160,249
Vote 07 - Strategy Econ Development And Planning		57,573	143,730	67,477	5,178	51,103	55,246	(4,143)	-7.5%	67,477
Vote 08 - Infrastructure And Services		1,524,086	1,615,337	1,660,955	137,473	1,243,733	1,374,249	(130,516)	-9.5%	1,660,955
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>2,595,982</b>	<b>2,691,252</b>	<b>2,782,911</b>	<b>203,219</b>	<b>2,084,241</b>	<b>2,298,476</b>	<b>(214,235)</b>	<b>-9.3%</b>	<b>2,782,911</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>	<b>171,384</b>	<b>97.0%</b>	<b>177,104</b>

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		754,974	1,034,872	995,202	1,616	656,896	838,591	(181,695)	-22%	995,202
Service charges - Water		271,599	327,114	300,114	24,198	246,972	256,395	(9,423)	-4%	300,114
Service charges - Waste Water Management		89,203	89,858	89,858	8,192	80,589	74,882	5,708	8%	89,858
Service charges - Waste management		66,890	65,412	65,412	6,558	64,335	54,510	9,825	18%	65,412
Sale of Goods and Rendering of Services		13,750	15,579	17,379	1,367	15,448	14,063	1,385	10%	17,379
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		199,982	168,880	250,400	22,357	213,238	189,645	23,593	12%	250,400
Interest from Current and Non Current Assets		8,550	7,000	9,500	930	9,887	7,333	-	-	9,500
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		26,000	26,930	28,130	2,959	23,860	23,162	699	3%	28,130
Licence and permits		1,056	1,200	1,200	48	538	1,000	(462)	-46%	1,200
Operational Revenue		3,189	3,134	3,134	789	4,420	2,612	1,808	69%	3,134
<b>Non-Exchange Revenue</b>										
Property rates		610,991	660,893	660,893	44,980	591,168	550,745	40,423	7%	660,893
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		59,462	30,660	37,910	1,214	29,123	29,900	(777)	-	37,910
Licence and permits		7,965	6,150	6,150	178	6,080	5,125	955	-	6,150
Transfers and subsidies - Operational		264,657	281,921	287,603	7,071	273,379	238,343	35,036	-	287,603
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		4,037	-	44,680	47,691	126,436	26,808	99,628	372%	44,680
Gains on disposal of Assets		5,891	-	1,100	-	1,059	660	399	-	1,100
Other Gains		34,705	-	-	-	11	-	11	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>2,422,901</b>	<b>2,719,604</b>	<b>2,798,666</b>	<b>170,149</b>	<b>2,343,440</b>	<b>2,313,773</b>	<b>29,667</b>	<b>1%</b>	<b>2,798,666</b>
<b>Expenditure By Type</b>										
Employee related costs		821,306	881,637	910,366	72,500	726,611	751,938	(25,327)	-3%	910,366
Remuneration of councillors		32,224	35,559	35,559	2,802	29,348	29,633	(284)	-1%	35,559
Bulk purchases - electricity		672,362	785,000	790,100	58,207	598,970	657,227	(58,257)	-	790,100
Inventory consumed		264,698	305,900	336,955	21,114	238,391	274,311	(35,923)	-	336,955
Debt impairment		378,747	317,500	317,500	-	238,125	264,583	(26,458)	-10%	317,500
Depreciation and amortisation		71,830	86,650	86,650	-	-	72,208	(72,208)	-100%	86,650
Interest		113,955	19,495	20,055	0	10,008	16,582	(6,573)	-40%	20,055
Contracted services		28,285	48,113	56,913	1,191	34,801	45,374	(10,573)	-23%	56,913
Transfers and subsidies		2,599	4,560	3,560	1	2,424	3,200	(776)	-24%	3,560
Irrecoverable debts written off		-	-	-	(1)	-	-	-	-	-
Operational costs		131,090	145,639	159,253	10,490	140,764	129,537	11,227	9%	159,253
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		78,885	61,200	66,000	36,914	64,799	53,880	10,919	-	66,000
<b>Total Expenditure</b>		<b>2,595,982</b>	<b>2,691,252</b>	<b>2,782,911</b>	<b>203,219</b>	<b>2,084,241</b>	<b>2,298,476</b>	<b>(214,235)</b>	<b>-9%</b>	<b>2,782,911</b>
<b>Surplus/(Deficit)</b>		<b>(173,081)</b>	<b>28,351</b>	<b>15,755</b>	<b>(33,070)</b>	<b>259,199</b>	<b>15,298</b>	<b>243,902</b>	<b>0</b>	<b>15,755</b>
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
		108,149	214,233	161,349	17,422	88,825	161,342	(72,517)	(0)	161,349
Transfers and subsidies - capital (in-kind)		3,387	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>			<b>177,104</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>			<b>177,104</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>			<b>177,104</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(61,545)</b>	<b>242,584</b>	<b>177,104</b>	<b>(15,648)</b>	<b>348,024</b>	<b>176,640</b>			<b>177,104</b>

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 April

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		8,996	10,000	26,732	492	11,908	18,414	(6,506)	-35%	26,732
Vote 08 - Infrastructure And Services		82,240	183,117	132,873	8,062	72,006	135,285	(63,279)	-47%	132,873
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>91,236</b>	<b>193,117</b>	<b>159,605</b>	<b>8,554</b>	<b>83,914</b>	<b>153,699</b>	<b>(69,785)</b>	<b>-45%</b>	<b>159,605</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		14,586	19,500	20,823	791	3,199	17,174	(13,974)	-81%	20,823
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		20,194	36,856	36,311	261	12,935	31,927	(18,992)	-59%	36,311
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>34,780</b>	<b>56,356</b>	<b>57,134</b>	<b>1,052</b>	<b>16,134</b>	<b>49,100</b>	<b>(32,966)</b>	<b>-67%</b>	<b>57,134</b>
<b>Total Capital Expenditure</b>		<b>126,016</b>	<b>249,473</b>	<b>216,739</b>	<b>9,606</b>	<b>100,049</b>	<b>202,799</b>	<b>(102,751)</b>	<b>-51%</b>	<b>216,739</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>14,586</b>	<b>19,500</b>	<b>20,823</b>	<b>791</b>	<b>3,199</b>	<b>17,174</b>	<b>(13,974)</b>	<b>-81%</b>	<b>20,823</b>
Executive and council		14,586	19,500	20,823	791	3,199	17,174	(13,974)	-81%	20,823
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>44,387</b>	<b>50,000</b>	<b>72,232</b>	<b>4,864</b>	<b>50,369</b>	<b>55,181</b>	<b>(4,812)</b>	<b>-9%</b>	<b>72,232</b>
Planning and development		8,996	10,000	26,732	492	11,908	18,414	(6,506)	-35%	26,732
Road transport		35,392	40,000	45,500	4,373	38,461	36,767	1,694	5%	45,500
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>67,042</b>	<b>179,973</b>	<b>123,684</b>	<b>3,951</b>	<b>46,480</b>	<b>130,445</b>	<b>(83,964)</b>	<b>-64%</b>	<b>123,684</b>
Energy sources		36,862	54,026	35,104	1,863	15,046	35,464	(20,418)	-58%	35,104
Water management		9,645	125,947	68,740	2,088	26,758	82,954	(56,196)	-68%	68,740
Waste water management		20,535	-	19,840	-	4,676	12,027	(7,351)	-61%	19,840
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>126,016</b>	<b>249,473</b>	<b>216,739</b>	<b>9,606</b>	<b>100,049</b>	<b>202,799</b>	<b>(102,751)</b>	<b>-51%</b>	<b>216,739</b>
<b>Funded by:</b>										
National Government		96,392	214,233	136,499	9,067	75,202	146,433	(71,230)	-49%	136,499
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	6,000	-	3,000	3,600	(600)	-17%	6,000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises,		-	-	18,850	492	10,096	11,310	(1,214)	-11%	18,850
Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>96,392</b>	<b>214,233</b>	<b>161,349</b>	<b>9,558</b>	<b>88,298</b>	<b>161,343</b>	<b>(73,044)</b>	<b>-45%</b>	<b>161,349</b>
<b>Borrowing</b>	6	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>29,624</b>	<b>35,240</b>	<b>55,390</b>	<b>48</b>	<b>11,750</b>	<b>41,457</b>	<b>(29,706)</b>	<b>-72%</b>	<b>55,390</b>
<b>Total Capital Funding</b>		<b>126,016</b>	<b>249,473</b>	<b>216,739</b>	<b>9,606</b>	<b>100,049</b>	<b>202,799</b>	<b>(102,751)</b>	<b>-51%</b>	<b>216,739</b>

**NC091 Sol Plaatje - Table C6 Monthly Budget Statement - Financial Position - M10 April**

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		109,536	174,327	73,214	159,398	73,214
Trade and other receivables from exchange transactions		1,093,008	734,354	812,576	1,391,993	812,576
Receivables from non-exchange transactions		876,734	2,173,122	2,173,122	922,947	2,173,122
Current portion of non-current receivables		-	-	-	-	-
Inventory		82,694	27,461	27,461	94,787	27,461
VAT		142,434	362,625	362,625	134,619	362,625
Other current assets		1	126	126	556	126
<b>Total current assets</b>		<b>2,304,408</b>	<b>3,472,014</b>	<b>3,449,123</b>	<b>2,704,301</b>	<b>3,449,123</b>
<b>Non current assets</b>						
Investments						
Investment property		212,356	223,856	221,251	217,184	221,251
Property, plant and equipment		2,023,360	2,190,939	2,141,960	2,108,484	2,141,960
Biological assets						
Living and non-living resources						
Heritage assets		12,071	12,071	12,071	12,071	12,071
Intangible assets		17,714	3,492	22,342	27,810	22,342
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	35,716	35,716	-	35,716
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>2,265,500</b>	<b>2,466,074</b>	<b>2,433,340</b>	<b>2,365,549</b>	<b>2,433,340</b>
<b>TOTAL ASSETS</b>		<b>4,569,908</b>	<b>5,938,089</b>	<b>5,882,464</b>	<b>5,069,849</b>	<b>5,882,464</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		45,776	49,391	49,391	47,849	49,391
Trade and other payables from exchange transactions		1,293,730	937,683	947,539	1,253,858	947,539
Trade and other payables from non-exchange transactions		7,233	-	-	83,910	-
Provision		-	94,029	94,029	788	94,029
VAT		111,227	70,327	70,327	227,763	70,327
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>1,457,966</b>	<b>1,151,431</b>	<b>1,161,286</b>	<b>1,614,168</b>	<b>1,161,286</b>
<b>Non current liabilities</b>						
Financial liabilities		159,430	158,166	158,166	152,895	158,166
Provision		257,313	285,658	285,658	257,313	285,658
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>416,743</b>	<b>443,824</b>	<b>443,824</b>	<b>410,208</b>	<b>443,824</b>
<b>TOTAL LIABILITIES</b>		<b>1,874,708</b>	<b>1,595,254</b>	<b>1,605,110</b>	<b>2,024,376</b>	<b>1,605,110</b>
<b>NET ASSETS</b>	2	<b>2,695,200</b>	<b>4,342,835</b>	<b>4,277,354</b>	<b>3,045,474</b>	<b>4,277,354</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2,630,346	4,261,958	4,251,028	2,981,408	4,251,028
Reserves and funds		64,066	80,876	80,876	64,066	80,876
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2,694,412</b>	<b>4,342,835</b>	<b>4,331,904</b>	<b>3,045,474</b>	<b>4,331,904</b>

NC091 Sol Plaatje - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		453,721	543,052	543,052	39,333	425,461	452,544	(27,083)	-6%	543,052
Service charges		1,024,096	1,354,795	1,341,114	150,915	1,058,213	1,117,595	(59,382)	-5%	1,341,114
Other revenue		724,269	79,844	94,184	(10,647)	449,784	78,486	371,297	473%	94,184
Transfers and Subsidies - Operational		100,622	281,921	304,653	7,433	302,182	253,878	48,305	19%	304,653
Transfers and Subsidies - Capital		113,738	214,233	191,044	(200)	136,499	159,203	(22,704)	-14%	191,044
Interest		567	-	-	-	3,412	-	3,412	#DIV/0!	-
Dividends										
<b>Payments</b>										
Suppliers and employees		(3,355,326)	(2,215,507)	(2,295,550)	(259,430)	(2,224,522)	(1,912,958)	311,563	-16%	(2,295,550)
Interest		(2,401)	(19,495)	(20,055)	-	2,401	(16,712)	(19,114)	114%	(20,055)
Transfers and Subsidies		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(940,714)</b>	<b>238,844</b>	<b>158,443</b>	<b>(72,594)</b>	<b>153,431</b>	<b>132,035</b>	<b>(21,395)</b>	<b>-16%</b>	<b>158,443</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	1,100	-	1,059	917	143	16%	1,100
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments										
<b>Payments</b>										
Capital assets		(126,016)	(249,473)	(271,284)	(9,606)	(100,049)	(226,070)	(126,021)	56%	(271,284)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(126,016)</b>	<b>(249,473)</b>	<b>(270,184)</b>	<b>(9,606)</b>	<b>(98,989)</b>	<b>(225,153)</b>	<b>(126,164)</b>	<b>56%</b>	<b>(270,184)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits		-	-	-	-	1,569	-	1,569	#DIV/0!	-
<b>Payments</b>										
Repayment of borrowing		-	(13,351)	(13,351)	-	-	(11,126)	(11,126)	100%	(13,351)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>(13,351)</b>	<b>(13,351)</b>	<b>-</b>	<b>1,569</b>	<b>(11,126)</b>	<b>(12,695)</b>	<b>114%</b>	<b>(13,351)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(1,066,730)</b>	<b>(23,980)</b>	<b>(125,093)</b>	<b>(82,200)</b>	<b>56,010</b>	<b>(104,244)</b>			<b>(125,093)</b>
Cash/cash equivalents at beginning:		197,591	198,307	198,307	244,307	109,536	198,307			109,536
Cash/cash equivalents at month/year end:		(869,139)	174,327	73,214		165,546	94,063			(15,556)


The BTO made a concerted effort to align the Cash and equivalents of A6 and A7 for the Adjusted budget for 2023/24 financial year, by relooking at the mapping as advised by NT and BCX. However, there are some errors that must be resolved so that the monthly and YTD actuals populate correctly. The Cash and Cash equivalents on C7 is slightly overstated.

As per C6, the Cash and cash equivalents is R159,398 million as per the Cash book balance.

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

### 16.1 MFMA Circular 124 – Municipality Compliance Self-Assessment

**Annexure A2 - Monthly**



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

**Municipality Self-Assessment**

**Certificate of Compliance: Municipal Debt Relief Conditions for Application**

Period: Apr 23

National Financial Year: 2023/24

Demarcation Code of Municipality being assessed: NC091

District: Fransoos Baard

Demarcation Description: Sol Plaatje

I, \_\_\_\_\_ hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MPMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)		Choose from drop down list
<b>4.1 - Maintaining the Saloon and bulk water current account -</b>		
<b>4.1.1 - Current account for the purpose of this section means the account for a single monthly consumption:</b>		
4.1.1.1	- Has the municipality paid its <b>bulk water current account</b> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 4.1.2.2</i>	Yes
4.1.1.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the eSaloon Upload Portal <a href="https://portal.mfn.gov.za">https://portal.mfn.gov.za</a> ?	Yes
4.1.1.3	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the r022GA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Yes
4.1.2	- Has the municipality paid its <b>Saloon bulk current account</b> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Saloon charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New users" (March 2023 and / or subsequent current accounts) up to the date of MF approval of the application.</i>	Yes
4.1.3	- Has the municipality submitted the supporting evidence of the bulk Saloon current account payment to the National Treasury and Saloon within 1 day of making any such payment (in PDF format) via the Saloon Upload Portal <a href="https://portal.mfn.gov.za">https://portal.mfn.gov.za</a> ?	Yes
4.1.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the r022GA data string and the section 41(2) MFMA statement of Saloon?	Yes
<b>4.2 - Compliance with a funded MTRSP - (Choose from drop down list the MTRSP assessed)</b>		
<i>Note - If the municipality is not funded, the Provincial Treasury must respond to this item as "No".</i>		
4.2.1	- Is the municipality's MTRSP funded and aligning to the National Treasury's Budget Funding Guidelines - <a href="https://www.nat.gov.za/asset-upload/asset/12487">https://www.nat.gov.za/asset-upload/asset/12487</a> ?	Yes
4.2.2	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A1 - Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations?	Yes
4.2.3	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A1 - Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations)?	Yes
<i>Note - For months 2 of the municipality during the preceding 12 months only managed to collect 80 per cent of its revenue (due property rates), the provision for debt impairment aligning with the Saloon collection level should align to 80 per cent of the 2023/24 MTRSP assessed provision for debt impairment. If the municipality managed to collect more than 80 per cent of its revenue (due property rates) and other revenue, the provision for debt impairment should be higher than the Saloon collection level. If the municipality managed to collect less than 80 per cent of its revenue (due property rates), the provision for debt impairment should be lower than the Saloon collection level.</i>		
4.2.4	- Has the municipality made adequate provision for debt impairment (considering the actual collection of rates (regular and special rates of rates) on the A1 Schedule) Table A1 - Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations)?	Yes
<i>Note - If the municipality cannot meet the depreciation and asset impairment in Saloon the budget and there is no real alignment between the provision for asset with the depreciation and impairment, the Provincial Treasury must respond to this item as "No".</i>		
4.2.5	- If the municipality's MTRSP is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTRSP budget (refer Item 4.3 of MPMA Budget Circular no. 122, 08 December 2022)?	N/A - the MTRSP is funded
<i>Note - If the municipality has an RFP, a awarded budget funding plan is not necessary. However, the PT / MT must assess whether the existing RFP incorporates / aligns with the budget funding plan. If not, the RFP requires strengthening.</i>		
4.2.6	- If the municipality's MTRSP is not funded and it has an RFP per the legislative framework, does the existing RFP incorporate a credible Budget Funding Plan (will the RFP give effect to a funded MTRSP over the period of the RFP - aligning with the principles of a budget funding plan as envisaged in Item 4.3 of MPMA Budget Circular no. 122, 08 December 2022)? <i>Note - only if the municipality does not have an RFP may "N/A" be selected from the dropdown list.</i>	Yes
4.2.7	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A1 - Budgeted Cash Flows and Supporting Table SA 10 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations align with and give effect to the municipality's Budget Funding Plan strategy (or the RFP strategy) and related seasonal trends (for example higher water rates during lower January collection rates, etc.)?	Yes
4.3	<b>Cost reflective tariffs - (including metros)</b> Has the municipality included its completed tariff bid (refer MPMA Circular no. 48 and Item 5.2 of MPMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTRSP submissions with effect the tabling of the 2023/24 MTRSP?	Yes

Notes/Comments

<b>6.6 Electricity and water as collection tools – Has the municipality, with effect from the tabling of the 2023/24 MF&amp;P, demonstrated, through its by-laws and budget related policies that:</b>			
6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners. In terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, secondly to water, wastewater, refuse removal and lastly to electricity?	Yes	
6.6.2	- the municipality disconnects electricity services and/or blocks the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes	It is imperative that the Credit Control Policy is strictly applied.
6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: in terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No	
6.6.4	- if the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner (physically restricted to the monthly national basic free electricity and water limits of 50 kilowatt electricity and 6 kilolitre water respectively)? Note – the municipality's monthly MF&P s.71 statement must include as part of the narrative the indigent information in the required format.	No	
<b>6.6 Reporting and/or non-compliance: The National Treasury and/or provincial treasury's related budget statement confirms the municipality's recent budgetary related budget policies and by-laws demonstrate compliance with paragraph 6.6.</b>			
<b>6.7 Municipality's minimum average quarterly collection of property rates and service charges –</b>			
6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 80 per cent average quarterly collection with effect from 01 April 2024 during any quarter. – demonstrated in the MF&P s.71 monthly and quarterly statements(s) and MIS&A data strings uploaded via the S&M&P Upload Portal?	Not yet end of a quarter	
<b>Note: although the norm and standard for collection (MIS&amp;A, Order No. 70) is 80 per cent threshold, municipalities under the old relief system will be exempted for the first two years commencing in this norm.</b>			
6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :		
6.7.2.1	* the underperformance directly relates to fiducium supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (including fiducium supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1.	not yet the end of a quarter	
6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the fiducium supplied areas?	not yet the end of a quarter	
6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with fiducium for purposes of municipal revenue collection in the fiducium supplied areas) as envisaged in sections 18 to 19 of the Municipal Systems Act, 2000 and that such failed <u>and</u> the reason(s) for the failure?	not yet the end of a quarter	
6.7.3	- the municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No	The Municipality is awaiting the award of the transaction tender for smart prepaid meters to be issued by NT
6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MF&P with a smart pre-paid meter?	No	Policy was tabled in Council with the Draft Budget
6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MF&P section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes	
<b>6.8 Municipality's Completeness of the revenue base –</b>			
6.8.1	- Has the municipality demonstrated through the National Treasury property rate reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/or any subsequent supplementary GVR compiled by the registered municipal valuer?	No	
6.8.2	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? Note – monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MF&P s.71 statement	Yes	Multi-purpose properties is not wholly provided for in the GVR record, because they have the same SG code (Surveyor General). There are 5 properties with no SG code on GV, this must be properly investigated and corrected on the financial system. Discrepancy on market value for Residential properties to be investigated.
6.8.3	- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or Interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MF&P Chapters no. 43, 46, 107 and 108) to the upload portal on <a href="https://spmsportal.treasury.gov.za/">https://spmsportal.treasury.gov.za/</a> ?	Yes	
<b>6.9 Monitor and report on implementation –</b>			
6.9.1	- MF&P section 71 reporting – has the municipal council and senior management been instructed processes to monitor and ensure accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes	Recommendation from NT in terms of format and required information is factored into the S71 report commencing from April 2024
6.9.2	- If progress is slow in terms of paragraph 6.8.1, is the <b>active intervention advised</b> from the narrative supporting the municipality's monthly MF&P section 71 reporting and recorded on the financial system as per the MIS&A data string? Note – condition 6.9.2 has a <b>body error</b> and must refer to 6.8.1.	6.9.1 = Yes	
6.9.3	- <b>Municipalities with financial recovery plans (FRP)</b> – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No FRP	
6.9.4	- if the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury, Municipal Financial Recovery Service (MF&R) directly via the S&M&P Upload Portal <a href="https://spmsportal.treasury.gov.za/">https://spmsportal.treasury.gov.za/</a> ?	No FRP	



6.10	Has a municipality with a FRP only benefit from the Municipal Debt Relief programme (the FRP programme report was submitted to both the Treasury and the Auditor-General)?		
6.10.1	Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes	Function performed by National Treasury
6.10.2	Has the head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MPM Circular no. 126 and timely updated the compliance certificate via the National Treasury's (delegated) Portal (https://municipaldebtrelease.gov.za)? Note - In the case of a non-delegated municipality the National Treasury to issue the compliance certificate.	Yes	
6.10.3	Has the Provincial Treasury failed to verify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MPM Circular no. 126) within one month of the non-compliance occurring?	No	Function performed by National Treasury
6.11	Has the municipality borrowed since its initial or any subsequent benefit in terms of the municipal debt support programme?	No	
6.12	Has the municipality appointed and registered in a sub-account to its primary bank account - (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the assignment of the Local Government Equitable Share (LES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes	
6.12.1	Has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes	
6.13	Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MPM 4.7.7 statement collection function?	Yes	Sub-account no longer required in terms of Supplementary guide to C10: C14
6.13	Has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrears debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury Office of the Accountant General issued for Municipal Debt Relief to date?	Yes	No written instruction has been received from NT to date
6.14	Has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes	

FRP: HCD/ NT / MPM Name: \_\_\_\_\_

Signature of HCD/ NT/ MPM: \_\_\_\_\_

Date: \_\_\_\_\_  
 \*Note - If the official is acting on behalf of the Head of the Provincial Treasury (HCD) / Municipal Manager, the written procedure of the HCD/ MPM must be attached as an enclosure to the Certificate of Compliance.

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

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

Municipal Details		Monthly Performance Report																																									Compliance Status									
		Part A					Part B					Part C				Part D				Part E					Part F																											
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score								
1.July	Complete the s Search																																													0%	Non Compliance					
2.August	Complete the s Search																																															0%	Non Compliance			
3.September	Complete the s Search																																															0%	Non Compliance			
4.October	Complete the s Search		No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	No	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	56%	Non Compliance					
5.November	Complete the s Search		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	80%	Non Compliance			
6.December	Complete the s Search		No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Non Compliance			
7.January	Complete the s Search		Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	80%	Non Compliance		
8.February	Complete the s Search		Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	88%	Non Compliance		
9.March	Complete the s Search		No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Non Compliance	
10.April	Complete the s Search		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	85%	Non Compliance	
11.May	Complete the s Search		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0%	Non Compliance
12.June	Complete the s Search		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0%	Non Compliance

The municipality's performance, especially settling the current account for Eskom has improved. It is imperative that the non-compliance issues as raised by National Treasury is addressed as matter of urgency with a decisive implementation strategy and stringent monitoring thereof. Achieving 100% compliance is possible, provided that all parties come to the table and work as a collective to achieve this.

### 16.3 The National Treasury Debt Relief Compliance Assessment

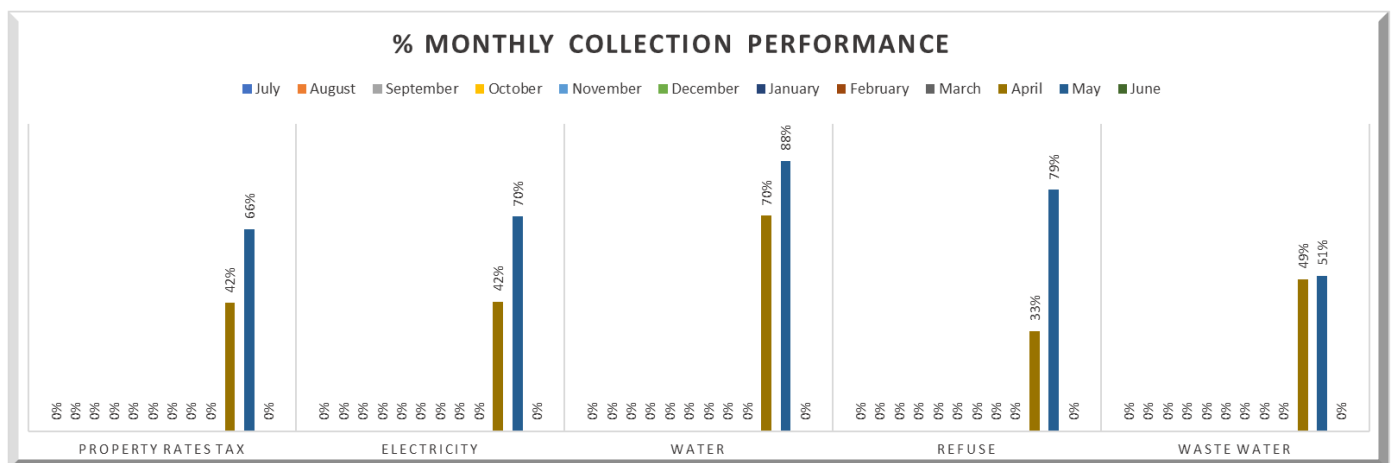
The latest National Treasury debt relief compliance certificate and non-compliance report issued to the municipality for the month of March 2024 is attached to this S71 report.

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

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

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

#### 16.4.1 Monthly / Quarterly collection per ward



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

Municipal Details				
Northern Cape				
Code	District	Municipality	Period Monitored	No. Of Wards
NC091		Sol Plaatje	April	33

Collection Rate Assessment	Summary - Quarter 1				Q1	Summary - Quarter 2				Q2	Summary - Quarter 3				Q3	Summary - Quarter 4				Q4
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		302,653,938	295,599,931	187,058,007	62%	52%
2.Collection <u>per Eskom supplied areas</u>	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		371,971,068	198,774,617	172,186,451	54%	54%
3.Collection: Property Rates	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		90,185,881	71,243,586	18,842,295	79%	79%
4.Total average collection: Electricity (Municipal supplied areas)	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		174,257,031	86,689,106	87,687,626	50%	50%
5.Total average collection: Water	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		55,964,119	27,985,285	27,978,833	50%	50%
6.Total average collection: Wastewater	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		15,696,685	7,736,340	7,960,345	49%	49%
7.Total average collection: Refuse	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!		13,038,124	6,757,793	6,280,332	52%	52%
8.Total average collection: Interest	-	-	-	#DIV/0!	0%	-	-	-	#DIV/0!		-	-	-	#DIV/0!		43,012,096	6,383,851	38,228,276	12%	12%

The monthly collection rate per ward is a major concern and is significantly lower than the average calculated by the municipality. This matter will be investigated and discussed with our financial systems provider. There are unidentified wards which the municipality will investigate.

### Collection Rate Assessment

Total Aggregate Collection		Q1	10.April - Reporting for March in April				11.May - Reporting for April in May				12.June - Reporting for May in June				Summary - Quarter 4				Q1
			Billing For March	Collection in April	R - Billing not collected	% Collection	Billing For April	Collection in May	R - Billing not collected	% Collection	Billing For May	Collection in June	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation		#DIV/0!	219,506,107	91,645,527	127,860,580	42%	173,147,830	113,950,404	59,197,426	66%	-	-	-	#DIV/0!	392,653,938	205,595,931	187,058,007	52%	52%
2.Collection <u>excl Eskom supplied areas</u>		#DIV/0!	216,878,579	91,463,535	130,056,568	42%	155,092,489	108,311,082	53,196,322	70%	-	-	-	#DIV/0!	371,971,068	199,774,617	172,196,451	54%	54%
3.Collection: <b>Property Rates</b>		#DIV/0!	45,216,552	31,718,916	13,497,636	70%	44,969,330	39,524,670	5,444,660	88%	-	-	-	#DIV/0!	90,185,881	71,243,586	18,942,295	79%	79%
4.Total average collection: <b>Electricity</b> (Municipal supplied areas)	<b>Summary</b>	#DIV/0!	109,340,114	35,571,050	73,769,064	33%	64,916,918	51,018,056	13,898,862	79%	-	-	-	#DIV/0!	174,257,031	86,589,106	87,667,926	50%	50%
5.Total average collection: <b>Water</b>		#DIV/0!	29,157,696	14,421,155	14,736,541	49%	26,806,423	13,564,130	13,242,293	51%	-	-	-	#DIV/0!	55,964,119	27,985,285	27,978,833	50%	50%
6.Total average collection: <b>Wastewater</b>		#DIV/0!	7,822,305	3,377,658	4,444,647	43%	7,874,380	4,358,682	3,515,697	55%	-	-	-	#DIV/0!	15,696,685	7,736,340	7,960,345	49%	49%
7.Total average collection: <b>Refuse</b>		#DIV/0!	6,503,199	3,146,014	3,357,184	48%	6,534,926	3,611,778	2,923,147	55%	-	-	-	#DIV/0!	13,038,124	6,575,793	6,280,332	52%	52%
8. 7.Total average collection: <b>Interest</b>		#DIV/0!	21,466,242	3,410,734	18,055,508	16%	22,045,854	1,873,087	20,172,767	8%	-	-	-	#DIV/0!	43,512,096	5,283,821	38,228,276	12%	12%

Click to view/close months

Complete This Section			Quarter 3	Quarter 4 Performance Per Ward																Q4
Services	Electricity Supplier	Ward Name & Number		10.April				11.May				12.June				Billing	Collection	R - Billing not collected	% Collection	
			Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection						
<b>Property Rates Tax</b>	Mun Supplied	Ward 1 - Phatfontein, Sunset Manor, Legeni (Letlaba Park)	5,419,194	4,139,765	1,279,429	76%	140,603	76,453	64,150	54%					5,559,797	4,216,217	1,343,580	76%		
Electricity			6,979,599	6,418,150	561,449	92%	1,324,332	976,708	347,625	74%					8,303,931	7,394,858	909,074	89%		
Water			5,049,967	2,225,094	2,824,873	44%	1,424,274	140,655	1,283,620	10%					6,474,242	2,365,749	4,108,493	37%		
Refuse			573,843	322,777	251,065	56%	65,426	20,274	45,152	31%					639,269	343,051	296,218	54%		
Waste Water			697,102	416,496	280,605	60%	75,858	10,351	65,507	14%					772,959	426,847	346,112	55%		
Interest			2,202,095	253,957	1,948,138	12%	445,283	6,572	438,711	1%					2,647,377	260,528	2,386,849	10%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 2 - Roodepan	1,066,626	505,686	560,940	47%	931,254	428,846	502,407	46%					1,997,880	994,532	1,063,348	47%		
Electricity			16,002	217,104	0	1357%	253,290	324,073	0	128%					269,292	541,177	(271,885)	201%		
Water			873,982	254,642	619,341	29%	638,745	255,585	383,161	40%					1,512,728	510,226	1,002,501	34%		
Refuse			276,015	119,053	156,962	43%	229,426	101,787	127,639	44%					505,440	220,839	284,601	44%		
Waste Water			380,132	166,214	213,918	44%	324,102	140,282	183,820	43%					704,234	306,496	397,737	44%		
Interest			940,618	65,792	874,826	7%	807,816	50,575	757,241	6%					1,748,434	116,367	1,632,067	7%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 3 - Homevale, Homelite, Homestead, Soli plaatje RE, Ramora	972,937	272,500	700,437	28%	599,432	221,012	378,419	37%					1,572,368	493,512	1,078,856	31%		
Electricity			427,623	188,188	239,434	44%	126,580	64,937	61,643	51%					554,203	253,126	301,078	46%		
Water			329,925	108,245	221,680	33%	453,605	118,055	335,550	26%					783,529	226,300	557,230	29%		
Refuse			117,819	52,995	64,823	45%	141,756	89,281	52,475	63%					259,575	142,276	117,298	55%		
Waste Water			159,113	71,178	87,935	45%	196,308	268,209	0	137%					355,421	339,387	16,034	95%		
Interest			427,090	43,036	384,055	10%	530,378	28,283	502,094	5%					957,468	71,319	886,149	7%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 4 - Vegenog Ext 3, Vegenog Ext 4, Vegenog 5, Witdam	652,757	386,873	265,884	59%	321,867	279,661	42,206	87%					974,624	666,535	308,090	68%		
Electricity			385,527	199,281	186,246	52%	253,947	343,193	0	135%					639,474	542,474	97,001	85%		
Water			439,012	200,475	238,538	46%	422,089	225,337	196,751	53%					861,101	425,812	435,289	49%		
Refuse			139,112	72,202	66,911	52%	136,807	49,788	87,019	36%					275,919	121,990	153,929	44%		
Waste Water			183,949	87,465	96,484	48%	190,709	64,285	126,424	34%					374,658	151,751	222,908	41%		
Interest			366,650	53,623	313,027	15%	401,999	9,107	392,893	2%					768,649	62,729	705,920	8%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 5 - Vegenog Ext 2, Redifile, Thusano	313,027	128,631	184,396	41%	254,996	94,429	160,567	37%					568,023	223,060	344,963	39%		
Electricity			53,776	48,872	4,904	91%	43,128	39,111	4,017	91%					96,904	87,983	8,921	91%		
Water			440,341	87,416	352,924	20%	335,346	64,341	271,004	19%					775,687	151,758	623,929	20%		
Refuse			153,461	50,628	102,832	33%	119,264	42,433	76,832	36%					272,725	93,061	179,664	34%		
Waste Water			211,744	63,025	148,719	30%	161,192	59,228	101,964	37%					372,936	122,253	250,683	33%		
Interest			500,842	8,950	491,892	2%	397,974	13,395	384,579	3%					898,816	22,344	876,471	2%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 6 - Vegenog Ext 10, Bokhuising, Soli Vegenog, Uibutu Golf Course/Ramvamsak	118,843	27,530	91,314	23%	169,069	45,447	123,622	27%					287,913	72,977	214,936	25%		
Electricity			(6,342)	528	0	-8%	13,047	13,892	0	106%					6,705	14,419	(7,714)	215%		
Water			246,377	48,488	197,889	20%	339,155	55,814	283,342	16%					585,532	104,301	481,231	18%		
Refuse			82,983	16,261	66,722	20%	121,779	34,480	87,299	28%					204,761	50,741	154,020	25%		
Waste Water			112,885	23,223	89,662	21%	170,662	43,449	127,213	25%					283,547	66,672	216,875	24%		
Interest			344,823	5,552	339,271	2%	497,897	11,426	486,471	2%					842,720	16,978	825,742	2%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 7 - Soli Plaatje RE, Soli, Legodi square, Vegenog Ext 1, Vegenog, Uibutu Golf Course/Ramvamsak	280,270	108,804	171,466	39%	212,741	80,814	131,927	38%					493,011	189,618	303,393	38%		
Electricity			81,578	38,320	43,258	47%	(10,751)	52,275	0	-486%					70,827	90,596	(19,769)	128%		
Water			420,279	86,890	333,389	21%	281,136	74,387	206,749	26%					701,415	161,277	540,138	23%		
Refuse			149,287	52,054	97,233	35%	120,456	42,004	78,452	35%					269,743	94,058	175,685	35%		
Waste Water			214,048	67,511	146,537	32%	171,688	60,948	110,740	35%					385,737	128,459	257,277	33%		
Interest			424,623	12,192	412,431	3%	384,219	19,818	364,402	5%					808,842	32,010	776,832	4%		

Soli Plaatje (NC091): Monthly Budget Statement: S71 Monthly Report: April 2024

Complete This Section			Quarter 3	Quarter 4 Performance Per Ward																		
Services	Electricity Supplier	Ward Name & Number	Q3	10. April				11. May				12. June				Q4						
				Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection							
<b>Property Rates Tax</b>	Mun Supplied	Ward 8 - John Mamphe 1, Mamphe Ext, Luthi Mabilo Park, Donkerhoek	#DIV/0!	203,118	61,161	141,957	30%	120,937	24,227	96,710	20%						324,054	85,388	238,667	26%	26%	
Electricity			#DIV/0!	31,956	14,125	17,831	44%	26,867	96,339	0	359%							58,823	110,464	(51,641)	188%	188%
Water			#DIV/0!	512,696	72,877	439,819	14%	307,605	39,745	267,860	13%							820,301	112,622	707,679	14%	14%
Refuse			#DIV/0!	174,053	35,875	138,179	21%	114,161	14,388	99,773	13%							288,214	50,262	237,952	17%	17%
Waste Water			#DIV/0!	240,745	53,498	187,246	22%	152,149	17,084	135,065	11%							392,894	70,582	322,312	18%	18%
Interest	#DIV/0!	528,731	20,997	507,734	4%	497,868	4,533	493,335	1%							1,026,599	25,530	1,001,069	2%	2%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 9 - Ipopeng, Retsewelle	#DIV/0!	684,144	392,322	291,821	57%	735,461	380,435	355,026	52%						1,419,605	772,758	646,847	54%	54%	
Electricity			#DIV/0!	264,642	211,191	53,452	80%	87,040	162,510	0	187%							351,682	373,701	(22,018)	106%	106%
Water			#DIV/0!	444,610	213,833	230,778	48%	475,874	228,611	247,263	48%							920,485	442,444	478,041	48%	48%
Refuse			#DIV/0!	163,960	86,772	77,188	53%	152,230	81,554	70,676	54%							316,190	168,325	147,864	53%	53%
Waste Water			#DIV/0!	232,221	110,502	121,720	48%	208,656	105,272	103,384	50%							440,877	215,774	225,104	49%	49%
Interest	#DIV/0!	346,497	41,434	305,063	12%	429,917	24,403	405,514	6%							776,414	65,837	710,577	8%	8%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 10 - Tshwaragano, Vegenooq Ext 7, Vegenooq Ext 5	#DIV/0!	208,619	60,628	147,992	29%	286,628	305,594	0	107%						495,248	366,221	129,026	74%	74%	
Electricity			#DIV/0!	325,298	281,210	44,088	86%	372,792	844,451	0	227%							698,090	1,125,660	(427,571)	161%	161%
Water			#DIV/0!	242,298	71,483	170,815	30%	352,931	127,846	225,085	36%							595,229	199,329	395,900	33%	33%
Refuse			#DIV/0!	93,038	28,793	64,246	31%	140,916	59,817	81,099	42%							233,954	88,609	145,345	38%	38%
Waste Water			#DIV/0!	126,479	37,502	88,977	30%	173,535	62,055	111,480	36%							300,014	99,557	200,457	33%	33%
Interest	#DIV/0!	211,519	6,466	205,053	3%	406,505	8,486	398,019	2%							618,024	14,952	603,073	2%	2%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 11 - Retsewelle, Aqanang, Vegenooq Ext 8, Vegenooq Ext 6	#DIV/0!	314,757	126,161	188,596	40%	138,712	54,956	83,757	40%						453,470	181,117	272,353	40%	40%	
Electricity			#DIV/0!	85,668	46,180	39,488	54%	268,307	463,678	0	173%							353,975	509,858	(155,883)	144%	144%
Water			#DIV/0!	502,597	140,771	361,826	28%	372,056	127,218	244,838	34%							874,653	267,989	606,663	31%	31%
Refuse			#DIV/0!	184,792	58,234	126,557	32%	102,487	49,629	52,858	48%							287,279	107,863	179,416	38%	38%
Waste Water			#DIV/0!	257,085	80,743	176,341	31%	163,943	90,200	73,743	55%							421,028	170,944	250,084	41%	41%
Interest	#DIV/0!	587,183	15,077	572,106	3%	387,774	4,725	383,049	1%							974,956	19,901	955,155	2%	2%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 12 - KwaNobantu, Galeshewe proper, Galeshewe Ext 2	#DIV/0!	206,957	113,721	93,236	55%	242,850	118,538	124,313	49%						449,807	232,259	217,548	52%	52%	
Electricity			#DIV/0!	248,007	21,590	226,417	9%	29,203	46,334	0	159%							277,210	67,924	209,286	25%	25%
Water			#DIV/0!	279,961	77,178	202,784	28%	206,792	91,425	115,367	44%							486,753	168,603	318,150	35%	35%
Refuse			#DIV/0!	77,633	40,019	37,614	52%	100,853	44,298	56,556	44%							178,486	84,316	94,170	47%	47%
Waste Water			#DIV/0!	103,188	57,503	45,685	56%	140,195	56,892	83,303	41%							243,383	114,395	128,988	47%	47%
Interest	#DIV/0!	254,704	20,864	233,840	8%	142,153	35,813	106,341	25%							396,858	56,677	340,181	14%	14%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 13 - Santa Centre, Galeshewe Ext 6, Galeshewe Ext 1, Gemdene	#DIV/0!	321,001	163,390	157,611	51%	241,416	159,909	81,507	66%						562,418	323,299	239,119	57%	57%	
Electricity			#DIV/0!	50,597	37,347	13,250	74%	443,506	461,115	0	104%							494,103	498,462	(4,359)	101%	101%
Water			#DIV/0!	474,200	106,021	368,179	22%	255,358	61,157	194,201	24%							729,558	167,177	562,380	23%	23%
Refuse			#DIV/0!	154,895	60,677	94,217	39%	68,939	23,440	45,499	34%							223,834	84,117	139,716	38%	38%
Waste Water			#DIV/0!	207,353	83,292	124,061	40%	106,199	30,072	76,127	28%							313,552	113,364	200,189	36%	36%
Interest	#DIV/0!	527,213	17,943	509,270	3%	275,665	5,287	270,378	2%							802,877	23,229	779,648	3%	3%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 14 - Northview, Gohlala, Gemdene, Square Hill Park, Floors, Utility, Arshburnham	#DIV/0!	8,951,296	7,041,608	1,909,689	79%	1,288,267	896,964	391,303	70%						10,239,563	7,938,571	2,300,991	78%	78%	
Electricity			#DIV/0!	52,558,761	6,154,229	46,404,532	12%	1,646,468	1,411,518	234,950	86%							54,205,229	7,565,747	46,639,482	14%	14%
Water			#DIV/0!	2,162,905	1,373,032	789,873	63%	671,163	514,905	156,258	77%							2,834,068	1,887,937	946,131	67%	67%
Refuse			#DIV/0!	958,169	630,147	328,021	66%	321,548	235,105	86,443	73%							1,279,716	865,252	414,464	68%	68%
Waste Water			#DIV/0!	795,752	451,186	344,566	57%	291,576	194,796	96,780	67%							1,087,329	495,382	441,346	59%	59%
Interest	#DIV/0!	2,371,328	420,726	1,950,602	18%	702,119	74,608	627,511	11%							3,073,447	495,333	2,578,113	16%	16%		
<b>Property Rates Tax</b>	Mun Supplied	Ward 15 - Ipeleg, Phomolong, Phuanang, Sol Plaatje HE	#DIV/0!	10,176	5,442	4,734	53%	291,805	139,553	152,252	48%						301,981	144,996	156,985	48%	48%	
Electricity			#DIV/0!	(1,315)	1,490	0	-113%	101,571	99,546	2,025	98%							100,256	101,037	(781)	101%	101%
Water			#DIV/0!	8,567	6,565	2,002	77%	538,490	75,212	463,278	14%							547,057	81,777	465,280	15%	15%
Refuse			#DIV/0!	5,779	1,306	4,473	23%	130,637	35,823	94,815	27%							136,416	37,128	99,288	27%	27%
Waste Water			#DIV/0!	10,058	3,467	6,590	34%	181,993	57,638	124,355	32%							192,051	61,105	130,945	32%	32%
Interest	#DIV/0!	9,900	-	9,900	0%	527,139	7,866	519,273	1%							537,039	7,866	529,173	1%	1%		

Complete This Section			Quarter 3	Quarter 4 Performance Per Ward																
Services	Electricity Supplier	Ward Name & Number	Q3	10. April				11. May				12. June				Q4				
				Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection					
<b>Property Rates Tax</b>	Mun Supplied	Ward 16 - Phutanang Cemetery, Promiseland, Lindeni, Snake Park, Taweleng.	#DIV/0!	172,839	42,914	129,925	25%	148,318	11,676	136,641	8%					321,157	54,590	266,567	17%	17%
Electricity			#DIV/0!	5,027	666	4,361	13%	8,551	736	7,815	9%					13,578	1,402	12,177	10%	10%
Water			#DIV/0!	360,989	59,329	301,660	16%	447,852	16,254	431,598	4%					808,841	75,583	733,258	9%	9%
Refuse			#DIV/0!	132,915	26,158	106,757	20%	135,928	7,294	128,634	5%					268,843	33,452	235,391	12%	12%
Waste Water			#DIV/0!	181,132	40,755	140,377	23%	190,918	11,537	179,381	6%					372,049	52,292	319,758	14%	14%
Interest			#DIV/0!	479,611	20,320	459,291	4%	464,779	3,513	461,266	1%					944,390	23,834	920,556	3%	3%
<b>Property Rates Tax</b>	Mun Supplied	Ward 17 - kgiso, Thlang, Joon Mampu 2, Qhechong	#DIV/0!	435,686	269,313	166,372	62%	422,497	179,249	243,247	42%					858,182	448,563	409,620	52%	52%
Electricity			#DIV/0!	63,416	69,232	0	109%	50,931	16,201	34,730	32%					114,347	85,433	28,914	75%	75%
Water			#DIV/0!	324,291	120,624	203,666	37%	487,692	111,513	376,178	23%					811,983	232,138	579,845	29%	29%
Refuse			#DIV/0!	120,610	64,178	56,432	53%	169,129	49,236	119,893	29%					289,739	113,414	176,325	39%	39%
Waste Water			#DIV/0!	166,903	96,760	70,143	58%	222,604	71,294	151,310	32%					389,507	168,054	221,453	43%	43%
Interest			#DIV/0!	378,091	28,573	349,519	8%	594,512	11,889	582,623	2%					972,603	40,462	932,142	4%	4%
<b>Property Rates Tax</b>	Mun Supplied	Ward 18 - Kristenhof, Nuumba Street Area, Galeshewe Ext 7, Viewwood Park, Riviera	#DIV/0!	353,370	123,705	229,665	35%	1,063,623	1,362,648	0	128%					1,416,993	1,486,353	(69,360)	105%	105%
Electricity			#DIV/0!	220,424	1,319,929	0	599%	1,121,650	406,810	714,840	36%					1,342,074	1,726,739	(384,665)	129%	129%
Water			#DIV/0!	444,894	111,497	333,397	25%	3,668,284	425,843	3,242,441	12%					4,113,178	537,339	3,575,838	13%	13%
Refuse			#DIV/0!	191,733	64,295	127,438	34%	196,312	121,843	74,469	62%					388,045	186,138	201,907	48%	48%
Waste Water			#DIV/0!	260,560	85,592	174,968	33%	246,752	160,807	85,946	65%					507,312	246,399	260,913	49%	49%
Interest			#DIV/0!	761,337	1,575,000	0	207%	604,408	107,818	496,589	18%					1,365,745	1,682,818	(317,073)	123%	123%
<b>Property Rates Tax</b>	Mun Supplied	Ward 19 - Galeshewe Ext 3, Galeshewe Ext 5, Galeshewe Ext 4	#DIV/0!	224,085	144,404	79,682	64%	229,151	89,337	139,814	39%					453,236	233,741	219,496	52%	52%
Electricity			#DIV/0!	24,527	45,362	0	185%	42,582	14,326	28,256	34%					67,109	59,688	7,421	89%	89%
Water			#DIV/0!	400,276	138,795	261,481	35%	449,776	105,868	343,908	24%					850,051	244,663	605,388	29%	29%
Refuse			#DIV/0!	119,639	57,115	62,524	48%	131,779	42,311	89,468	32%					251,418	99,426	151,992	40%	40%
Waste Water			#DIV/0!	161,740	74,846	86,895	46%	171,480	45,554	125,926	27%					333,221	120,400	212,821	36%	36%
Interest			#DIV/0!	476,827	23,050	453,778	5%	509,645	9,917	499,729	2%					986,473	32,966	953,507	3%	3%
<b>Property Rates Tax</b>	Mun Supplied	Ward 20 - West End, Kimberley Mine, Kimberley North, Kimberley North, Diamant Park, Albertshof, Kestelhof	#DIV/0!	847,763	567,877	279,886	67%	11,817,764	12,627,669	0	107%					12,665,527	13,195,547	(530,020)	104%	104%
Electricity			#DIV/0!	1,171,729	1,103,003	68,726	94%	10,571,522	11,817,512	0	112%					11,743,250	12,920,515	(1,177,265)	110%	110%
Water			#DIV/0!	792,763	344,340	448,423	43%	2,789,548	2,147,460	642,088	77%					3,582,311	2,491,800	1,090,511	70%	70%
Refuse			#DIV/0!	202,065	93,698	108,367	46%	956,653	814,963	141,690	85%					1,158,718	908,661	250,057	78%	78%
Waste Water			#DIV/0!	258,782	108,593	150,189	42%	794,462	787,486	6,976	99%					1,053,244	896,079	157,165	85%	85%
Interest			#DIV/0!	799,435	43,686	755,749	5%	2,020,776	526,129	1,494,647	26%					2,820,211	569,815	2,250,396	20%	20%
<b>Property Rates Tax</b>	Mun Supplied	Ward 21 - De Beers-Hull Street Area, Ernestville, Bagnall, Timber Road, Industrial area	#DIV/0!	3,695,284	2,758,444	936,840	75%	3,032,710	2,525,281	507,429	83%					6,727,994	5,283,725	1,444,269	79%	79%
Electricity			#DIV/0!	4,954,072	3,263,079	1,690,994	66%	3,537,008	2,802,567	734,442	79%					8,491,081	6,065,645	2,425,435	71%	71%
Water			#DIV/0!	1,170,219	1,102,208	68,011	94%	1,246,638	1,090,460	156,178	87%					2,416,857	2,192,668	224,189	91%	91%
Refuse			#DIV/0!	436,395	250,907	185,488	57%	373,670	315,080	58,590	84%					810,065	565,987	244,078	70%	70%
Waste Water			#DIV/0!	426,678	221,440	205,238	52%	405,711	331,854	73,857	82%					832,389	553,293	279,096	66%	66%
Interest			#DIV/0!	1,001,995	164,923	837,072	16%	829,628	188,673	640,956	23%					1,831,624	353,595	1,478,028	19%	19%
<b>Property Rates Tax</b>	Mun Supplied	Ward 22 - South Ridge, Green Point, Fabrica	#DIV/0!	1,076,207	695,864	380,344	65%	1,281,032	1,028,283	252,749	80%					2,357,239	1,724,146	633,092	73%	73%
Electricity			#DIV/0!	650,867	885,017	0	136%	3,473,674	1,973,676	1,499,998	57%					4,124,541	2,858,693	1,265,848	69%	69%
Water			#DIV/0!	620,488	199,555	420,933	32%	113,671	411,042	0	362%					734,159	610,596	123,563	83%	83%
Refuse			#DIV/0!	152,811	71,468	81,343	47%	183,804	92,298	91,506	50%					336,614	163,766	172,848	49%	49%
Waste Water			#DIV/0!	185,915	75,865	110,050	41%	234,287	99,632	134,656	43%					420,203	175,497	244,706	42%	42%
Interest			#DIV/0!	394,945	24,525	370,421	6%	561,488	41,355	520,134	7%					956,434	65,879	890,554	7%	7%
<b>Property Rates Tax</b>	Mun Supplied	Ward 23 - Civic Centre, New Park, Labrand, Roylglen, Roylglen, Monument Heights, Eltoro Park, Minerva Gardens	#DIV/0!	8,976,726	7,254,525	1,722,200	81%	8,095,630	9,100,939	0	112%					17,072,356	16,355,464	716,892	96%	96%
Electricity			#DIV/0!	33,684,427	8,019,656	25,664,771	24%	19,212,826	13,582,188	5,630,638	71%					52,897,253	21,601,844	31,295,409	41%	41%
Water			#DIV/0!	2,221,267	1,222,442	998,825	55%	2,209,004	2,392,345	0	108%					4,430,272	3,614,787	815,484	82%	82%
Refuse			#DIV/0!	422,310	297,602	124,708	70%	430,588	409,124	21,464	95%					852,889	706,726	146,172	83%	83%
Waste Water			#DIV/0!	534,740	302,238	232,502	57%	540,459	564,299	0	104%					1,075,198	866,536	208,662	81%	81%
Interest			#DIV/0!	708,329	154,394	553,935	22%	880,027	311,786	568,241	35%					1,588,356	466,181	1,122,176	29%	29%
<b>Property Rates Tax</b>	Mun Supplied	Ward 24 - Carries Glen, Luitene, Helderberg, Hreeweg, Helderberg Park	#DIV/0!	4,208,484	3,153,619	1,054,865	75%	3,382,379	2,661,358	721,021	79%					7,590,863	5,814,977	1,775,886	77%	77%
Electricity			#DIV/0!	602,153	1,882,335	0	313%	1,838,264	1,983,138	0	108%					2,440,418	3,865,473	(1,425,056)	158%	158%
Water			#DIV/0!	1,623,357	1,454,094	169,262	90%	372,065	1,206,646	0	324%					1,995,422	2,660,740	(665,318)	133%	133%
Refuse			#DIV/0!	359,733	272,379	87,353	76%	295,653	253,360	42,293	86%					655,385	525,739	129,646	80%	80%
Waste Water			#DIV/0!	468,272	304,330	163,942	65%	404,576	327,720	76,856	81%					872,849	632,050	240,799	72%	72%
Interest			#DIV/0!	406,418	80,181	326,237	20%	345,391	71,110	274,281	21%					751,809	151,291	600,518	20%	20%
<b>Property Rates Tax</b>	Mun Supplied	Ward 25 - De Beers Mins, Ervolden, Aemondia Road Area, Wabernie	#DIV/0!	3,000,959	1,982,710	1,018,249	66%	1,520,040	1,247,467	272,573	82%					4,521,000	3,230,178	1,290,822	71%	71%
Electricity			#DIV/0!	4,990,068	2,403,159	2,586,909	48%	1,032,669	1,061,455	0	103%					6,022,737	3,464,614	2,558,123	58%	58%
Water			#DIV/0!	2,541,412	1,324,763	1,216,649	52%	443,155	823,571	0	186%					2,984,567	2,148,335	836,232	72%	72%
Refuse			#DIV/0!	374,525	213,344	161,180	57%	173,269	146,312	26,957	84%					547,793	359,657	188,137	66%	66%
Waste Water			#DIV/0!	434,674	178,051	256,623	41%	223,724	202,826	20,898	91%					658,398	380,877	277,520	58%	58%
Interest			#DIV/0!	3,031,011	111,855	2,919,157	4%</													

Complete This Section						Quarter 4	Quarter 4 Performance Per Ward														
Services	Electricity Supplier	Ward Name & Number	Q3	10. April				11. May				12. June				Billing	Collection	R - Billing not collected	% Collection	Q4	
				Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection						
Property Rates Tax	Partial Eskom & Mun Supplied	Ward 06 - 61 Berea Rd, Berea, Matieland Square, Motswagole, Kageno, Dikoko, Dimashe, De Biers Mine	#DIV/0!	271,111	122,482	148,629	45%	3,943,095	2,788,394	1,154,701	71%	-	-	-	#DIV/0!	4,214,205	2,910,876	1,303,330	69%	69%	
Electricity			#DIV/0!	(255,305)	1,012	0	0%	4,143,768	1,628,778	2,514,990	39%	-	-	-	#DIV/0!	3,888,463	1,629,790	2,258,673	42%	42%	
Water			#DIV/0!	673,620	16,208	657,413	2%	3,383,481	811,541	2,571,940	24%	-	-	-	#DIV/0!	4,057,101	827,749	3,229,352	20%	20%	
Refuse			#DIV/0!	277,685	15,830	261,855	6%	418,130	101,408	316,722	24%	-	-	-	#DIV/0!	695,815	117,238	578,577	17%	17%	
Waste Water			#DIV/0!	328,668	15,820	312,848	5%	416,800	100,657	316,142	24%	-	-	-	#DIV/0!	745,468	116,478	628,990	16%	16%	
Interest	#DIV/0!	1,330,857	10,640	1,320,217	1%	3,601,216	56,164	3,545,052	2%	-	-	-	#DIV/0!	4,932,073	66,804	4,865,269	1%	1%			
Property Rates Tax	Partial Eskom & Mun Supplied	Ward 07 - Berea, Sol Plaatje RE	#DIV/0!	104	-	104	0%	222,420	130,894	91,526	59%	-	-	-	#DIV/0!	222,524	130,894	91,630	59%	59%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	6,568	669	5,899	10%	-	-	-	#DIV/0!	6,568	669	5,899	10%	10%	
Water			#DIV/0!	56	-	56	0%	620,718	9,419	611,299	2%	-	-	-	#DIV/0!	620,714	9,419	611,355	2%	2%	
Refuse			#DIV/0!	247	-	247	0%	171,224	3,618	167,606	2%	-	-	-	#DIV/0!	171,470	3,618	167,852	2%	2%	
Waste Water			#DIV/0!	344	-	344	0%	226,890	5,426	221,463	2%	-	-	-	#DIV/0!	227,234	5,426	221,807	2%	2%	
Interest	#DIV/0!	142	-	142	0%	901,033	2,354	898,679	0%	-	-	-	#DIV/0!	901,175	2,354	898,820	0%	0%			
Property Rates Tax	Mun Supplied	Ward 28 - Sol Plaatje RE, Kenwyn, Kamutoko, Gertruis, De Meer Nare	#DIV/0!	-	-	-	#DIV/0!	2,572,573	1,967,598	604,975	76%	-	-	-	#DIV/0!	2,572,573	1,967,598	604,975	76%	76%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	14,350,661	10,059,752	4,290,909	70%	-	-	-	#DIV/0!	14,350,661	10,059,752	4,290,909	70%	70%	
Water			#DIV/0!	-	-	-	#DIV/0!	1,653,167	1,452,846	200,320	88%	-	-	-	#DIV/0!	1,653,167	1,452,846	200,320	88%	88%	
Refuse			#DIV/0!	-	-	-	#DIV/0!	265,716	186,876	78,840	70%	-	-	-	#DIV/0!	265,716	186,876	78,840	70%	70%	
Waste Water			#DIV/0!	-	-	-	#DIV/0!	303,613	203,578	100,034	67%	-	-	-	#DIV/0!	303,613	203,578	100,034	67%	67%	
Interest	#DIV/0!	-	-	-	#DIV/0!	1,040,506	127,143	913,363	12%	-	-	-	#DIV/0!	1,040,506	127,143	913,363	12%	12%			
Property Rates Tax	Mun Supplied	Ward 09 - Boedien, Sol Plaatje, Langels and Pretoria	#DIV/0!	-	-	-	#DIV/0!	114,684	45,976	68,708	40%	-	-	-	#DIV/0!	114,684	45,976	68,708	40%	40%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	50,194	32,984	17,210	66%	-	-	-	#DIV/0!	50,194	32,984	17,210	66%	66%	
Water			#DIV/0!	-	-	-	#DIV/0!	105,984	28,590	77,393	27%	-	-	-	#DIV/0!	105,984	28,590	77,393	27%	27%	
Refuse			#DIV/0!	-	-	-	#DIV/0!	37,574	12,446	25,129	33%	-	-	-	#DIV/0!	37,574	12,446	25,129	33%	33%	
Waste Water			#DIV/0!	-	-	-	#DIV/0!	54,023	20,165	33,858	37%	-	-	-	#DIV/0!	54,023	20,165	33,858	37%	37%	
Interest	#DIV/0!	77,137	768	76,369	1%	270,772	5,950	264,823	2%	-	-	-	#DIV/0!	347,910	6,718	341,192	2%	2%			
Property Rates Tax	Mun Supplied	Ward 09 - Platfontein Industrial, Jacksonville, Lencox Park	#DIV/0!	118,352	11,902	106,449	10%	284,643	84,064	200,579	30%	-	-	-	#DIV/0!	402,995	95,966	307,029	24%	24%	
Electricity			#DIV/0!	3,887	755	3,132	19%	97,022	56,119	40,903	58%	-	-	-	#DIV/0!	100,909	56,873	44,036	56%	56%	
Water			#DIV/0!	208,327	11,662	196,665	6%	388,024	54,953	333,071	14%	-	-	-	#DIV/0!	596,351	66,615	529,736	11%	11%	
Refuse			#DIV/0!	88,348	6,370	81,978	7%	138,334	35,815	102,519	26%	-	-	-	#DIV/0!	226,682	42,186	184,497	19%	19%	
Waste Water			#DIV/0!	160,551	12,072	148,479	8%	221,408	50,518	170,890	23%	-	-	-	#DIV/0!	381,959	62,591	319,368	16%	16%	
Interest	#DIV/0!	458,267	3,585	454,682	1%	713,517	25,305	688,212	4%	-	-	-	#DIV/0!	1,171,784	28,890	1,142,894	2%	2%			
Property Rates Tax	Mun Supplied	Ward 31 - Kulkwoning, Sol City, Welara, Fontein	#DIV/0!	-	-	-	#DIV/0!	202,329	55,726	146,602	28%	-	-	-	#DIV/0!	202,329	55,726	146,602	28%	28%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	16,152	1,590	14,562	10%	-	-	-	#DIV/0!	16,152	1,590	14,562	10%	10%	
Water			#DIV/0!	-	-	-	#DIV/0!	453,383	43,347	410,036	10%	-	-	-	#DIV/0!	453,383	43,347	410,036	10%	10%	
Refuse			#DIV/0!	-	-	-	#DIV/0!	164,012	27,768	136,244	17%	-	-	-	#DIV/0!	164,012	27,768	136,244	17%	17%	
Waste Water			#DIV/0!	-	-	-	#DIV/0!	222,806	39,193	183,613	18%	-	-	-	#DIV/0!	222,806	39,193	183,613	18%	18%	
Interest	#DIV/0!	-	-	-	#DIV/0!	605,910	5,771	600,139	1%	-	-	-	#DIV/0!	605,910	5,771	600,139	1%	1%			
Property Rates Tax	Mun Supplied	Ward 32 - Phunang, Sol Plaatje RE, Platfontein	#DIV/0!	-	-	-	#DIV/0!	100,371	16,741	83,630	17%	-	-	-	#DIV/0!	100,371	16,741	83,630	17%	17%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	84,359	38,723	45,636	46%	-	-	-	#DIV/0!	84,359	38,723	45,636	46%	46%	
Water			#DIV/0!	-	-	-	#DIV/0!	453,782	41,989	411,793	9%	-	-	-	#DIV/0!	453,782	41,989	411,793	9%	9%	
Refuse			#DIV/0!	-	-	-	#DIV/0!	70,228	9,923	60,305	14%	-	-	-	#DIV/0!	70,228	9,923	60,305	14%	14%	
Waste Water			#DIV/0!	-	-	-	#DIV/0!	93,594	12,747	80,847	14%	-	-	-	#DIV/0!	93,594	12,747	80,847	14%	14%	
Interest	#DIV/0!	-	-	-	#DIV/0!	408,002	8,735	399,267	2%	-	-	-	#DIV/0!	408,002	8,735	399,267	2%	2%			
Property Rates Tax	Mun Supplied	Ward 33 - Chris Hani Park, Galeshewe EX6, Chris Hani, Chris Square, Square, Diamond Park	#DIV/0!	-	-	-	#DIV/0!	430,822	207,445	223,377	48%	-	-	-	#DIV/0!	430,822	207,445	223,377	48%	48%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	218,762	64,966	153,796	30%	-	-	-	#DIV/0!	218,762	64,966	153,796	30%	30%	
Water			#DIV/0!	-	-	-	#DIV/0!	424,839	170,415	254,423	40%	-	-	-	#DIV/0!	424,839	170,415	254,423	40%	40%	
Refuse			#DIV/0!	-	-	-	#DIV/0!	152,803	57,556	95,247	38%	-	-	-	#DIV/0!	152,803	57,556	95,247	38%	38%	
Waste Water			#DIV/0!	-	-	-	#DIV/0!	187,365	62,005	125,359	33%	-	-	-	#DIV/0!	187,365	62,005	125,359	33%	33%	
Interest	#DIV/0!	-	-	-	#DIV/0!	489,746	13,410	476,336	3%	-	-	-	#DIV/0!	489,746	13,410	476,336	3%	3%			
Property Rates Tax	Mun Supplied	Ward 30 - Platfontein Industrial, Jacksonville, Lencox Park	#DIV/0!	2,110,700	1,056,118	1,054,582	50%	129,212	87,087	42,125	67%	-	-	-	#DIV/0!	2,239,912	1,143,205	1,096,707	51%	51%	
Electricity			#DIV/0!	1,723,443	2,700,041	0	157%	80,426	76,184	4,242	95%	-	-	-	#DIV/0!	1,803,869	2,776,225	(972,355)	154%	154%	
Water			#DIV/0!	5,347,977	3,242,627	2,105,350	61%	20,744	19,737	1,007	95%	-	-	-	#DIV/0!	5,368,721	3,262,364	2,106,357	61%	61%	
Refuse			#DIV/0!	319,099	84,752	234,347	27%	3,437	451	2,986	13%	-	-	-	#DIV/0!	322,536	85,203	237,333	26%	26%	
Waste Water			#DIV/0!	321,148	88,418	232,730	28%	4,145	624	3,521	15%	-	-	-	#DIV/0!	325,293	89,041	236,252	27%	27%	
Interest	#DIV/0!	1,117,847	182,629	935,218	16%	44,146	724	43,423	2%	-	-	-	#DIV/0!	1,161,993	183,352	978,641	16%	16%			
Property Rates Tax	Mun Supplied	Mun Supplied	#DIV/0!	343	-	343	0%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	343	-	343	0%	0%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!	
Water			#DIV/0!	41	-	41	0%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	41	-	41	0%	0%	
Refuse			#DIV/0!	123	-	123	0%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	123	-	123	0%	0%	
Waste Water			#DIV/0!	172	-	172	0%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	172	-	172	0%	0%	
Interest	#DIV/0!	176	-	176	0%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	176	-	176	0%	0%			
Property Rates Tax	Mun Supplied	Mun Supplied	#DIV/0!	816	816	-	100%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	816	816	-	100%	100%	
Electricity			#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!	
Water			#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!	
Refuse			#DIV/0!	123	123	-	100%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	123	123	-	100%	100%	
Waste Water			#DIV/0!	172	72	100	42%	-	-	-	#DIV/0!	-	-	-	#DIV/0!	172	7				

### 16.4.2 Monthly - Restriction of Free Basic Services to Indigent Households

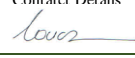
Due to time constraints this table could not be completed. The municipality will finalise this and include it in the reporting for the month of May 2024.

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

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

Prepared By: CC CROUCH Date: 2024/04/15


Contact Details: 053 830 6533

Signature: 

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Reviewed By: K NEL Date: 2024/04/15

Contact Details: 053 830 6068

Signature: 

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

As per the action plan drafted, the municipality established that there are five properties on the GV roll that does not have SG codes. An in-depth investigation will have to be done to effect a correction on the system. There are also a number of indigent accounts that are not reflecting on the GV, this will have to be thoroughly investigated to determine the root cause. The anomaly of R310,000 on Residential properties also require a more in-depth investigation. This will be targeted for 31 May 2024.

As alluded the municipality require assistance from NT on how to deal with properties that gets billed on an annual basis, as this will negatively influence the monthly billing reconciliation.

After some consultation with NT, the municipality also requires assistance on how to deal with Multi-use properties




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

The municipality need to include as part of the MFMA s.71 narrative statement in this part –

- i) Indicated in the table below is a breakdown of Eskom Bulk current account invoice for March 2024 due and payable during the month of reporting, on or before 3 May 2024.

Description - Billing month	Inv No	Inv Date	Due date	Charges excl VAT	VAT Raised	Total billed charges	Total Interest on Overdue a	Total invoice amount	Paid Amount 2023/24	Current balance outstanding
Mar-24	544019151426	2024/04/03	2024/05/03	54,759,103.76	8,213,865.56	62,972,969.32	3,338,143.23	66,311,112.55	62,972,969.32	3,338,143.23




**ESKOM HOLDINGS SOC LTD** REG NO 2002/019527/30  
VAT REG NO 4740101508

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

NORTH WESTERN REGION  
PRIVATE BAG X16 WESTVILLE 3630

**CONTACT CENTRE:** (0850) 037566  
**FAX NO:** 0862 437 566  
**E-MAIL:** customerservices@eskom.co.za  
**WEB:** WWW.ESKOM.CO.ZA



**TEL:** 08620 37586  
**SMS:**

**CUSTOMER SELF SERVICE WEBSITE:**  
https://sonline.eskom.co.za

NORTH WESTERN REGION  
PRIVATE BAG X16 WESTVILLE 3630

YOUR ACCOUNT NO	5449407898
SECURITY HELD	29474711.42
BILLING DATE	2024-04-03
TAX INVOICE NO	544019151426
ACCOUNT MONTH	MARCH 2024
CURRENT DUE DATE	2024-05-03
VAT REG NO	4370102313

**TAX INVOICE**

E-MAIL: fvanstaden@solplaatje.org.za

**ACCOUNT TRANSACTION SUMMARY**

ADMINISTRATION CHARGE	R 6,924.16
TRANSMISSION NETWORK CAPACITY	R 1,557,330.00
DIST. NETWORK CAPACITY CHARGE	R 1,137,790.00
NETWORK DEMAND CHARGE	R 1,468,341.61
URBAN LOW VOLTAGE SUBSIDY	R 2,786,100.00
ANCILLARY SERVICE (ALL)	R 250,731.29
ENERGY CHARGE (STD)	14,834,443.00 R 18,029,782.02
ENERGY CHARGE (PEAK)	5,672,335.00 R 10,018,478.08
ENERGY CHARGE (OFF)	18,067,265.00 R 13,928,054.59
ELECTRIFICATION AND RURAL SUBS (ALL)	R 5,361,792.12
SERVICE CHARGE	R 216,619.89
<b>TOTAL CHARGES FOR BILLING PERIOD</b>	<b>R 54,759,103.76</b>

**ACCOUNT SUMMARY FOR MARCH 2024**

BALANCE BROUGHT FORWARD	R 995,058,676.90
PAYMENT(S) RECEIVED	R -18,043,546.82
PAYMENT(S) RECEIVED	R -8,700,000.00
PAYMENT(S) RECEIVED	R -62,478,598.42
TOTAL CHARGES FOR BILLING PERIOD	R 54,759,103.76
ADJUSTMENT	R 3,338,143.23
VAT RAISED ON ITEMS AT 14%	R 0.00
VAT RAISED ON ITEMS AT 15%	R 8,213,865.56

**ARREARS**

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE R
777,730,306	65,734,883.37	64,371,341.34	0.00	66,311,112.55	974,147,644.21

Account OVERDUE - Subject to Disconnection

**TOTAL AMOUNT DUE**

**974,147,644.20**

**PAYMENT ARRANGEMENT**

INSTALMENT: 0.00

ARREARS (Due Immediately): 907,836,531.66

DUE DATE (Per Current Account): 2024-05-03

AMOUNT PAID: 0.00

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

**PAYMENT ARRANGEMENT**

INSTALMENT: 0.00

ARREARS (Due Immediately): 907,836,531.66

DUE DATE (Per Current Account): 2024-05-03

AMOUNT PAID: 0.00

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT


**ACCOUNT NO / REFERENCE NO**  
5449407898

**NAME**  
SOL PLAATJE LOCAL MUNICIPALITY


**FAX NUMBER**  
0538351005



**0934 5449407898**

**11341 5449407898**



**9207 2544 9407 8987**

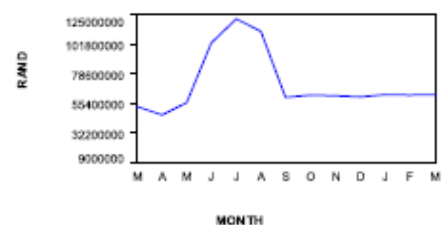


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The graph shows a peak in R/AND during the month of July, reaching approximately 125,000,000, and a low during the month of February, reaching approximately 90,000,000.

Indicated below is the April 2024 account, due and payable on or before 1 June 2024



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

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

NORTH WESTERN REGION  
PRIVATE BAG X16 WESTVILLE 3630

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



TEL: 08600 37566  
SMS:

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

NORTH WESTERN REGION  
PRIVATE BAG X16 WESTVILLE 3630

**DIRECT DEPOSIT DETAIL**  
BANK: First National Bank  
BRANCH CODE: 223626  
BANK ACC NO: 66070087318

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

**TAX INVOICE**

E-MAIL: [franstaaken@solplaatje.org.za](mailto:franstaaken@solplaatje.org.za)

**ACCOUNT TRANSACTION SUMMARY**

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

**TOTAL CHARGES FOR BILLING PERIOD** R **61,810,388.28**

**ACCOUNT SUMMARY FOR APRIL 2024**

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

**ACCOUNT NO / REFERENCE NO**

5449407898

**NAME**

SOL PLAATJE LOCAL MUNICIPALITY

**FAX NUMBER**

0538331005

**0934 5449407898**



**TOTAL AMOUNT DUE**

**972,610,627.95**

ARREARS				
>90 DAYS	81-90 DAYS	31-80 DAYS	18-30 DAYS	CURRENT
780,492,221	64,371,341.34	0.00	66,311,112.55	61,435,953.06
<b>TOTAL DUE R</b>				<b>972,610,627.95</b>

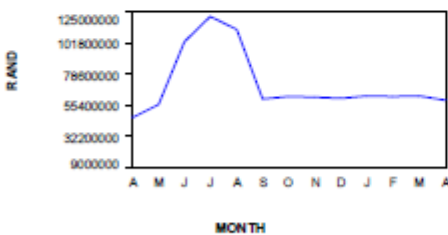
Account OVERDUE - Subject to Disconnection

**PAYMENT ARRANGEMENT**

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

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

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- ii) Indicated below is the municipality's proof of payment of the Eskom Bulk current account invoice for March 2024 which was paid on 26 April 2024.

SOL PLAATJE MUNICIPALITY		REMITTANCE ADVICE	
PRIVATE BAG X5030		-----	
KIMBERLEY 8300			
ESKOM HOLDINGS		26/04/2024	
PRIVATE BAG X16			
WESTVILLE			
3630			
		SUPPLIER No: SESK01	
CONTACT PERSON:		VOUCHER NO: DUNA008143	
TEL NO: 0829413707		FAX NO:	
E-MAIL ADDRESS:		CHEQUE/ELE NO: 77066287	

DATE	TYPE	REFERENCE	EXCL VAT	DISCOUNT	VAT	NETT
03/04/2024	SUN	544019151426/1	54759103.76		8213865.56	62972969.32

SUB TOTAL:	8213865.56	62972969.32
	8213865.56	62972969.32

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

COMPILED BY...: .....

CHECKED BY...: .....

AUTHORISED BY: .....

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

Indicated in the table below is a summary of the data strings for M10 – April 2024 pertaining to electricity

INDIVIDUAL PROJECTS	Account Name	Account Name	Account Name	M10	Total
P-DEFAULT TRANSACTIONS	Function:Energy Sources:Core Function:Electricity	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Electricity Bulk Purchase:Deposits	Fund:Operational:Revenue:General Revenue:Service Charges:Electricity	-70,581,723	-7,174,542
P-DEFAULT TRANSACTIONS	Function:Energy Sources:Core Function:Electricity	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Electricity Bulk Purchase:Withdrawals	Fund:Operational:Revenue:General Revenue:Service Charges:Electricity	58,207,357	
P-DEFAULT TRANSACTIONS	Function:Energy Sources:Core Function:Electricity	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Electricity Bulk Purchase:Withdrawals	Fund:Operational:Revenue:General Revenue:Operational Revenue	5,199,824	63,407,181
P-MUNICIPAL RUNNING COST	Function:Energy Sources:Core Function:Electricity	Expenditure:Bulk Purchases:Electricity:ESKOM	Fund:Operational:Revenue:General Revenue:Service Charges:Electricity	58,207,357	

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

High-level reconciliation - datastrings and Fin System	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual M10	Comment
<b>BULK PURCHASES: ELECTRICITY: ESKOM</b>	<b>225,932,921.50</b>	<b>167,725,564.51</b>	<b>58,207,356.99</b>	Actual tallies to datastrings M10
Sundry Accruals	171,063,707.74	54,759,103.76	116,304,603.98	
Sundry Accruals Reversals	-	112,966,460.75	(112,966,460.75)	
Sundry Payments	54,869,213.76	-	54,869,213.76	
<b>Grand Total</b>	<b>225,932,921.50</b>	<b>167,725,564.51</b>	<b>58,207,356.99</b>	

Detail reconciliation - datastrings and Fin System	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual M10	
<b>BULK PURCHASES: ELECTRICITY: ESKOM</b>	<b>225,932,921.50</b>	<b>167,725,564.51</b>	<b>58,207,356.99</b>	Actual tallies to datastrings M10
<b>Sundry Accruals</b>	<b>171,063,707.74</b>	<b>54,759,103.76</b>	<b>116,304,603.98</b>	
Sundry CATA011254	116,194,493.98	54,759,103.76	61,435,390.22	
Sundry CATA011255	110,110.00	-	110,110.00	Minor payment - erroneously allocated to bulk, must be journalised
Sundry DUNA008143	54,759,103.76	-	54,759,103.76	Bulk payment for March 2024 excl VAT
<b>Sundry Accruals Reversals</b>	<b>-</b>	<b>112,966,460.75</b>	<b>(112,966,460.75)</b>	
Cheque No : 77066122 Bank No : 901	-	110,110.00	(110,110.00)	Minor payment - erroneously allocated to bulk, must be journalised
Cheque No : 77066287 Bank No : 901	-	54,759,103.76	(54,759,103.76)	Bulk payment for March 2024 excl VAT
Sundry CATA011254	-	58,097,246.99	(58,097,246.99)	
<b>Sundry Payments</b>	<b>54,869,213.76</b>	<b>-</b>	<b>54,869,213.76</b>	
Cheque No : 77066122 Bank No : 901	110,110.00	-	110,110.00	Minor payment - erroneously allocated to bulk, must be journalised
Cheque No : 77066287 Bank No : 901	54,759,103.76	-	54,759,103.76	Bulk payment for March 2024 excl VAT
<b>Grand Total</b>	<b>225,932,921.50</b>	<b>167,725,564.51</b>	<b>58,207,356.99</b>	


			116,304,603.98	Sundry accruals
			(112,966,460.75)	Sundry accruals reversals
			<b>3,338,143.23</b>	Unpaid interest on overdue accounts
			116,194,493.98	Sundry accruals - Bulk only
			(112,856,350.75)	Sundry accruals reversals - Bulk only
			<b>3,338,143.23</b>	Unpaid interest on overdue accounts
			<b>58,207,356.99</b>	Actual for M10
			(3,338,143.23)	Less overstatement of Bulk, interest on overdue accounts
			(110,110.00)	Less minor payment
			<b>54,759,103.76</b>	Bulk billed charges excl VAT for March 2024

### Explanatory notes

- Ideally, when a payment is made in full the Sundry accrual and Sundry accrual reversal transactions on the system should be equal to each other, resulting in a net movement of zero rand on the affected vote number.
- Currently the system does not fully provide for partial payments. Hence the invoice is captured and authorised on the system. When a partial payment must be made, the original voucher must be unauthorised on the system, effectively reversing the transactions already committed on the system. After the reversal, a new payment is captured with the amount that must be paid. This then make it appear as if a duplicate payment was made but it is not the case. Subsequent to this, the original voucher is reduced with the said paid amount and then only the outstanding balance remains on the original voucher.

High-level reconciliation - datastrings and Fin system	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual	Comment
⊖ ELECTRICITY BULK PURCH ACC 01:WITHDRAWAL	63,407,180.67	-	63,407,180.67	Actual tallies to Electricity bulk purchases Withdrawals as per datastrings for M10
Sundry Payments	63,407,180.67	-	63,407,180.67	When payment is released, withdrawals vote will be debited with same amount as per deposits vote. Withdrawals will be more when old invoices or payment arrangements are paid
⊕ ELECTRICITY BULK PURCHASE ACC 01:DEPOSIT	129,718,293.22	200,300,016.19	(70,581,722.97)	Actual tallies to Electricity bulk purchases deposits as per datastrings for M10
Sundry Accruals	-	136,892,835.52	(136,892,835.52)	Ideally, when payment is done in full and within the same period Sundry accruals and reversal should be equal to each other, resulting in a net movement of zero rand
Sundry Accruals Reversals	129,718,293.22	-	129,718,293.22	When capturing the payment, deposits vote will be credited, thereby increasing the outstanding creditor amount
Sundry Payments	-	63,407,180.67	(63,407,180.67)	
Grand Total	193,125,473.89	200,300,016.19	(7,174,542.30)	Net increase in creditor for M10
Detailed reconciliation - datastrings and Fin system	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual	Comment
⊖ ELECTRICITY BULK PURCH ACC 01:WITHDRAWAL	63,407,180.67	-	63,407,180.67	Actual tallies to Electricity bulk purchases Withdrawals as per datastrings for M10
⊖ Sundry Payments	63,407,180.67	-	63,407,180.67	
Cheque No : 77065884 Bank No : 901	56,607.38	-	56,607.38	
Cheque No : 77065885 Bank No : 901	13,344.26	-	13,344.26	
Cheque No : 77065886 Bank No : 901	2,395.29	-	2,395.29	
Cheque No : 77065946 Bank No : 901	4,902.36	-	4,902.36	
Cheque No : 77065947 Bank No : 901	6,811.50	-	6,811.50	
Cheque No : 77065947 Bank No : 901	1,554.59	-	1,554.59	
Cheque No : 77066122 Bank No : 901	126,626.50	-	126,626.50	Minor ESKOM payments
Cheque No : 77066150 Bank No : 901	5,418.36	-	5,418.36	
Cheque No : 77066151 Bank No : 901	217.32	-	217.32	
Cheque No : 77066219 Bank No : 901	15,496.57	-	15,496.57	
Cheque No : 77066220 Bank No : 901	12,720.13	-	12,720.13	
Cheque No : 77066221 Bank No : 901	37,947.98	-	37,947.98	
Cheque No : 77066222 Bank No : 901	12,729.03	-	12,729.03	
Cheque No : 77066223 Bank No : 901	65,305.82	-	65,305.82	
Cheque No : 77066287 Bank No : 901	62,972,969.32	-	62,972,969.32	Bulk electricity Sundry payment for March 2024
Cheque No : 77066302 Bank No : 901	38,685.72	-	38,685.72	
Cheque No : 77066303 Bank No : 901	5,974.43	-	5,974.43	
Cheque No : 77066304 Bank No : 901	1,503.06	-	1,503.06	Minor ESKOM payments
Cheque No : 77066305 Bank No : 901	21,752.68	-	21,752.68	
Cheque No : 77066306 Bank No : 901	4,218.37	-	4,218.37	
⊕ ELECTRICITY BULK PURCHASE ACC 01:DEPOSIT	129,718,293.22	200,300,016.19	(70,581,722.97)	Actual tallies to Elec deposits as per datastrings for M10
⊕ Sundry Accruals	-	136,892,835.52	(136,892,835.52)	
Sundry CATA011217	-	56,607.38	(56,607.38)	
Sundry CATA011218	-	13,344.26	(13,344.26)	
Sundry CATA011219	-	2,395.29	(2,395.29)	
Sundry CATA011220	-	4,902.36	(4,902.36)	Minor ESKOM payments
Sundry CATA011225	-	6,811.50	(6,811.50)	
Sundry CATA011230	-	1,554.59	(1,554.59)	
Sundry CATA011254	-	69,649,255.78	(69,649,255.78)	
Sundry CATA011255	-	126,626.50	(126,626.50)	
Sundry CATA011274	-	5,418.36	(5,418.36)	
Sundry CATA011275	-	217.32	(217.32)	
Sundry CATA011300	-	15,496.57	(15,496.57)	
Sundry CATA011301	-	12,720.13	(12,720.13)	Minor ESKOM payments
Sundry CATA011302	-	37,947.98	(37,947.98)	
Sundry CATA011303	-	12,729.03	(12,729.03)	
Sundry CATA011304	-	65,305.82	(65,305.82)	
Sundry CATA011305	-	3,836,399.07	(3,836,399.07)	Minor ESKOM payments, Riverton Water Purification
Sundry CATA011336	-	38,685.72	(38,685.72)	
Sundry CATA011337	-	5,974.43	(5,974.43)	
Sundry CATA011341	-	1,503.06	(1,503.06)	Minor ESKOM payments
Sundry CATA011342	-	21,752.68	(21,752.68)	
Sundry CATA011343	-	4,218.37	(4,218.37)	
Sundry DUNA008143	-	62,972,969.32	(62,972,969.32)	
⊖ Sundry Accruals Reversals	129,718,293.22	-	129,718,293.22	
Cheque No : 77065883 Bank No : 901	56,607.38	-	56,607.38	
Cheque No : 77065884 Bank No : 901	13,344.26	-	13,344.26	
Cheque No : 77065885 Bank No : 901	2,395.29	-	2,395.29	
Cheque No : 77065886 Bank No : 901	4,902.36	-	4,902.36	
Cheque No : 77065946 Bank No : 901	6,811.50	-	6,811.50	
Cheque No : 77065947 Bank No : 901	1,554.59	-	1,554.59	
Cheque No : 77066122 Bank No : 901	126,626.50	-	126,626.50	Minor ESKOM payments
Cheque No : 77066150 Bank No : 901	5,418.36	-	5,418.36	
Cheque No : 77066151 Bank No : 901	217.32	-	217.32	
Cheque No : 77066219 Bank No : 901	15,496.57	-	15,496.57	
Cheque No : 77066220 Bank No : 901	12,720.13	-	12,720.13	
Cheque No : 77066221 Bank No : 901	37,947.98	-	37,947.98	
Cheque No : 77066222 Bank No : 901	12,729.03	-	12,729.03	
Cheque No : 77066223 Bank No : 901	65,305.82	-	65,305.82	
Cheque No : 77066287 Bank No : 901	62,972,969.32	-	62,972,969.32	
Cheque No : 77066302 Bank No : 901	38,685.72	-	38,685.72	
Cheque No : 77066303 Bank No : 901	5,974.43	-	5,974.43	
Cheque No : 77066304 Bank No : 901	1,503.06	-	1,503.06	Minor ESKOM payments
Cheque No : 77066305 Bank No : 901	21,752.68	-	21,752.68	
Cheque No : 77066306 Bank No : 901	4,218.37	-	4,218.37	
Sundry CATA011254	66,311,112.55	-	66,311,112.55	Total invoice amount for March 2024
⊖ Sundry Payments	-	63,407,180.67	(63,407,180.67)	Total sundry payment tallies to sundry payments as per withdrawal vote
Cheque No : 77065884 Bank No : 901	-	56,607.38	(56,607.38)	
Cheque No : 77065885 Bank No : 901	-	13,344.26	(13,344.26)	
Cheque No : 77065886 Bank No : 901	-	2,395.29	(2,395.29)	
Cheque No : 77065946 Bank No : 901	-	4,902.36	(4,902.36)	
Cheque No : 77065947 Bank No : 901	-	6,811.50	(6,811.50)	
Cheque No : 77065947 Bank No : 901	-	1,554.59	(1,554.59)	
Cheque No : 77066122 Bank No : 901	-	126,626.50	(126,626.50)	Minor ESKOM payments
Cheque No : 77066150 Bank No : 901	-	5,418.36	(5,418.36)	
Cheque No : 77066151 Bank No : 901	-	217.32	(217.32)	
Cheque No : 77066219 Bank No : 901	-	15,496.57	(15,496.57)	
Cheque No : 77066220 Bank No : 901	-	12,720.13	(12,720.13)	
Cheque No : 77066221 Bank No : 901	-	37,947.98	(37,947.98)	
Cheque No : 77066222 Bank No : 901	-	12,729.03	(12,729.03)	
Cheque No : 77066223 Bank No : 901	-	65,305.82	(65,305.82)	
Cheque No : 77066287 Bank No : 901	-	62,972,969.32	(62,972,969.32)	Bulk electricity Sundry payment for March 2024
Cheque No : 77066302 Bank No : 901	-	38,685.72	(38,685.72)	
Cheque No : 77066303 Bank No : 901	-	5,974.43	(5,974.43)	
Cheque No : 77066304 Bank No : 901	-	1,503.06	(1,503.06)	Minor ESKOM payments
Cheque No : 77066305 Bank No : 901	-	21,752.68	(21,752.68)	
Cheque No : 77066306 Bank No : 901	-	4,218.37	(4,218.37)	
Grand Total	193,125,473.89	200,300,016.19	(7,174,542.30)	
				(3,836,399.07) Invoice for Riverton Water Purification plant was captured in April and paid in May
				(3,338,143.23) Unpaid interest on overdue accounts for bulk electricity
				(7,174,542.30) Net increase in creditor with unpaid balances as at 30 April 2024
				(136,892,835.52) Sundry Accruals
				129,718,293.22 Sundry Accruals Reversals
				Net movement between Sundry accruals and reversal should ideally be zero rand, when payment is done in full and within the same period
				(7,174,542.30)
				(132,622,225.10) Sundry Accruals, bulk only
				129,284,081.87 Sundry Accruals Reversals, bulk only
				(3,338,143.23) Unpaid interest on overdue accounts
				434,211.35 Minor accounts - Sundry payments - Withdrawals
				(4,270,610.42) Minor accounts - Sundry accruals - Deposits, incl Riverton
				434,211.35 Minor accounts - Sundry accruals reversals - Deposits
				(434,211.35) Minor accounts - Sundry payments - Deposits
				(3,836,399.07) Unpaid Riverton account

- iv) Indicated below is the bulk water current account invoice(s) for March 2024 which was due and payable on or before 30 April 2024.

NWRI Customer Ref no: 60005150	<b>TAX INVOICE</b>		<b>water &amp; sanitation</b>
Customer No: 25014305	DWS VAT Reg. no 4040112361		Department: Water and Sanitation REPUBLIC OF SOUTH AFRICA
Contract Acc. No: 100478320			
Document No: 493855613			
Document Date: 31.03.2024			
Payment Terms: 30 Days			
Due Date: 30.04.2024			
Customer VAT Reg. No: 4370102313			
<p>Bill To: HEAD OF FINANCE SOL PLAATJIE MUN-KIMBERLEY PRIVATE BAG X5030 KIMBERLEY KIMBERLEY 8300</p>		<p>YOUR CONTACT OFFICE:  Department: Water and Sanitation Private Bag X313 Pretoria 0001  R535 Waterbron Building 185 Francis Baard Street Pretoria PHONE 0800 200 200 FAX 012 336 1408 EMAIL:revenue@dws.gov.za</p>	

Water Use Description	Tariff Category	Quantity m3/HA Registered/Consumed	Unit Price(c/m3/HA)	Amount(Rand)
Property Details: Property Name: DROOGFONTEIN Property Number: 6866 Registration Division: KIMBERLEY RD ; Portion Number: 1 Title Deed: T16761/1921 Water Use Details: WMA: VAAL; Legal Sector Code: 21A Tk water fr a water resource; Water Use Sector: D&I WATER SUPPLY SERVICE Water Source Type: SCHEME;				
<b>Contract No: 10087405 ( 25014305/13 )</b>				
Water Use Period: 01.03.2024 to 31.03.2024				
	Consumptive (O&M)	912,442.00	40.46	369,174.03
	Consumptive (ROA)	912,442.00	30.87	281,670.85
	Consumptive (Depr)	912,442.00	18.17	165,790.71
	TCTA (AMD)	912,442.00	8.60	78,470.01
	TCTA (LHWP)	912,442.00	390.20	3,560,348.68
	Plus 15.00% VAT			668,318.14
	<b>Subtotal</b>			<b>5,123,772.42</b>
	WRL	912,442.00	7.73	70,531.77
	<b>Total Charges</b>			<b>5,194,304.19</b>

- v) Indicated below is the municipality's proof of payment of Water Bulk current account invoice during the month of reporting and which was settled on 29 April 2024.

SOL PLAATJE MUNICIPALITY		REMITTANCE ADVICE	
PRIVATE BAG X5030		-----	
KIMBERLEY 8300			
DEPARTMENT OF WATER AND SANITATION		29/04/2024	
PRIVATE BAG X313			
PRETORIA			
0001		SUPPLIER No: SWAT01	
CONTACT PERSON:		VOUCHER NO: DUNA008150	
TEL NO:	FAX NO:		
E-MAIL ADDRESS: info@dws.gov.za		CHEQUE/ELE NO: 77066292	

DATE	TYPE	REFERENCE	EXCL VAT	DISCOUNT	VAT	NETT
31/03/2024	SUN	493855613	4455454.28		668318.14	5123772.42
31/03/2024	SUN	493855613	70531.77		0.00	70531.77

SUB TOTAL:		668318.14	5194304.19
		668318.14	5194304.19

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

COMPILED BY.: .....

CHECKED BY...: .....

AUTHORISED BY: .....

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

INDIVIDUAL PROJECTS	Account Name	Account Name	Account Name	M10	Total
P-DEFAULT TRANSACTIONS	Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Bulk Water:Deposits	Fund:Operational:Revenue:General Revenue:Taxes:Property Rates:Levies	-41,240,310	-14,742,655
P-DEFAULT TRANSACTIONS	Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Bulk Water:Withdrawals	Fund:Operational:Revenue:General Revenue:Service Charges:Water	-3,338,625	
P-DEFAULT TRANSACTIONS	Function:Executive and Council:Core Function:Municipal Manager, Town Secretary and Chief Executive	Liabilities:Current Liabilities:Trade and Other Payable Exchange Transactions:Bulk Water:Withdrawals	Fund:Operational:Revenue:General Revenue:Operational Revenue	29,836,280	26,497,655
P-DEFAULT TRANSACTIONS	Function:Water Management:Core Function:Water Distribution	Assets:Current Assets:Inventory:Water:System Input Volume:Bulk Purchases	Fund:Operational:Revenue:General Revenue:Service Charges:Water	35,379,427	

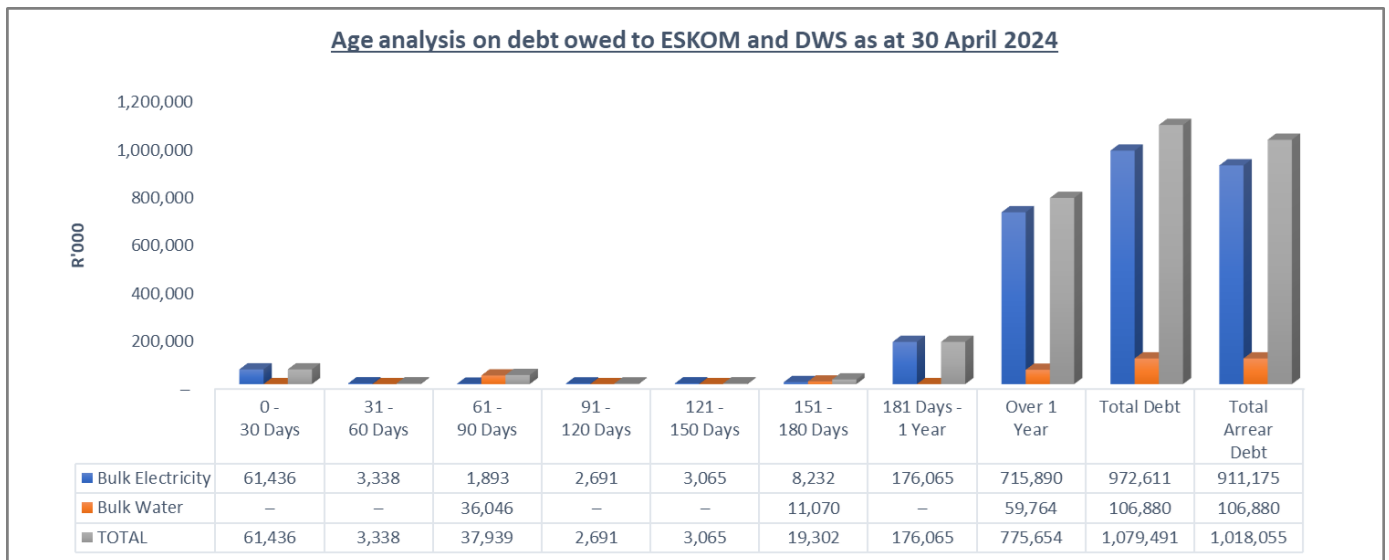
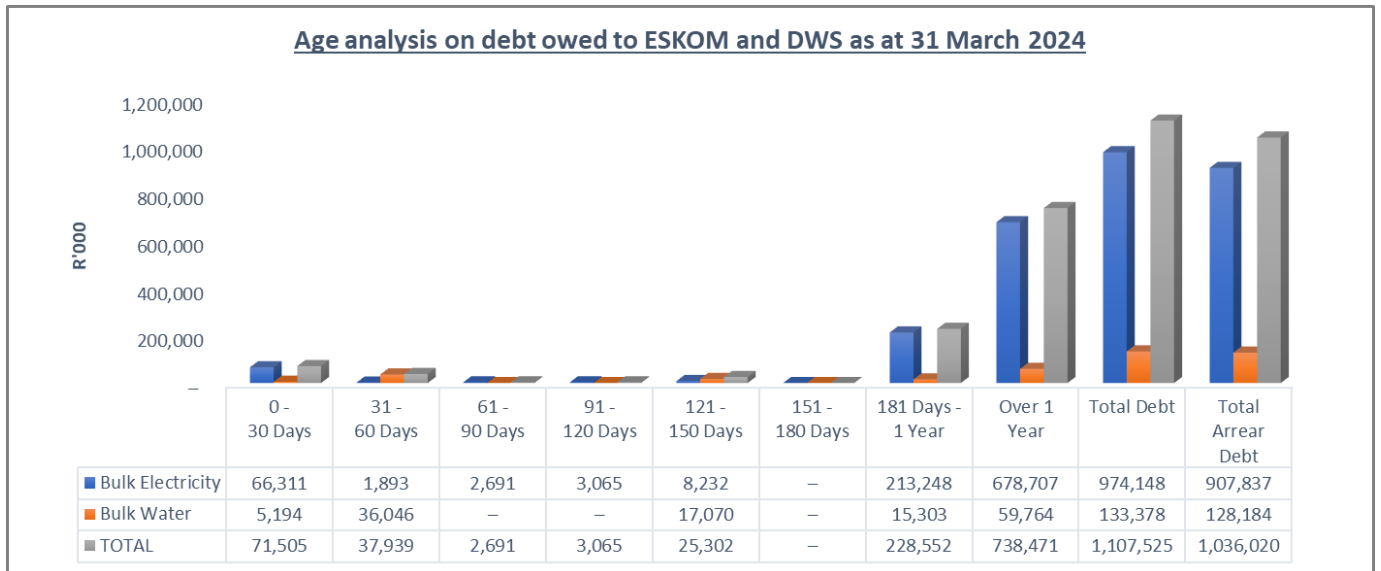
### Reconciliation of Bulk purchases water input volumes

High-level recon - datastrings and fin system	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual M10	Comment
<b>WATER:INPUT VOL: BULK PURCHASES</b>	<b>78,043,317.39</b>	<b>42,663,890.05</b>	<b>35,379,427.34</b>	Actual for Bulk purchases water input volumes tallies to datastrings M10
Sundry Accruals	55,238,669.93	5,217,391.30	50,021,278.63	
Sundry Accruals Reversals	-	37,446,498.75	(37,446,498.75)	
Sundry Payments	22,804,647.46	-	22,804,647.46	
<b>Grand Total</b>	<b>78,043,317.39</b>	<b>42,663,890.05</b>	<b>35,379,427.34</b>	
Detail recon - datastrings and fin system	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual M10	Comment
<b>WATER:INPUT VOL: BULK PURCHASES</b>	<b>78,043,317.39</b>	<b>42,663,890.05</b>	<b>35,379,427.34</b>	
<b>Sundry Accruals</b>	<b>55,238,669.93</b>	<b>5,217,391.30</b>	<b>50,021,278.63</b>	
Sundry CATA010842	14,641,851.29	5,217,391.30	9,424,459.99	Balance of Nov 2023 invoice
Sundry CATA011253	5,217,391.30	-	5,217,391.30	Partial payment of R6m for November 2023 invoice
Sundry CATA011267	5,235.34	-	5,235.34	
Sundry CATA011268	30,918,737.72	-	30,918,737.72	Unpaid Feb 2024 invoice, captured in April 2024
Sundry DUNA008150	4,455,454.28	-	4,455,454.28	Mar 2024 invoice
<b>Sundry Accruals Reversals</b>	<b>-</b>	<b>37,446,498.75</b>	<b>(37,446,498.75)</b>	
Cheque No : 77066009 Bank No : 901	-	13,126,566.54	(13,126,566.54)	
Cheque No : 77066010 Bank No : 901	-	5,217,391.30	(5,217,391.30)	
Cheque No : 77066125 Bank No : 901	-	5,235.34	(5,235.34)	
Cheque No : 77066292 Bank No : 901	-	4,455,454.28	(4,455,454.28)	
Sundry CATA010842	-	14,641,851.29	(14,641,851.29)	
<b>Sundry Payments</b>	<b>22,804,647.46</b>	<b>-</b>	<b>22,804,647.46</b>	
Cheque No : 77066010 Bank No : 901	13,126,566.54	-	13,126,566.54	Payment of July 2023 invoice, paid in April 2024
Cheque No : 77066010 Bank No : 901	5,217,391.30	-	5,217,391.30	Partial payment of R6m for November 2023 invoice
Cheque No : 77066125 Bank No : 901	5,235.34	-	5,235.34	Payment to Oranje Riet Water Association
Cheque No : 77066292 Bank No : 901	4,455,454.28	-	4,455,454.28	Payment of March 2024 invoice
<b>Grand Total</b>	<b>78,043,317.39</b>	<b>42,663,890.05</b>	<b>35,379,427.34</b>	
			<b>Summarised recon</b>	
			30,918,737.72	Unpaid Feb 2024 invoice, captured in April 2024
			4,455,454.28	Payment of March 2024 invoice
			5,235.34	Payment to Oranje Riet Water Association
			<b>35,379,427.34</b>	



Detail reconciliation - datastrings and fin system	Sum of Debit Amt	Sum of Credit Amt	Sum of Actual M10	Comment
<b>WATER BULK PURCHASE:DEPOSITS</b>	<b>43,567,570.74</b>	<b>84,807,880.29</b>	<b>(41,240,309.55)</b>	Actual tallies to Water bulk purchases Deposits as per datastrings for M10
Sundry Accruals	-	58,310,225.36	(58,310,225.36)	
Sundry Accruals Reversals	43,567,570.74	-	43,567,570.74	
Sundry Payments	-	26,497,654.93	(26,497,654.93)	
<b>WATER BULK PURCHASE:WITHDRAWALS</b>	<b>26,497,654.93</b>	<b>-</b>	<b>26,497,654.93</b>	
Sundry Payments	26,497,654.93	-	26,497,654.93	
<b>Grand Total</b>	<b>70,065,225.67</b>	<b>84,807,880.29</b>	<b>(14,742,654.62)</b>	
<b>Detail reconciliation - datastrings and fin system</b>	<b>Sum of Debit Amt</b>	<b>Sum of Credit Amt</b>	<b>Sum of Actual M10</b>	<b>Comment</b>
<b>WATER BULK PURCHASE:DEPOSITS</b>	<b>43,567,570.74</b>	<b>84,807,880.29</b>	<b>(41,240,309.55)</b>	Actual tallies to Water bulk purchases Deposits as per datastrings for M10
<b>Sundry Accruals</b>	<b>-</b>	<b>58,310,225.36</b>	<b>(58,310,225.36)</b>	
AATHCATA010842	-	11,069,915.81	(11,069,915.81)	Balance of Nov 2023 invoice
AATHCATA011253	-	6,000,000.00	(6,000,000.00)	
AATHCATA011268	-	36,046,005.36	(36,046,005.36)	Unpaid Feb 2024 invoice
AATHDUNA008150	-	5,194,304.19	(5,194,304.19)	
<b>Sundry Accruals Reversals</b>	<b>43,567,570.74</b>	<b>-</b>	<b>43,567,570.74</b>	
BUTHCATA010842	17,069,915.81	-	17,069,915.81	Full invoice amount - Jul 2023
CAT90177066009	15,303,350.74	-	15,303,350.74	
CAT90177066010	6,000,000.00	-	6,000,000.00	
DUN90177066292	5,194,304.19	-	5,194,304.19	
<b>Sundry Payments</b>	<b>-</b>	<b>26,497,654.93</b>	<b>(26,497,654.93)</b>	
CAT90177066009	-	15,303,350.74	(15,303,350.74)	
CAT90177066010	-	6,000,000.00	(6,000,000.00)	
DUN90177066292	-	5,194,304.19	(5,194,304.19)	
<b>WATER BULK PURCHASE:WITHDRAWALS</b>	<b>26,497,654.93</b>	<b>-</b>	<b>26,497,654.93</b>	Actual tallies to Water bulk purchases Withdrawals as per datastrings for M10
<b>Sundry Payments</b>	<b>26,497,654.93</b>	<b>-</b>	<b>26,497,654.93</b>	
CAT90177066009	15,303,350.74	-	15,303,350.74	Sundry payment - Jul 2023 invoice
CAT90177066010	6,000,000.00	-	6,000,000.00	Partial payment of Nov 2023 invoice
DUN90177066292	5,194,304.19	-	5,194,304.19	Sundry payment - Mar 2024 current invoice
<b>Grand Total</b>	<b>70,065,225.67</b>	<b>84,807,880.29</b>	<b>(14,742,654.62)</b>	
			<b>Summarised recon</b>	
			<b>(58,310,225.36)</b>	Sundry accruals
			<b>43,567,570.74</b>	Sundry accruals reversals
			<b>(14,742,654.62)</b>	Net increase in creditor
			17,069,915.81	Sundry accrual reversal - Total invoice amount for Nov 2023
			(11,069,915.81)	Sundry accrual - Balance of Nov 2023 invoice after R6m payment
			15,303,350.74	Sundry payment - Jul 2023 invoice
			(36,046,005.36)	Sundry accrual - unpaid Feb 2024 invoice
			<b>(14,742,654.62)</b>	Net increase in creditor
			15,303,350.74	Sundry payment - Jul 2023 invoice
			6,000,000.00	Partial payment of Nov 2023 invoice
			<b>21,303,350.74</b>	Total paid for prior period invoices
			(36,046,005.36)	Feb 2024 invoice
			21,303,350.74	Total paid for prior period invoices
			<b>(14,742,654.62)</b>	Net increase in creditor

vii) Total outstanding debt owed to Eskom and DWS



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

## 16.7 Municipal Debt Relief Monitoring Plan – Progress report

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

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - April 2024 Comments
<p><b>6.3 Maintaining the Eskom and Water bulk current account – (current account for the purpose of this exercise means the account for a single month's consumption)</b></p>	<p><b>6.3.1</b> The municipality must monthly pay and maintain its <b>Eskom bulk current account</b> and <b>bulk water current account</b> - Department of Water and Sanitation (DWS), within 30 days of receiving the relevant invoice</p>	<p>Monthly, within 30 days of receiving invoice on or before due date as per the monthly invoice</p>	<p>Proof of payment (which includes, remittance advice, invoice and extract of corresponding bank statement)</p>	<p><b>Compliant - ESKOM</b> The municipality settled R62,973m excl interest of R3,338m on 26 April 2024 on the current ESKOM account for March 2024 amounting to R66,311m. <b>Compliant - DWS</b> The municipality settled R5,194m on 29 April 2024 on the current DWS water account for March 2024 amounting to R5,194m.</p>
	<p><b>6.3.1 (a)</b> At a minimum, pay the monthly debt instalment on 5th of each month as per signed debt agreement with DWS. <b>(b)</b> Pay the monthly debt instalment of R6,700m to Eskom on 15th of each month</p>	<p>Monthly, 5th of each month</p>		<p><b>Non-compliant</b> The municipality had insufficient cash available from operations to settle the debt repayment instalment to DWS of R6m on or before 5th of May 2024. The municipality had insufficient cash available to settle R6.7m due to ESKOM as part on the proposed debt agreement, due on 15 April 2024.</p>
	<p><b>6.3.2</b> Submit the supporting evidence of the bulk Eskom current account payment to the National Treasury, Eskom and DWS, within 1 day of making any such payment</p>	<p>Within 1 day after making payment</p>	<p>Proof of payment and proof of email submission</p>	<p><b>Compliant</b> Email was sent within one day of payment to ESKOM and DWS.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - April 2024 Comments
	6.3.3 Submit the proof of payment to the National Treasury in PDF format via the GoMuni Upload Portal to substantiate that payment was made.	Monthly, within 10 working days after month end	GoMuni Status of Schedule of Revenue Documents Submissions Report	<b>Compliant</b> Proof of Payments made in April 2024 for was uploaded onto GoMuni on 14 May 2024. Due date is 15 May 2024.
	6.3.4 - The amount as per the proof of payment must reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom and DWS	Monthly, within 10 working days after month end	Monthly financial data strings	<b>Partially compliant</b> Invoices are captured on the system, however minor accounts for Eskom and DWS are posted to the same bulk control votes. Erroneous transactions will be journalised. Disclosure issue - the capturing of the current invoice on the system is problematic because it is only received in the new month and captured after month-end closure, resulting in a misalignment between the YTD actual and outstanding creditor amount.
6.6 Electricity and Water Collection (Demonstration through by-laws and budget related policies)	6.6.1 Issue monthly billing and allocate payment received from customers in the following priority order: (1) Property Rates (2) Water (3) Waste Water (4) Refuse Removal and (5) Electricity	Monthly	Monthly billing reconciliation / Financial system generated hierachy allocation report	<b>Compliant</b> Priority of order of allocations was correct on the system. This is a once-off correction that the system will apply when payments are made.

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - April 2024 Comments
	<p><b>6.6.2</b> The municipality is disconnecting electricity services and/or blocking the purchasing of pre-paid electricity of any defaulting consumer/property owner</p>	Monthly	Number of disconnected / blocked meters	Prepaid disconnections = 888 Conventional disconnections = 271 Total 1,159
	<p><b>6.6.3</b> The municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner</p>	Monthly	Number of restricted / interrupted supply	<b>Non-compliant.</b> We are currently working with Supply Chain to see if water meters cannot be procured through the Transversal Contract.
	<p><b>6.6.4</b> If the defaulting consumer/ property owner is registered as an indigent consumer with the municipality, the monthly supply of electricity and water to that consumer/property owner must be physically restricted to the monthly national basic free electricity and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively.</p>	Monthly	No of indigent consumers	<b>Non-compliant</b> Due to the financial constraints currently faced by many of our Indigent Customers (inability to afford services) we have not implemented the limitation of services in this manner.
<p><b>6.7 Maintain a minimum average quarterly collection of property rates and services charges</b></p>	<p><b>6.7.1</b> The municipality must strictly enforce its credit control and debt management related policies and achieve a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter. Although the norm and standard for collection rate according to MFMA Circular No. 71 indicates a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm</p>	Monthly (Internal) and Quarterly (Debt Relief)	Collect R10,000 million daily over 22-day period, to achieve an average quarterly collection of 80% (Monthly S71 Revenue Collection Ward Template)	<b>Non-Compliant</b> Monthly S71 Revenue Collection rate per Ward = 75% (all billed items) For Property rates and Services only = 66% (This will be investigated) <b>Not achieved</b> Average daily cash collection for April 2024, was R7,630m <b>Compliant</b> Municipal Average collection rate (Property rates and Service charges) = 84.8%

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - April 2024 Comments
6.8 Completeness of the revenue base	6.8.1 The municipality must demonstrate by completing the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer and demonstrate the steps taken to correct the variances identified; and	Quarterly	GVR Reconciliation & GoMuni Status of Schedule of Revenue Documents Submissions Report	<b>Compliant</b> GVR reconciliation completed Monday, 15 April 2024
	6.8.2 The municipality must submit its completed billing system, GVR and/ or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury			<b>Compliant</b> GVR reconciliation submitted Monday, 15 April 2024
6.9 Monitor and report on implementation	6.9.1 MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Monthly, within 10 working days after month end	Progress report to be included in Monthly S71 Report	<b>Compliant</b> Report included in the monthly S71 report for April 2024
	6.9.2 If progress is slow in terms of paragraph 6.9.1, is the <b>active intervention evident</b> from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?			
	6.9.3 Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, it must monthly report its progress in implementing its FRP to the Provincial Executive			
6.10 Provincial Treasury's Certification of municipal compliance	6.10 Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA to be performed by the relevant PT			

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - April 2024 Comments
	Executive Management Team (EMT) to review the National Treasury: Local Government Budget Analysis (NT: LGBA) compliance certification for the prior month and take immediate remedial action	Monthly, within 1 days after issue	NT: LGBA Compliance Certification	The municipality received the compliance certificates for March 2024. Management must take remedial actions as per the recommendations made by National Treasury
6.12 The municipality for the duration of the Municipal Debt Relief (to ensure proper management of resources)	6.12.1 Open a separate investment account to serve as a sub-account	Once-off	Investment account confirmation	<p><b>Compliant</b> A call deposit account to serve as a sub-account was opened on 13 November 2023 with our primary banker. Sub-account account no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No.124</p>
	6.12.1 must apportion and ring-fence in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation	Funds to be invested weekly and withdrawn monthly	Investment account and primary bank statement	<p><b>Finalised</b> Daily process developed to identify amounts received per service. EQS portion to be considered on a monthly basis, once subsidies have been allocated on the system.</p> <p><b>Partially compliant</b> The ESKOM and DWS current accounts were paid directly from the Primary bank account. Investment account statement no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - April 2024 Comments
	<p><b>6.12.2</b> must monthly first apply the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it may apply the revenue in the sub-account for any other purpose.</p>	Monthly	Investment account and bank statement and proof of payment aligned to actual receipts	<p><b>Partially compliant</b> The ESKOM and DWS accounts were paid directly from the Primary bank account. Municipality has a backlog in terms of built-up reserves. Salaries and third party salary payments including commitments to other creditors make this requirement difficult to reach.</p>
	<p>The municipality monthly submit a copy of the bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue</p>	Monthly, within 10 working days after month end	Bank statement and proof of payment aligned to actual receipts	<p><b>Partially compliant</b> Investment account statement no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124. Primary bank account statement is uploaded on GoMuni. Revenue received to be aligned to actual payments. Payments made directly from Primary bank account.</p>



## 17. Recommendations

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

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

18. Municipal Manager's quality certification

**Quality Certificate**

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

the Monthly Budget Statement

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

Mid-year Budget and Performance Assessment

For the month of **April 2024** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr. BS Matlala

Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature: \_\_\_\_\_



Date: 20/05/2024



## **national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**

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**FROM: Mr Mandla Gilimani, Tel: 012 315 5807, Email: [mandla.gilimani@treasury.gov.za](mailto:mandla.gilimani@treasury.gov.za)**

Mr Bartholomew Matlala  
Municipal Manager  
Sol Plaatje Local Municipality  
Private Bag X 5030  
**KIMBERLEY**  
8300

Email: [BMatlala@solplaatje.org.za](mailto:BMatlala@solplaatje.org.za)

Dear Mr Matlala

### **SOL PLAATJE – MONTHLY DEBT RELIEF NON-COMPLIANCE REPORT – MARCH 2024**

The Municipal Debt Relief Compliance Certificate, introduced in October 2023 for Sol Plaatje Municipality, plays a crucial role in the city's financial governance structure. It outlines essential requirements and commitments necessary to promote a financially stable future. This certificate represents the municipality's dedication to sound debt management practices and serves as a comprehensive framework for evaluating its financial performance through a stringent assessment process. It's important to recognize that while the municipality strives to meet all specified conditions, there are instances where it does not achieve full compliance.

In reviewing the municipality's adherence to these conditions using the designated monitoring tool, it's evident that significant progress has been made, though some areas still require improvement. The municipality's inability to fulfil every condition does not undermine its ongoing efforts to address these shortcomings and strengthen its financial health. The unwavering commitment to the requirements of the certificate underscores the municipality's resolve to uphold strong financial governance. By adhering to these principles and addressing areas of non-compliance, Sol Plaatje Municipality is establishing a robust foundation for sustainable development and effective resource management, which will contribute to a thriving future for its citizens and enhance the overall well-being of the community.

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

- Condition 01: Bulk water current account;
- Condition 02: Supporting documents not submitted;
- Condition 03: Reconciliation with MSCOA not possible;
- Condition 17: Restricting the water supply;
- Condition 18: Restricting indigent for water and electricity;
- Condition 19: Collection rate quarterly target;
- Condition 21: Physical restriction of water in Eskom supplied areas;



Condition 22: Service level agreement in Eskom supplied areas; and  
Condition 23: No installation of smart prepaid meters.

### **Condition 01**

In February 2024, the municipality faced a complex issue with its water account billing, resulting in an outstanding balance of R36.046 million. The billing error, identified in the account details, led to a disagreement on the payment, complicating the financial management at a crucial time of fiscal closing. Despite this, there was an agreement in place that assured the municipality would settle the pending account. It was also arranged that the Department of Water and Sanitation would adjust and correct the discrepancies in the upcoming March bill. However, the municipality encountered a cash flow problem, lacking sufficient funds to clear the full amount by the month-end. This financial shortfall underscored the broader challenges of managing municipal finances, especially when unexpected billing inaccuracies arise.

The situation was further strained when the City Engineer for Water and Sanitation, tasked with overseeing such expenditures, refused to sign off on the payment voucher. His refusal stemmed from the unresolved billing errors, which he insisted needed correction before any fund disbursement. This action halted the processing of the payment, leading to a temporary impasse. After thorough discussions and clarifications regarding the billing issues and the corrective measures promised for the next billing cycle, the matter was eventually resolved with the City Engineer. This resolution allowed for the processing of the voucher and highlighted the importance of clear communication and robust oversight in municipal financial dealings, particularly in handling public utilities and services. This incident illustrates the intricate balance between financial management and operational integrity within municipal operations.

### **Condition 02**

In the situation concerning the municipal water account for February 2024, the transaction remained uncompleted due to several procedural and administrative hurdles. Initially, the non-payment arose from a billing error amounting to R36.046 million, which led to an agreement that the municipality would settle the bill once corrections were applied to the next month's billing. However, no payment was processed by the end of the month. This was primarily because the municipality found itself in a challenging financial position, lacking the necessary liquidity to fulfil such a substantial payment. This financial strain reflects a common issue in municipal management, where cash flow problems can impede timely settlement of accounts, especially when large, unexpected expenditures or billing errors occur.

Compounding the issue, no supporting documents were received to facilitate the payment process. Typically, payment vouchers and other related documentation are essential for processing any payments within municipal systems. The absence of these documents can stall the entire payment process, as was the case when the City Engineer for Water and Sanitation refused to authorize the payment due to the unresolved billing discrepancies. This refusal was procedural, ensuring that no municipal funds were disbursed under questionable circumstances. The lack of documentation and unresolved financial discrepancies underscored the need for a more robust system of checks and balances within the municipality to manage funds effectively and prevent similar situations. This incident serves as a critical lesson in the importance of timely and accurate financial documentation and the adherence to procedural norms to maintain financial integrity and accountability within municipal operations.



### **Condition 03**

In the complex scenario surrounding the municipality's unresolved water bill for February 2024, a significant issue was the absence of proof of payment, which further complicated the financial oversight. Proof of payment is a critical component in the financial management system of municipalities, serving as a key piece of evidence that transactions have been executed as per the stipulated agreements. This documentation is not only a record of transaction completion but also a necessary tool for reconciliation processes, ensuring that all payments are accurately recorded against the right budgetary allocations. The lack of such proof in this case meant that the finance department was unable to verify that funds had been properly disbursed or to reconcile the municipality's books accordingly. This gap in documentation created a risk of financial discrepancies going undetected and made it challenging to ascertain the current financial position of the municipality regarding its liabilities.

Moreover, the absence of proof of payment posed difficulties in comparing the transaction with the Municipal Standard Chart of Accounts (MSCOA) data strings. MSCOA is a standardized classification framework designed to improve the quality of municipal financial management in South Africa by ensuring uniformity in the recording and reporting of municipal financial transactions. This framework facilitates comprehensive monitoring, reporting, and oversight across all municipalities. Without proof of payment, the financial team was unable to align the transaction details with the relevant MSCOA codes, which are essential for ensuring that expenditures are categorized correctly for budgeting, reporting, and auditing purposes. This alignment is crucial not only for internal financial control but also for meeting statutory reporting requirements and providing transparency and accountability in municipal financial operations. The failure to integrate transaction data with MSCOA data strings can lead to misreporting, misallocation of funds, and ultimately, a diminished ability to make informed financial decisions and maintain regulatory compliance.

### **Condition 17**

The municipality's policy to restrict water supply for non-compliant payers faces a significant challenge due to a current lack of water meters in stock. This shortage stems from a delay in the adjudication of a transversal tender, which is necessary to procure these essential devices. Without sufficient meters, the municipality cannot effectively implement its restriction policy, as the technology that facilitates selective control of water services is unavailable. This situation not only impedes the enforcement of payment compliance but also hampers the municipality's ability to manage water resources efficiently.

In the interim, as the municipality awaits the resolution of the tender process, it finds itself in a precarious position of maintaining financial stability while ensuring continued access to water for all residents. Effective management during this period is crucial. Enhanced communication strategies can play a vital role; informing residents about the delay and the ongoing efforts to resolve it can help maintain public trust and encourage compliance. Furthermore, the municipality could employ alternative measures such as issuing more frequent billing reminders, offering payment plans, or negotiating temporary extensions for those in arrears, which may incentivize timely payments and mitigate the financial shortfall.

Once the tender is successfully adjudicated and the supply of water meters is restored, the municipality must prioritize a swift and efficient rollout. This will not only enable the enforcement of the existing policy on water restriction for defaulters but also improve the accuracy of water usage monitoring, leading to better resource management. The introduction of new meters will facilitate



precise billing based on actual consumption, potentially reducing disputes over charges and enhancing revenue collection. Quick action in this regard will be essential to restoring the municipality's capability to manage its water resources effectively and uphold its fiscal responsibilities.

### **Condition 18**

In municipalities across South Africa, including the one in question, there are specific policies in place concerning the provision of basic utilities to registered indigents—residents who have been officially recognized as unable to afford essential services due to their financial status. According to national norms and guidelines, registered indigent consumers receive a certain allocation of water and electricity each month at no cost or at a heavily subsidized rate. This provision is designed to ensure that all citizens, regardless of their economic condition, have access to a minimum level of basic services essential for their well-being. Once this allocated quota of utilities is consumed, the services are typically restricted to prevent overuse and to manage municipal resources effectively.

However, the municipality does not apply further restrictions on water and electricity once the allocated quota for registered indigents is exhausted. This policy reflects a commitment to uphold the dignity and basic living standards of the most vulnerable members of the community. It's intended to prevent complete cutoffs that would leave indigent households without access to water or electricity, which are essential for health, hygiene, and safety. By ensuring that these basic services are not fully restricted, the municipality aids in safeguarding public health and social stability among its economically disadvantaged populations.

This approach, however, does require careful management and monitoring to balance the needs of indigent residents with the overall financial sustainability of the utility services. It's crucial for the municipality to have robust systems in place for accurately tracking utility usage and ensuring that subsidies are distributed fairly and efficiently. Additionally, the municipality must continually assess and adjust its support programs to reflect changes in the community's needs and economic conditions. By maintaining a delicate balance between support for indigent residents and responsible financial stewardship, the municipality can ensure that it continues to provide essential services effectively while managing its resources wisely.

### **Condition 19**

The municipality's failure to achieve the norm of 80% collection efficiency for property rates and services indicates significant challenges in its revenue collection processes. This norm is a critical benchmark set to ensure that municipalities have sufficient funds to maintain and enhance public services and infrastructure. Achieving less than this standard can have serious repercussions for the municipality's financial health, potentially leading to a shortfall in funding for essential services like water, electricity, road maintenance, and public safety. Such deficits can exacerbate existing issues, including delayed service delivery and inadequate maintenance of public infrastructure, which in turn can affect the overall quality of life for residents.

Several factors might contribute to the municipality's underperformance in reaching the 80% collection target. These could include inefficiencies in the billing system, a high rate of non-compliance among taxpayers, or economic factors that affect residents' ability to pay. It's also possible that there are shortcomings in the mechanisms for enforcing payment of due rates and services. Addressing these challenges requires a comprehensive review and enhancement of the municipality's collection strategies. This might involve updating billing systems, improving data



accuracy, enhancing communication with residents about their obligations, and possibly reconsidering the penalties for late or non-payment to ensure they are effective yet fair. By strengthening these areas, the municipality can work towards achieving better financial stability and ensuring continuous and improved service delivery to its constituents.

### Condition 21

In certain areas supplied by Eskom, the municipality faces technical engineering challenges that prevent the physical restriction or limitation of water supply. This situation is compounded by the lack of water meter stock, which is a critical component needed to control and monitor water usage effectively. The absence of these meters stems from delays in the adjudication of a transversal tender, which is intended to replenish the municipality's inventory of water meters. Without these devices, the municipality cannot implement metered water control, which is essential for managing consumption and enforcing payment compliance. This inability to restrict water flow not only hinders the municipality's capacity to enforce its policies regarding water usage and payment but also impacts its ability to manage water resources sustainably.

As the municipality awaits the resolution of the transversal tender, it must navigate the interim period without the ability to enforce water usage limits in the Eskom supplied areas effectively. This scenario poses significant challenges in terms of revenue collection and resource management, particularly in areas experiencing high levels of non-compliance with water payment. In response, the municipality may need to explore alternative strategies for encouraging responsible water usage and compliance with payment obligations. These could include public awareness campaigns about the importance of water conservation, introducing incentives for reduced consumption, or negotiating payment plans with residents to recover revenues in a manner that maintains community goodwill and cooperation. Such measures will be crucial until the municipality can implement a more robust and technically feasible solution once the tender is adjudicated and the necessary equipment is procured.

### Condition 22

Before the 1st of February 2024, the municipality had an opportunity to enhance its revenue collection processes by entering into a service delivery agreement with Eskom, as prescribed by Sections 76 to 78 of the Municipal Systems Act, 2000. These sections of the Act allow municipalities to delegate various service delivery responsibilities to external entities, which can bring specialized expertise and efficiency to the management of municipal services. The envisioned agreement with Eskom was particularly aimed at improving the collection of utilities payments in areas supplied by Eskom. An effective partnership could leverage Eskom's existing infrastructure and customer management systems to enhance billing accuracy and payment compliance, directly benefiting the municipality's financial health and its ability to sustain essential services.

However, this potentially beneficial arrangement failed to materialize. The primary reason for this failure was the lack of initiative from the municipality to engage in preliminary consultations with Eskom. Effective communication and negotiation are foundational to establishing any cooperative agreement, especially one involving two large entities like a municipality and a national utility provider. The absence of such engagement suggests a significant oversight in the municipality's approach to strategic partnerships and resource management. Without initiating dialogue, the municipality missed the opportunity to explore and possibly secure enhanced operational efficiencies and improved revenue streams through collaboration with Eskom.



The lack of consultation not only stalled this initiative but also reflects a broader issue of strategic planning within the municipality. Engaging with potential partners like Eskom requires careful preparation, clear objectives, and an understanding of the legal and operational frameworks that govern such collaborations. Moving forward, it is crucial for the municipality to adopt a more proactive and structured approach to stakeholder engagement. This includes preparing detailed proposals, conducting feasibility studies, and holding preliminary discussions to lay the groundwork for successful agreements. Improving these practices will be essential for the municipality to capitalize on future opportunities for enhancing service delivery and ensuring financial sustainability.

### **Condition 23**

The municipality has strategically planned to enhance its utility revenue collection by transitioning to smart pre-paid meters in areas under its direct control. This technological shift is designed to facilitate better financial management for both the municipality and its consumers. By allowing residents to purchase water and electricity ahead of use, smart pre-paid meters encourage responsible consumption and reduce the likelihood of accruing large, unmanageable debts. This method not only streamlines the billing process but also empowers consumers to manage their budgets more effectively, fitting their utility usage to their financial means. Furthermore, alongside the installation of these meters, the municipality has considered implementing a policy where debts may be written off on an individual, case-by-case basis. This would be contingent on a review within the normal credit control process, aimed at aiding those who have consistently attempted to meet their payment obligations but have encountered genuine financial difficulties.

However, the implementation of this initiative is currently on hold, awaiting the adjudication of a transversal tender that is crucial for the acquisition of the necessary smart meters. This delay poses significant challenges to the municipality's operational plans and financial strategy. Without the procurement and installation of these meters, the municipality cannot fully shift to the pre-paid model, which is central to improving its utility revenue streams. The delay not only hinders the municipality's ability to reduce outstanding debts through better collection practices but also affects its capability to provide financial relief to struggling residents through the proposed debt write-off program.

The stagnation in the tender process underscores a broader issue of efficiency in municipal procurement and project execution. It highlights the need for the municipality to enhance its tender management and oversight to avoid such delays in the future. Accelerating the adjudication and subsequent deployment of smart pre-paid meters is essential for improving financial stability and service delivery. Moreover, ensuring that these processes are expedited could significantly impact the municipality's ability to manage resources more effectively, support economically vulnerable citizens, and maintain a healthy cash flow. This scenario serves as a critical reminder of the interconnectedness of operational efficiency, technological upgrades, and financial health in municipal governance.

**In conclusion**, the outlined conditions highlight the paramount importance of diligent financial management, strict adherence to regulatory frameworks, and proactive responses to the operational challenges confronting the municipality. By initiating necessary system upgrades, effectively enforcing debt relief measures, employing alternative procurement strategies, and adopting policies aimed at infrastructure modernization, the municipality can significantly improve its financial stability, operational efficiency, and overall sustainability. It is crucial for the municipality to remain dedicated to these initiatives, meticulously monitor their implementation, and be willing to make adjustments





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as required to ensure long-term success and resilience in meeting its commitments to the community and stakeholders.

For enquiries, please feel free to contact Mr Mandla Gilimani on [mandla.gilimani@treasury.gov.za](mailto:mandla.gilimani@treasury.gov.za)

Kind regards,

**MANDLA GILIMANI**  
**DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS**  
**DATE: 23/04/2024**

CC: Mrs Marli van der Woude, MFIP Revenue Advisor – [marli@mfip.gov.za](mailto:marli@mfip.gov.za)



**Annexures (March 2024 Compliance Certificates)**

**Annexure A2 - Monthly**



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

**National Treasury**

**Certificate of Compliance: Municipal Debt Relief Conditions for Application**

**Period**

Mar'24

**National Financial Year**

2023/24

**Demarcation Code of Municipality being assessed**

NC091

**District**

**Frances Baard**

**Demarcation Description**

**Sol Plaatje**

I, [Manda Gilimani, Director](#), hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in **MFMA Circular No. 124** and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

**Municipal Debt Relief Conditions (Monthly reporting)**

*Choose from drop down list*

Condition	6,3+ Maintaining the Eskom and bulk water current account – 6.12 (current account for the purpose of this exercise means the account for a single month's consumption):	
1	6.12.2 - Has the municipality paid its <b>bulk water current account</b> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.12 .2</i>	No
2	6.12.2 - Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal <a href="https://guploadportal.treasury.gov.za">https://guploadportal.treasury.gov.za</a> ?	No
3	6.12.2 - Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	No
4	6.3.1 - Has the municipality paid its <b>Eskom bulk current account</b> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and/ or subsequent current account(s) up to the date of NT approval of the application.</i>	Yes
5	6.3.2 6.3.3 - Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal <a href="https://guploadportal.treasury.gov.za">https://guploadportal.treasury.gov.za</a> ?	Yes
6	6.3.4 - Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes
6.4	<b>Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)</b>	Select
7	6.4.1 - Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - <a href="http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx">http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx</a> ?	Yes



8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		<i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i>	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		<i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i>	
11	6.4.2	- <b>If the municipality's MTREF is not funded</b> , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	N/A - the MTREF is funded
		<i>Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assess whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.</i>	
12	6.4.2	- <b>If the municipality's MTREF is not funded and it has an FRP per the legislative framework</b> , does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	N/a
		<i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i>	
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)	Yes
14	6.5	<b>Cost reflective tariffs</b> – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes
15	6.6	<b>Electricity and water as collection tools</b> – has the municipality, with effect from the tabling of the 2023/24 MTREF, <b>demonstrated, through its by-laws and budget related policies</b> that:	
	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes
	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes
	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality? <i>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</i>	No
	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? <i>Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.</i>	No
	6.6	<i>Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.</i>	
	6.7	<b>Maintain a minimum average quarterly collection of property rates and services charges</b> –	
19	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges <b>with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024</b> during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No
		<i>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</i>	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of the National Treasury that –	
	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	6.7.1 = Yes
	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	No
	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	No
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes



20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	6.7.1 = Yes
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	No
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed <u>and</u> the reason(s) for the failure?	No
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes
6.8 Municipality's Completeness of the revenue base –			
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement</i>	Yes
28	6.8.2	- <b>For the latest ending Quarter</b> -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on <a href="https://lguploadportal.treasury.gov.za">https://lguploadportal.treasury.gov.za</a> ?	Yes
6.9 Monitor and report on implementation –			
29	6.9.1	- <b>MFMA section 71 reporting</b> – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the <b>active intervention evident</b> from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? <i>Note - condition 6.9.2 has a typographical error and must refer to 6.9.1.</i>	6.9.1 = Yes



31	6.9.3	- <b>Municipalities with financial recovery plans (FRP)</b> – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	<input type="text" value="No FRP"/>
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal <a href="https://lguploadportal.treasury.gov.za?">https://lguploadportal.treasury.gov.za?</a>	
<i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>			
	6.10	<i>Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:</i>	<input type="text" value="Yes"/>
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	<input type="text" value="Yes"/>
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the <b>conditions for provincial treasuries</b> (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal <a href="https://lguploadportal.treasury.gov.za?">https://lguploadportal.treasury.gov.za?</a> <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i>	<input type="text" value="No"/>
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the <b>conditions for provincial treasuries</b> (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	<input type="text" value="No"/>
<i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i>			
36	6.11	<b>Limitation on municipality borrowing powers</b> - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	
<i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.</i>			
	6.12	<b>For the duration of the Municipal Debt Relief (to ensure proper management of resources):</b>	<input type="text" value="Yes"/>
37	6.12.1	- has the municipality <b>apportioned and ring-fenced in a sub-account</b> to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) <b>the component of the Local Government Equitable Share (LGES)</b> the municipality earmarked to provide free basic electricity, water and sanitation?	<input type="text" value="Yes"/>
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	
<i>Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).</i>			
39		<b>Supporting evidence:</b> Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	<input type="text" value="Yes"/>
40	6.13	<b>Accounting Treatment</b> - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? <i>Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.</i>	<input type="text" value="Yes"/>
41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	
<i>Note: By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.</i>			



PT: HOD/NT/MM Name:

Mandla Gilimani

Signature of HOD/NT/MM:

Date:

23/04/2024

Note - if the official is signing on behalf of the Head of the Provincial Treasury (HOD) /Municipal Manager, the written procurement of the HOD/MM must be attached as an Annexure to this Certificate of Compliance.

### Monthly Performance Report

4.October	Sol Plaatje	NC091	No	No	No	Yes	No	Yes	Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	No	No	NA	NA	No	No	No	Yes	No	Yes	Yes	Yes	NA	NA	NA	Yes	Yes	Yes	Yes	No	No	No	Yes	59%	Moderate compliance
5.November	Sol Plaatje	NC091	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	No	No	NA	NA	No	No	No	Yes	Yes	Yes	NA	Yes	NA	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	85%	Above Moderate
6.December	Sol Plaatje	NC091	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	No	No	NA	NA	No	No	No	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Moderate compliance
7.January	Sol Plaatje	NC091	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	No	No	NA	NA	No	No	No	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Moderate compliance
8.February	Sol Plaatje	NC091	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	No	No	NA	NA	No	No	No	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	83%	Above Moderate
9.March	Sol Plaatje	NC091	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	No	No	NA	NA	No	No	No	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	76%	Moderate compliance