

**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF
THE 2015/16 BUDGET FOR THE PERIOD ENDED 30 APRIL 2016**

1. PURPOSE

The purpose of the report is for the Executive Mayor to consider and note the statement of financial performance and the implementation of the 2015/16 budget of the Buffalo City Metropolitan Municipality for the period ended 30 April 2016.

2. AUTHORITY

Executive Mayor

3. LEGAL / STATUTORY REQUIREMENTS

The Constitution of the Republic of South Africa, 1996

Municipal Finance Management Act No 56, 2003

Municipal Budget and Reporting Regulations, 2009

4. BACKGROUND

In terms of Section 71 of the Municipal Finance Management Act No 56, 2003, *“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 provincial treasury a statement in the prescribed format on the state of the municipality’s budget”*.

According to the Municipal Budget Reporting and Regulations (MBRR), 2009, *“the monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of S168(1) of the Act” (MFMA)*.

This report follows the legislative requirements of the Municipal Budget and Reporting Regulations (Schedule C format)

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PART 1: IN-YEAR REPORT

5. RESOLUTIONS

It is recommended that:

- (i) The Executive Mayor considers and note the report on the statement of financial performance and the implementation of the 2015/16 budget for the period ended 30 April 2016 including supporting documentation attached as Annexure A to E.
- (ii) The Executive Mayor note the spending trends on capital and operating projects as well as the reasons for such an expenditure as indicated in section 14 and 15 respectively of this report.
- (iii) The Executive Mayor note the year to date collection rate for the period ended 30 April 2016 of 73%.

ACTING CITY MANAGER

DATE

6. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY FOR THE PERIOD ENDED 30 APRIL 2016

6.1. Dashboard / Performance Summary

Table 1: Performance Summary

OVERALL OPERATING RESULTS		CASH MANAGEMENT	
Income	R 4,788,698,709	Bank Balance	R 74,657
Expenditure	R 4,272,724,283	Call investments (excl. int.)	R2,779,976,945
Operating Surplus	R 515,974,426	Cash and cash equivalents	R 2,780,051,602
Transfers Recognised - Capital	R 454,052,620	<i>Account Payables</i>	(R 361, 923,951)
Surplus After Capital Transfers	R 970,027,046	<i>Unspent conditional grants</i>	(R 375,912,059)
DEBTORS		<i>Committed to Capital budget-own funds</i>	(R 407,826,264)
Total debtors book	R 1,629,342,253	Therefore Cash and Cash equivalent ring fenced for asset renewal in outer years	R1,634,389,328
Total debtors - Government	R 29,031,359		
Total debtors - Business	R 369,420,177	Total Long term loans	R 509,333,026
Total debtors - Households	R 1,013,709,541	SURPLUS / DEFICIT PER SERVICE	
Total debtors - Other	R 217,181,176	Water	R 41,236,424
Total debt written off	R 36,824,679	Electricity	R 245,018,622
REPAIRS AND MAINTENANCE		Refuse	R 72,964,588
2014/2015: Exp. = R238.07m, which is 73% of adj. budget of R327.75m	2015/2016: Exp.= R245.88m, which is 66% of adj. budget of R371.61m	Sewerage	R 47,211,098
CAPITAL EXPENDITURE		OPERATING PROJECTS EXPENDITURE	
2014/2015: Exp. as a % of Adj. Budget of R1.17b: Exp. (excl. vat)=R605.39 mil % exp (Excl. vat) :52% Exp. (incl. vat)=R659.12 mil % exp (incl. vat): 56%	2015/2016: Exp. as a % of Adj. Budget of R1.39b: Exp. (excl. vat) = R647.03 mil % exp (Excl. vat) :47% Exp. (incl. vat) = R697.53 mil % exp (incl. vat): 50%	2014/2015: Exp. as a % of Adj. Budget of R341.92m: Exp.(excl. vat)=R200.85 mil % exp.(excl. vat): 59% Exp.(incl. vat)=R201.52 mil % exp.(incl. vat): 59%	2015/2016: Exp. as a % of Adj. Budget of R501.84m: Exp.(excl. vat)=R271.76 mil % exp.(excl. vat): 54% Exp.(incl. vat) = R273.67 mil % exp.(incl. vat): 55%
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	R 515,974,426	Total staff complement	4934
Debtors collection ratio	73%	Staff Appointments	780
YTD Grants and subsidies	R 879,418,904	Staff Terminations	226
Debtors to Revenue	18.84%	Number of funded vacant posts	839
% of Creditors paid within terms	100%	Total overtime paid (YTD)	R 99,522,446
Current ratio	3.92:1	Allowances and benefits - Councillors	R 45,574,391
Total Debt to Revenue	11.04%	Salary bill - Officials	R 1,120,347,473
Capital Charges to Operating Expenditure	1.83%	Workforce costs as a % of expenditure	27.29%
Cost coverage ratio	7.62 months		

6.2 Liquidity position

Buffalo City Metropolitan Municipality's liquidity is considered relatively sound as the Current Ratio is 3.92:1 which indicates the ability of Municipality's current assets to cover its current liabilities. Debtors constitute 27% of the current assets, inventory constitutes 1% and cash & cash equivalents comprise 71% of the current assets.

6.3 Collection Rate and Outstanding Debtors

The debtor's collection rate for the period ended 30 April 2016 is 73% (2014/15: 92.39%). The cause of the regression in the collection rate from previous months is the illegal strike by BCMM employees which affected receipting and nett-billing resulting in cash receipts for the period reducing by approximately R30 million. Furthermore, the billing adjustments were not effected before month end to the value of approximately R16 million, and this therefore affected the debtors closing balance. Non-payment by customers also increased by about 4%. Taking the above into account and the values attached to them, the collection rate was therefore negatively affected by approximately 18% from the norm.

Total debtors book as at 30 April 2016 amounts to R1.63 billion (2015: R1.4 billion). Households: R1.01 billion, Business: R369.42 million, Government: R29.03 million, Other: R217.18 million. The ratio of debtors to revenue is 18.84% and it is slightly higher than the acceptable target of not more than 18% with reference to the BCMM borrowing policy. Refer to section 8.1 of the report for details on debtors' management. The debtors' age analysis report is reflected on Annexure B – SC3.

6.4 Capital Expenditure

BCMM has spent R697.5 million inclusive of reclaimed vat (2014/15: R659.12 million) which is 50% (2014/15: 56%) of its 2015/16 mid-year adjusted capital budget of R1.39 billion (2014/15: R1.17 billion) as at 30 April 2016. This depicts a slight regression in terms of percentage when compared to the same period in the previous financial year. However, the rand value spent is above what was spent last year as R697.5 million (inclusive of reclaimed vat) has been spent compared to R659.12 million (inclusive of

reclaimed vat) that was spent for the same period in 2014/15. (Refer to Section 14 for further details)

A detailed schedule of the capital projects expenditure is outlined in Annexure E.

6.5 Operating projects

The Metro has spent 55% (R273.67 million, inclusive of reclaimed vat) of its 2015/16 mid-year adjusted budget of R501.84 million as at 30 April 2016. This reflects a slight regression when compared to the same period in the previous financial year where 59% (R201.52 million) of the mid-year adjusted operating projects budget of R341.92 million was spent. However, the rand value spent is above what was spent last year as R273.67 million (inclusive of reclaimed vat) has been spent compared to R201.52 million (inclusive of reclaimed vat) that was spent for the same period in 2014/15. (Refer to Section 15 for further details).

A detailed schedule of the operating projects expenditure is outlined in Annexure D.

6.6 Expenditure on Conditional Grants (DoRA Allocation)

The Metro has spent R542.61 million (inclusive of reclaimed vat) (2014/15: R483.34 million) which is 66% (2014/15: 68%) of its 2015/2016 conditional grants budget of R824.32 million (2014/15: R707.77 million) as at 30 April 2016. (Refer to Section 11 for further details)

6.6.1. Urban Settlement Development Grant (USDG) funded projects

BCMM has spent R508.14 million (inclusive of reclaimed vat) (2014/15: R447.75 million) which is 67% (2014/15: 67%) of its 2015/16 USDG budget of R755.5 million (2014/15: R673.29 million) as at 30 April 2016. This is the same percentage that was spent last year, however it reflects an improvement in rand value terms when compared to the same period in the previous financial year as R508.14 million (inclusive of reclaimed vat) has been spent compared to R447.75 million (inclusive of reclaimed vat) that was spent for the same period in 2014/15 . (Refer to Section 11 for further details).

6.7 Cash and Cash Equivalents

The cash and cash equivalents of the City as at 30 April 2016 are R2.8 billion made up of cash and bank amounting to R75 thousand and call investment deposits of R2.78 billion. This funding is invested with various financial institutions in compliance with the MFMA. Refer to Section 7.7 and Annexure A – C7 for the cash flow statement as well as Section 10 and Annexure B – SC5 for the investment portfolio breakdown. The cost coverage ratio of the city is 7.62 months. This indicates a strong financial health as it is above the norm of 1-3 months as per the MFMA circular 71.

6.8 Outstanding Creditors

The Metro is paying its creditors within 30 days as stipulated by the MFMA except when there are disputes on received invoices. Refer to Section 9 for details.

6.9 Long-Term Debt Profile

The total long term borrowings of the municipality as at 30 April 2016 amounts to R509.3 million (Refer to Annexure C for the schedule of borrowings).

The ratio of capital charges to operating expenditure as at 30 April 2016 is 1.83%, the acceptable norm in accordance with the MFMA circular 71 is 6-8%.

The total debt to revenue ratio is 11.04% as at 30 April 2016, this indicates that the municipality is highly solvent to meet its debt obligation. The acceptable norm in accordance with the MFMA circular 71 is 45%.

7. IN-YEAR BUDGET STATEMENT MAIN TABLES

7.1 Monthly Budget Statement Summary

The table below provides a high-level summation of the Metro's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis.

Table 2:C1: Monthly Budget Statement Summary

BUF Buffalo City - Table C1 Monthly Budget Statement Summary - M10 April									
Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	794 519	903 413	953 413	71 003	768 890	808 114	(39 224)	-5%	953 413
Service charges	2 424 753	2 686 741	2 790 741	263 238	2 374 132	2 312 324	61 808	3%	2 790 741
Investment revenue	124 166	133 620	133 620	15 520	123 962	99 379	24 584	25%	133 620
Transfers recognised - operational	948 239	1 249 333	1 078 556	73 842	879 419	971 690	(92 271)	-9%	1 078 556
Other own revenue	658 478	746 500	734 500	18 802	642 296	591 496	50 800	9%	734 500
Total Revenue (excluding capital transfers and contributions)	4 950 155	5 719 607	5 690 830	442 405	4 788 699	4 783 002	5 696	0%	5 690 830
Employee costs	1 192 331	1 387 619	1 425 572	112 494	1 120 347	1 132 185	(11 838)	-1%	1 425 572
Remuneration of Councillors	47 682	52 910	54 810	4 651	45 574	45 675	(101)	-0%	54 810
Depreciation & asset impairment	729 880	712 213	740 930	57 594	575 920	617 441	(41 522)	-7%	740 930
Finance charges	60 671	54 313	55 813	4 651	45 163	43 265	1 897	4%	55 813
Materials and bulk purchases	1 213 642	1 377 012	1 407 012	97 012	1 148 109	1 054 367	93 742	9%	1 407 012
Transfers and grants	235 798	258 568	258 568	20 740	195 192	187 938	7 255	4%	258 568
Other expenditure	1 736 520	1 876 050	1 747 203	94 767	1 142 419	1 409 036	(266 617)	-19%	1 747 203
Total Expenditure	5 216 523	5 718 685	5 689 908	391 909	4 272 724	4 489 908	(217 184)	-5%	5 689 908
Surplus/(Deficit)	(266 368)	922	922	50 496	515 974	293 094	222 880	76%	922
Transfers recognised - capital	615 492	850 353	850 353	13 159	454 053	518 715	(64 662)	-12%	850 353
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	349 124	851 275	851 275	63 655	970 027	811 809	158 218	19%	851 275
Share of surplus/ (deficit) of associate	22 359	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	371 483	851 275	851 275	63 655	970 027	811 809	158 218	19%	851 275
Capital expenditure & funds sources									
Capital expenditure	930 050	1 275 354	1 390 877	19 396	647 032	422 860	224 172	53%	1 390 877
Capital transfers recognised	615 492	850 353	789 612	13 159	454 053	240 061	213 992	89%	789 612
Public contributions & donations	-	-	459	-	-	140	(140)	-100%	459
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	314 558	425 002	600 806	6 237	192 980	182 659	10 320	6%	600 806
Total sources of capital funds	930 050	1 275 354	1 390 877	19 396	647 032	422 860	224 172	53%	1 390 877
Financial position									
Total current assets	3 090 516	3 250 381	3 247 391		3 936 171				3 247 391
Total non current assets	12 545 184	11 706 711	11 706 712		12 616 442				11 706 712
Total current liabilities	1 004 468	1 026 227	1 026 228		1 003 284				1 026 228
Total non current liabilities	1 011 100	1 099 508	1 099 508		980 597				1 099 508
Community wealth/Equity	13 620 132	12 831 357	12 828 366		14 568 731				12 828 366
Cash flows									
Net cash from (used) operating	1 013 447	1 350 929	1 560 620	(114 416)	1 259 784	1 348 850	89 066	7%	1 560 620
Net cash from (used) investing	(923 670)	(1 275 354)	(1 412 877)	(19 460)	(647 032)	(1 159 064)	(512 032)	44%	(1 412 877)
Net cash from (used) financing	(53 669)	(46 097)	(46 097)	-	(33 241)	(38 414)	(5 173)	13%	(46 097)
Cash/cash equivalents at the month/year end	2 200 541	2 383 434	2 300 443	-	2 780 052	2 350 168	(429 883)	-18%	2 302 186
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	259 938	88 951	60 643	49 023	40 670	37 318	249 053	843 748	1 629 342
Creditors Age Analysis									
Total Creditors	355 434	6 490	-	-	-	-	-	-	361 924

7.2 Monthly Budget Statement – Financial Performance (standard classification)

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

Table 3: C2: Monthly Budget Statement – Financial Performance (standard classification)

BUF Buffalo City - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M10 April										
Description	Ref	Budget Year 2015/16								
		2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Standard										
<i>Governance and administration</i>		1 886 925	1 974 740	2 014 714	154 578	1 823 264	1 708 270	114 994	7%	2 014 714
Executive and council		28 536	37 902	27 996	3 082	20 679	26 346	(5 667)	-22%	27 996
Budget and treasury office	1 846 004	1 922 818	1 972 698	1 972 698	100 450	1 745 090	1 672 166	72 925	4%	1 972 698
Corporate services		12 385	14 019	14 019	51 046	57 495	9 758	47 737	489%	14 019
<i>Community and public safety</i>		286 920	651 123	412 038	18 721	265 562	432 042	(166 479)	-39%	412 038
Community and social services		9 404	17 738	17 738	(401)	17 452	13 518	3 934	29%	17 738
Sport and recreation		3 346	5 601	5 601	1 549	4 576	3 847	729	19%	5 601
Public safety		79 741	90 035	87 535	3 321	109 028	69 676	39 352	56%	87 535
Housing	193 400	535 206	298 621	298 621	14 247	134 084	343 290	(209 206)	-61%	298 621
Health		1 029	2 542	2 542	5	423	1 711	(1 288)	-75%	2 542
<i>Economic and environmental services</i>		79 188	97 752	88 383	1 184	14 714	79 891	(65 178)	-82%	88 383
Planning and development		25 472	21 272	21 403	1 161	14 077	17 871	(3 794)	-21%	21 403
Road transport		49 859	76 096	66 596	14	508	61 752	(61 243)	-99%	66 596
Environmental protection		3 857	385	385	9	129	269	(140)	-52%	385
<i>Trading services</i>		2 701 728	2 972 019	3 151 720	267 922	2 674 050	2 548 125	125 925	5%	3 151 720
Electricity		1 534 229	1 726 439	1 830 439	158 199	1 554 219	1 490 379	63 840	4%	1 830 439
Water		461 672	492 088	492 088	47 508	459 748	402 897	56 851	14%	492 088
Waste water management		369 759	392 460	405 661	36 730	346 586	348 577	(1 991)	-1%	405 661
Waste management		336 068	361 032	423 532	25 484	313 497	306 273	7 224	2%	423 532
<i>Other</i>	4	633 245	874 327	874 327	13 159	465 161	533 389	(68 228)	-13%	874 327
Total Revenue - Standard	2	5 588 007	6 569 960	6 541 182	455 564	5 242 751	5 301 717	(58 966)	-1%	6 541 182
Expenditure - Standard										
<i>Governance and administration</i>		1 074 718	1 087 762	1 123 270	49 317	785 764	817 447	(31 683)	-4%	1 123 270
Executive and council		154 500	194 037	201 849	9 206	134 777	150 781	(16 004)	-11%	201 849
Budget and treasury office		622 050	466 958	510 649	31 150	306 338	348 841	(42 504)	-12%	510 649
Corporate services		298 168	426 767	410 772	8 961	344 650	317 825	26 825	8%	410 772
<i>Community and public safety</i>		612 695	989 070	786 101	52 883	550 479	696 887	(146 408)	-21%	786 101
Community and social services		88 098	93 320	95 656	(6 984)	63 441	71 073	(7 632)	-11%	95 656
Sport and recreation		78 789	74 147	74 147	20 394	76 942	56 698	20 244	36%	74 147
Public safety		209 992	219 275	219 275	21 610	220 127	168 496	51 631	31%	219 275
Housing		207 474	571 731	336 649	15 323	165 096	377 146	(212 051)	-56%	336 649
Health		28 342	30 598	60 374	2 540	24 873	23 474	1 399	6%	60 374
<i>Economic and environmental services</i>		775 123	843 333	862 950	80 893	633 364	632 774	590	0%	862 950
Planning and development		221 953	213 708	239 760	25 142	180 353	175 184	5 169	3%	239 760
Road transport		453 960	527 886	521 451	48 533	365 899	380 218	(14 320)	-4%	521 451
Environmental protection		99 210	101 739	101 739	7 218	87 113	77 372	9 741	13%	101 739
<i>Trading services</i>		2 740 479	2 781 669	2 900 735	207 672	2 290 518	2 330 553	(40 035)	-2%	2 900 735
Electricity		1 481 918	1 625 904	1 659 904	143 264	1 341 146	1 408 335	(67 190)	-5%	1 659 904
Water		586 655	503 337	511 337	18 506	419 950	398 690	21 260	5%	511 337
Waste water management		371 722	362 232	425 232	19 461	290 565	288 217	2 348	1%	425 232
Waste management		300 184	290 196	304 262	26 411	238 857	235 311	3 547	2%	304 262
<i>Other</i>		13 509	16 851	16 851	1 143	12 599	12 247	352	3%	16 851
Total Expenditure - Standard	3	5 216 523	5 718 685	5 689 908	391 909	4 272 724	4 489 908	(217 184)	-5%	5 689 908
Surplus/ (Deficit) for the year		371 483	851 275	851 275	63 655	970 027	811 809	158 218	19%	851 275

7.3 Monthly Budget Statement – Financial Performance (Revenue and expenditure by municipal vote)

The table below shows budgeted financial performance in relation to the revenue and expenditure by vote as well as the operating surplus or deficit for the City.

Table 4: C3: Monthly Budget Statement – Financial Performance (Revenue and expenditure by municipal vote)

BUF Buffalo City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April										
Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Directorate - Executive Support Services		733	-	131	74	440	131	308	234.6%	131
Vote 2 - Directorate - City Manager		28 536	37 902	47 807	3 182	20 679	25 726	(5 047)	-19.6%	47 807
Vote 3 - Directorate - Human Settlements		196 494	535 206	352 011	14 255	134 129	343 306	(209 177)	-60.9%	352 011
Vote 4 - Directorate - Finance		1 846 004	1 922 818	1 972 698	100 450	1 745 090	1 592 422	152 668	9.6%	1 972 698
Vote 5 - Directorate - Corporate Services		7 832	11 851	11 851	546	5 748	7 713	(1 965)	-25.5%	11 851
Vote 6 - Directorate - Infrastructure Services		2 369 496	2 614 132	2 718 132	292 752	2 410 947	2 320 179	90 768	3.9%	2 718 132
Vote 7 - Directorate - Development Planning		44 568	55 515	55 515	1 178	26 552	41 315	(14 762)	-35.7%	55 515
Vote 8 - Directorate - Health / Public Safety & Emergency Services		126 175	157 427	145 427	3 326	109 451	124 478	(15 027)	-12.1%	145 427
Vote 9 - Directorate - Municipal Services		352 676	384 756	387 256	26 641	335 662	327 732	7 930	2.4%	387 256
Vote 10 - Directorate - Miscellaneous		615 492	850 353	850 353	13 159	454 053	518 715	(64 662)	-12.5%	850 353
Total Revenue by Vote	2	5 588 007	6 569 960	6 541 182	455 564	5 242 751	5 301 717	(58 966)	-1.1%	6 541 182
Expenditure by Vote	1									
Vote 1 - Directorate - Executive Support Services		158 483	164 414	198 928	15 391	148 719	143 923	4 796	3.3%	198 928
Vote 2 - Directorate - City Manager		79 494	102 124	111 469	4 225	60 066	79 089	(19 023)	-24.1%	111 469
Vote 3 - Directorate - Human Settlements		218 348	582 205	400 614	16 027	169 211	380 720	(211 508)	-55.6%	400 614
Vote 4 - Directorate - Finance		622 050	466 958	510 649	31 150	306 338	343 891	(37 554)	-10.9%	510 649
Vote 5 - Directorate - Corporate Services		123 906	214 533	185 537	10 420	129 078	157 404	(28 325)	-18.0%	185 537
Vote 6 - Directorate - Infrastructure Services		2 921 502	3 046 354	3 085 019	221 714	2 514 557	2 515 039	(481)	0.0%	3 085 019
Vote 7 - Directorate - Development Planning		255 196	274 508	300 228	20 962	223 652	212 624	11 027	5.2%	300 228
Vote 8 - Directorate - Health / Public Safety & Emergency Services		264 371	283 787	313 488	24 374	247 141	216 332	30 810	14.2%	313 488
Vote 9 - Directorate - Municipal Services		573 172	582 239	582 411	47 646	473 962	440 887	33 075	7.5%	582 411
Vote 10 - Directorate - Miscellaneous		-	1 565	1 565	-	-	-	-		1 565
Total Expenditure by Vote	2	5 216 523	5 718 685	5 689 908	391 909	4 272 724	4 489 908	(217 184)	-4.8%	5 689 908
Surplus/ (Deficit) for the year	2	371 483	851 275	851 275	63 655	970 027	811 809	158 218	19.5%	851 275

7.4 Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)

The statement of financial performance presented in table below, compares the expenditure and revenue on accrual basis against budget for the period ended 30 April 2016.

Table 5: C4: Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)

BUF Buffalo City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	794 519	902 842	952 842	71 003	768 890	808 114	(39 224)	-5%	952 842
Property rates - penalties & collection charges	–	571	571	–	–	–	–		571
Service charges - electricity revenue	1 465 814	1 658 671	1 758 671	156 066	1 481 947	1 455 745	26 202	2%	1 758 671
Service charges - water revenue	394 282	411 381	411 381	46 464	377 359	340 778	36 580	11%	411 381
Service charges - sanitation revenue	278 832	314 571	314 571	35 931	262 627	263 802	(1 175)	0%	314 571
Service charges - refuse revenue	261 807	286 063	286 063	23 793	239 632	238 385	1 246	1%	286 063
Service charges - other	24 018	16 056	20 056	985	12 567	13 614	(1 046)	-8%	20 056
Rental of facilities and equipment	17 430	18 629	18 629	1 109	19 710	15 524	4 186	27%	18 629
Interest earned - external investments	124 166	133 620	133 620	15 520	123 962	99 379	24 584	25%	133 620
Interest earned - outstanding debtors	34 999	32 175	32 175	3 041	26 396	26 851	(455)	-2%	32 175
Fines	5 500	10 293	7 793	330	4 702	6 910	(2 208)	-32%	7 793
Licences and permits	14 034	22 472	12 972	1 078	10 887	15 977	(5 090)	-32%	12 972
Transfers recognised - operational	948 239	1 249 333	1 078 556	73 842	879 419	971 690	(92 271)	-9%	1 078 556
Other revenue	586 515	662 931	662 931	13 243	580 601	526 234	54 366	10%	662 931
Total Revenue (excluding capital transfers and contributions)	4 950 155	5 719 607	5 690 830	442 405	4 788 699	4 783 002	5 696	0%	5 690 830

BUF Buffalo City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Expenditure By Type									
Employee related costs	1 192 331	1 387 619	1 425 572	112 494	1 120 347	1 132 185	(11 838)	-1%	1 425 572
Remuneration of councillors	47 682	52 910	54 810	4 651	45 574	45 675	(101)	0%	54 810
Debt impairment	365 110	245 009	253 979	21 165	211 649	211 649	-		253 979
Depreciation & asset impairment	729 880	712 213	740 930	57 594	575 920	617 441	(41 522)	-7%	740 930
Finance charges	60 671	54 313	55 813	4 651	45 163	43 265	1 897	4%	55 813
Bulk purchases	1 213 642	1 377 012	1 407 012	97 012	1 148 109	1 054 367	93 742	9%	1 407 012
Contracted services	14 607	21 622	21 622	1 151	8 063	16 388	(8 325)	-51%	21 622
Transfers and grants	235 798	258 568	258 568	20 740	195 192	187 938	7 255	4%	258 568
Other expenditure	1 326 394	1 609 419	1 471 602	72 451	922 707	1 180 999	(258 292)	-22%	1 471 602
Loss on disposal of PPE	30 408	-	-	-	-	-	-		-
Total Expenditure	5 216 523	5 718 685	5 689 908	391 909	4 272 724	4 489 908	(217 184)	-5%	5 689 908
Surplus/(Deficit)	(266 368)	922	922	50 496	515 974	293 094	222 880	0	922
Transfers recognised - capital	615 492	850 353	850 353	13 159	454 053	518 715	(64 662)	(0)	850 353
Surplus/(Deficit) after capital transfers & contributions	349 124	851 275	851 275	63 655	970 027	811 809			851 275
Taxation	-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation	349 124	851 275	851 275	63 655	970 027	811 809			851 275
Surplus/(Deficit) attributable to municipality	349 124	851 275	851 275	63 655	970 027	811 809			851 275
Share of surplus/ (deficit) of associate	22 359	-	-	-	-	-			-
Surplus/ (Deficit) for the year	371 483	851 275	851 275	63 655	970 027	811 809			851 275

7.4.1 ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE

7.4.1.1 Service charges – water revenue

The over-recovery of 11% is a combination of the non-alignment of the period budget with the actual trend of consumption and the influences of seasonal consumption trends.

7.4.1.2 Rental of Facilities & Equipment

Rental of facilities is demand driven and therefore difficult to predict accurately. The situation is monitored on a monthly basis.

7.4.1.3 Interest earned – External Investments

The variance of 25% is due to high interest earned on investments than what was projected. The trend is expected to become linear as the year progresses.

7.4.1.4 Fines

The under-recovery on fines is mostly due to non-payment of traffic fines, withdrawing of drunken driving cases by the Prosecutors.

7.4.1.5 Other Revenue

Other revenue is made up of numerous miscellaneous items (e.g. town planning fees, fire levy charges, market income, road & transport registration fees, cemetery & burial fees, etc.). The actual income realised is above the projected income for the period under review due to varying seasonal trends.

7.4.1.6 Contracted Services

The variance is due to the directorates adopting an in-house approach to perform these services. Regarding refuse removal, a contractor has been appointed to assist towards the cleanliness of the City.

7.4.1.7 Other expenditure

Other expenditure includes operating projects, operational costs as well as repairs

and maintenance. The other expenditure incurred is less than the year to date budget by 22%. Expenditure on repairs and maintenance is provided in table 6 below. Details on operating projects are provided on section 15 of the report.

7.4.1.8 Repairs and Maintenance

Table 6 below reflects that as at 30 April 2016, the repairs and maintenance expenditure is 66% of the approved budget of R371.61 million (2014/15: 73%). This reflects a regression when compared with the prior year. It is however projected that the funding will be fully utilised at year end. Refer to Annexure B: SC13c (repairs and maintenance by asset class).

Table 6: Repairs and Maintenance per Directorate

Directorate	<u>2015/2016</u> <u>Annual</u> <u>Budget</u> <u>R</u>	<u>2015/2016</u> <u>Annual</u> <u>Expenditure</u> <u>R</u>	<u>2015/2016</u> <u>Variance</u> <u>-</u> <u>R</u>	<u>2015/2016</u> <u>% of</u> <u>Budget</u> <u>%</u>
Directorate Of Executive Support Services	2 901 917	1 145 097	1 756 820	39%
Directorate Of The City Manager	120 609	17 719	102 890	15%
Directorate Of Corporate Services	5 865 813	1 622 076	4 243 737	28%
Directorate Of Development & Spatial Planning	25 432 367	17 596 328	7 836 039	69%
Directorate Of Economic Development & Agencies	1 058 859	489 345	569 514	46%
Directorate Of Finance	2 935 990	1 035 114	1 900 876	35%
Directorate Of Health / Public Safety & Emergency Services	5 556 496	2 213 468	3 343 028	40%
Directorate Of Human Settlement	97 239	76 883	20 356	79%
Directorate Of Infrastructure Services	293 911 912	198 241 402	95 670 510	67%
<i>Electricity</i>	112 549 555	70 749 632	41 799 923	63%
<i>Water</i>	42 375 218	33 651 756	8 723 462	79%
<i>Sanitation</i>	29 620 452	22 004 151	7 616 301	74%
<i>Other</i>	109 366 687	71 835 862	37 530 825	66%
Directorate Of Municipal Services	33 728 503	23 438 195	10 290 308	69%
TOTAL	371 609 705	245 875 626	125 734 079	66%

7.5 Capital Expenditure excluding vat (municipal vote, standard classification and funding)

The table below reflects the Metro's capital programme in relation to capital expenditure by municipal vote, capital expenditure by standard classification and funding sources.

7.6 Monthly Budget Statement – Financial Position

The table below reflects the financial position of the Metro. It is good to note that the Metro is having high assets over liabilities resulting into the net worth of R14.57 billion.

Table 8: C6: Monthly Budget Statement – Financial Position

BUF Buffalo City - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		62 873	80 000	80 000	75	80 000
Call investment deposits		2 135 924	2 303 434	2 300 443	2 779 977	2 300 443
Consumer debtors		484 302	671 945	671 946	554 324	671 946
Other debtors		362 538	98 188	98 188	558 855	98 188
Current portion of long-term receivables		–	14	14	–	14
Inventory		44 878	96 800	96 800	42 940	96 800
Total current assets		3 090 516	3 250 381	3 247 391	3 936 171	3 247 391
Non current assets						
Long-term receivables		–	60	60	–	60
Investment property		328 302	411 400	411 400	328 302	411 400
Investments in Associate		81 908	–	–	81 908	–
Property, plant and equipment		12 036 600	11 197 291	11 197 292	12 113 021	11 197 292
Intangible assets		98 374	22 800	22 800	93 211	22 800
Other non-current assets			75 160	75 160	–	75 160
Total non current assets		12 545 184	11 706 711	11 706 712	12 616 442	11 706 712
TOTAL ASSETS		15 635 700	14 957 092	14 954 103	16 552 613	14 954 103
<u>LIABILITIES</u>						
Current liabilities						
Borrowing		48 835	46 097	46 097	46 097	46 097
Consumer deposits		48 505	54 050	54 051	53 117	54 051
Trade and other payables		740 894	774 300	774 300	737 836	774 300
Provisions		166 234	151 780	151 780	166 234	151 780
Total current liabilities		1 004 468	1 026 227	1 026 228	1 003 284	1 026 228
Non current liabilities						
Borrowing		497 244	500 418	500 418	466 741	500 418
Provisions		513 856	599 090	599 090	513 856	599 090
Total non current liabilities		1 011 100	1 099 508	1 099 508	980 597	1 099 508
TOTAL LIABILITIES		2 015 568	2 125 735	2 125 736	1 983 882	2 125 736
NET ASSETS	2	13 620 132	12 831 357	12 828 366	14 568 731	12 828 366
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		9 383 469	10 020 574	10 017 583	10 332 068	10 017 583
Reserves		4 236 663	2 810 783	2 810 783	4 236 663	2 810 783
TOTAL COMMUNITY WEALTH/EQUITY	2	13 620 132	12 831 357	12 828 366	14 568 731	12 828 366

7.7 Monthly Budget Statement – Cash Flow

The Metros' cash flow position and cash/cash equivalent outcome is shown in the table below. The Metro's cash position reflects a net increase of R579.51 million resulting in cash and cash equivalents closing balance of R2.78 billion as at 30 April 2016.

Table 9: C7: Monthly Budget Statement – Cash Flow

BUF Buffalo City - Table C7 Monthly Budget Statement - Cash Flow - M10 April										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		794 519	831 140	884 767	71 003	768 890	737 306	31 584	4%	884 767
Service charges		2 424 753	2 471 802	2 586 096	262 254	2 361 564	2 203 413	158 151	7%	2 586 096
Other revenue		84 777	657 180	651 758	16 745	628 467	543 132	85 335	16%	651 758
Government - operating		948 263	1 149 387	1 078 556	73 842	879 419	898 796	(19 377)	-2%	1 078 556
Government - capital		615 492	850 353	812 071	-	747 132	676 726	70 406	10%	812 071
Interest		159 221	152 531	165 794	18 562	150 358	138 162	12 196	9%	165 794
Dividends		-	-	0	-	-	0	(0)	-100%	0
Payments										
Suppliers and employees		(3 718 728)	(4 448 581)	(4 304 041)	(531 430)	(4 035 692)	(3 586 701)	448 991	-13%	(4 304 041)
Finance charges		(60 674)	(54 313)	(55 813)	(4 651)	(45 163)	(46 511)	(1 348)	3%	(55 813)
Transfers and Grants		(234 175)	(258 568)	(258 568)	(20 740)	(195 192)	(215 474)	(20 281)	9%	(258 568)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 013 447	1 350 929	1 560 620	(114 416)	1 259 784	1 348 850	89 066	7%	1 560 620
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		6 254	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		16	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(929 939)	(1 275 354)	(1 412 877)	(19 460)	(647 032)	(1 159 064)	(512 032)	44%	(1 412 877)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(923 670)	(1 275 354)	(1 412 877)	(19 460)	(647 032)	(1 159 064)	(512 032)	44%	(1 412 877)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		3 667	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(57 336)	(46 097)	(46 097)	-	(33 241)	(38 414)	(5 173)	13%	(46 097)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(53 669)	(46 097)	(46 097)	-	(33 241)	(38 414)	(5 173)	13%	(46 097)
NET INCREASE/ (DECREASE) IN CASH HELD		36 108	29 477	101 645	(133 875)	579 510	151 371			101 645
Cash/cash equivalents at beginning:		2 164 433	2 353 956	2 198 797		2 200 541	2 198 797			2 200 541
Cash/cash equivalents at month/year end:		2 200 541	2 383 434	2 300 443		2 780 052	2 350 168			2 302 186

PART 2: SUPPORTING **DOCUMENTATION**

8. IN-YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATION

8.1 Debtors

The debtor analysis table below (table 10) provides an age analysis summary by revenue source and customer category for the total debtors.

Table 10: SC3 Monthly Budget Statement Aged Debtors

BUF Buffalo City - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April													
Description	NT Code	Budget Year 2015/16									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	46 105	27 975	20 056	18 772	13 822	8 777	91 127	222 750	449 383	355 248		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	91 222	15 189	7 173	3 358	1 931	1 424	9 226	29 812	159 335	45 751		
Receivables from Non-exchange Transactions - Property Rates	1400	65 815	24 999	17 416	14 104	13 270	16 142	79 981	215 402	447 127	338 898		
Receivables from Exchange Transactions - Waste Water Management	1500	31 417	8 615	6 012	4 407	3 987	3 647	24 267	108 992	191 345	145 301		
Receivables from Exchange Transactions - Waste Management	1600	16 405	8 549	6 775	5 500	5 102	4 807	28 711	154 305	230 154	198 425		
Receivables from Exchange Transactions - Property Rental Debtors	1700	71	65	62	62	60	63	425	2 875	3 684	3 486		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	8 903	3 559	3 149	2 820	2 497	2 458	15 316	109 612	148 313	132 703		
Total By Income Source	2000	259 938	88 951	60 643	49 023	40 670	37 318	249 053	843 748	1 629 342	1 219 811	-	-
2014/15 - totals only		188 707	51 323	36 295	32 134	37 322	42 005	146 747	566 722	1 101 256	824 930		
Debtors Age Analysis By Customer Group													
Organs of State	2200	11 533	5 991	4 384	717	390	309	2 519	3 188	29 031	7 124		
Commercial	2300	137 515	21 622	11 857	10 103	8 683	9 297	55 799	114 543	369 420	198 425		
Households	2400	101 245	55 407	39 540	33 863	26 936	22 726	160 793	573 199	1 013 710	817 517		
Other	2500	9 645	5 931	4 861	4 340	4 661	4 985	29 942	152 818	217 181	196 745		
Total By Customer Group	2600	259 938	88 951	60 643	49 023	40 670	37 318	249 053	843 748	1 629 342	1 219 811	-	-

8.1.1. Additional debtors information

The debtors that are older than 30 days, which includes all charges, amounted to R1,369,404,371 as at 30 April 2016 which is an increase of R58,586,215 over the amount of R1,310,818,156 at 31 March 2016.

Despite credit control action and debt collection action that was implemented, a primary contributing factor to the increase in debtors and reduction in collection rate can be attributed to the illegal strike that was undertaken by Buffalo City Metropolitan Municipality and staff and the non-payment by customers as a result thereof.

8.2. Additional debtor's information.

8.2.1. Age Analysis per Category

Table 11 below details debtors age analysis that are older than 30 days by income source as at 30 April 2016. It also provides comparison with the previous month (31 March 2016) which indicates an increase from R1.31 billion to R1.37 billion.

Table 11: Debtor's Age Analysis by Income Source Comparison

AGEING	RATES	SEWERAGE	ELECTRICITY	WATER	REFUSE	SUNDRY DEBTORS	TOTAL FOR APRIL2016	TOTAL FOR MARCH 2016
30 DAYS	24 998 984	8 614 820	15 189 082	27 974 827	8 549 194	3 623 843	88 950 750	74 763 357
60 DAYS	17 416 083	6 012 410	7 173 026	20 055 632	6 775 243	3 210 145	60 642 539	53 025 861
90 DAYS	14 103 845	4 407 465	3 358 390	18 771 629	5 499 501	2 882 005	49 022 834	42 640 615
120 DAYS TO 360 DAYS	109 392 224	31 901 534	12 580 784	113 726 322	38 619 750	20 819 818	327 040 433	318 751 613
YEAR 2	93 039 819	26 838 592	8 578 640	73 384 430	35 426 497	24 482 434	261 750 412	252 421 274
YEAR 3	31 307 703	22 234 805	6 076 869	43 469 949	28 711 150	22 682 246	154 482 721	151 970 377
YEAR 4	23 310 521	15 556 800	4 975 266	27 123 814	21 305 098	17 372 548	109 644 046	106 761 310
YEAR 5	18 675 691	10 415 183	4 636 345	17 952 468	14 121 586	11 443 734	77 245 008	74 056 857
YEAR 5+	49 068 089	33 946 765	5 544 420	60 819 073	54 741 111	36 506 171	240 625 629	236 426 892
TOTAL	381 312 958	159 928 373	68 112 823	403 278 143	213 749 130	143 022 944	1 369 404 371	1 310 818 156

8.2.2. Age Analysis per Category

Table 12 below details debtors age analysis per category type that are older than 30 days as at 30 April 2016. It also reflects the percentage split per category with domestic consumers having the highest share followed by indigent consumers. Please note that the financial system is not able to produce a collection ratio per service, however the collection ratio is reported on globally.

Table 12: Age Analysis per Category Type

CATEGORY TYPE	30 DAYS	60 DAYS	90 DAYS	120 DAYS+	Total	% Share
Domestic	38 654 142	26 314 201	19 529 439	499 269 914	583 767 695	42.63
Indigent	16 283 554	13 041 984	14 169 110	283 594 449	327 089 098	23.89
Business	21 622 397	11 857 430	10 102 760	188 322 661	231 905 248	16.93
Government	5 990 513	4 384 311	717 030	6 406 477	17 498 331	1.28
Municipal Staff	457 529	169 670	162 243	772 527	1 561 968	0.11
Councillors	11 678	13 860	2 626	17 191	45 356	0.00
Other	5 930 937	4 861 083	4 339 625	192 405 030	207 536 675	15.16
Total	88 950 750	60 642 539	49 022 834	1 170 788 248	1 369 404 371	100.00

Note*: A stop order deduction is implemented for all municipal staff and councillors in arrears. When new staff join the employ of the municipality in many instances there is services debt, and therefore the arrears will be liquidated over an acceptable period of time, in terms of the Credit Control Policy. The reason why the debt reflects in the 30/60/90 day columns relating to staff and councillors is due to the fact that when the stop orders are receipted the payment is allocated to the oldest ageing category, giving the impression that current is not being paid, which is not the case as an amount is being deducted for current accounts.

8.2.3. Debt Incentive Scheme

The City is currently undertaking a debt incentive scheme to encourage consumers to pay its long outstanding debts. Any debt that was 120 days or older as at November 2014 qualifies for a write off of 50% provided that the remaining 50% plus the debt in the current to 90 days ageing categories is paid.

This debt can be paid once-off, or in monthly instalment arrangements; or as a rand-for-rand option, whereby the consumer has an opportunity to pay 50% of the debt older than 120 days off as and when they can, until the end of June 2016 and for every payment made towards this debt, an amount of equal value is written off.

As at 30 April 2016 a total of three thousand five hundred and forty five (3545) consumers have registered for the scheme. The total registered debt value is R70.88 million to date and debt write-offs total to R26.37 million.

8.2.4. Government Accounts

The total arrears owed by Government Departments to Buffalo City Metropolitan Municipality as at 30 April 2016 amounted to R17.50 million. This indicates an increase of R5.70 million when compared to prior month amount of R11.80 million.

A total payment of R5.76 million was receipted from Government Departments in the month of April 2016. The breakdown of the arrears per department (excluding accounts in credit) is indicated in the table hereunder, as at 30 April 2016.

The primary reason for the increase on government debt is due to the monies received from the departments but were not receipted on time due to the employees strike action, as a result the monies were receipted in the month of May 2016.

Table 13 below provides an analysis of government debtors as at 30 April 2016 and comparison with the previous month.

Table 13: Analysis of Government Debtors

DEPARTMENT	PROPERTY RATES	SERVICES	ARREARS	ARREARS	DIFFERENCE	
			AS AT	AS AT		
			30 APRIL	31 MARCH		
			2016	2016		
National Department Of Public Works	456 807	92 984	549 790	551 642	(1 851)	
Provincial Department Of Public Works	908 136	1 558 175	2 466 310	1 270 820	1 195 490	
Department Of Education	-	2 261 693	2 261 693	1 148 983	1 112 710	
Department Of Health	-	7 183 853	7 183 853	4 220 253	2 963 600	
Department Of Social Development	-	654 487	654 487	582 892	71 595	
Department Of Transport	-	-	-	-	-	
Department Of Agriculture	-	68 843	68 843	44 436	24 407	
Department Of Nature Conservation	-	5 898	5 898	-	5 898	
Department of Human Settlements	-	5 792	5 792	-	5 792	
Sport, Recreation, Arts and Culture	-	-	-	-	-	
Department of Labour - UIF Services	-	14 173	14 173	4 190	9 982	
Members Of Provincial Legislature	-	85 231	85 231	43 731	41 500	
Department of Water Affairs	-	1	1	-	1	
Department of Cooperate Governance & Traditional Affairs	-	-	-	20 893	(20 893)	
Department of Rural Development and Land Reform	-	411 302	411 302	169 584	-	
Provincial RDP Houses	-	3 790 959	3 790 959	3 739 316	51 643	
TOTAL	1 364 942	16 133 389	17 498 331	11 796 740	5 701 591	

9. CREDITORS' ANALYSIS

The creditors' analysis as depicted in table 14 below contains an aged analysis by customer type. It reflects that creditors are paid within 30 days, except when there are disputes on invoices received.

Table 14: SC4 Monthly Budget Statement Aged Creditors

BUF Buffalo City - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April											
Description	NT Code	Budget Year 2015/16									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	102 643	-	-	-	-	-	-	-	102 643	88 779
Bulk Water	0200	10 097	-	-	-	-	-	-	-	10 097	14 253
PAYE deductions	0300	13 483	-	-	-	-	-	-	-	13 483	12 462
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	17 528	-	-	-	-	-	-	-	17 528	15 484
Loan repayments	0600	-	-	-	-	-	-	-	-	-	30 097
Trade Creditors	0700	209 808	6 490	-	-	-	-	-	-	216 298	121 897
Auditor General	0800	1 130	-	-	-	-	-	-	-	1 130	200
Other	0900	744	-	-	-	-	-	-	-	744	89 832
Total By Customer Type	1000	355 434	6 490	-	-	-	-	-	-	361 924	373 006

The table below (table 15) depicts actual payments made by BCMM to its top twenty (20) creditors in April 2016.

Table 15: Payments made to the 20 highest paid creditors – April 2016

<u>CREDITOR</u>	<u>90 DAYS</u>	<u>60 DAYS</u>	<u>30 DAYS</u>	<u>CURRENT</u>	<u>TOTAL</u>	<u>PAYMENT</u>
ESKOM				102 643 065.10	102 643 065.10	102 643 065.10
MVEZO PLANT & CIVILS CC				11 803 258.13	11 803 258.13	11 803 258.13
AMATOLA WATER				10 097 383.00	10 097 383.00	10 097 383.00
HAW & INGLIS (PTY) LTD			6 489 977.04	1 152 376.49	7 642 353.53	7 642 353.53
MANTELLA TRADING 522 CC				7 625 212.41	7 625 212.41	7 625 212.41
LIFETIME CONNECTION MANUFACTURING (PTY) LTD				7 292 647.67	7 292 647.67	7 292 647.67
MAMLAMBO CONSTRUCTION				7 109 180.31	7 109 180.31	7 109 180.31
MAKALI PLANT AND CONSTRUCTION (PTY) LTD				7 002 624.50	7 002 624.50	7 002 624.50
LUQAQAMBO CIVILS CONSTRUCTION CC				6 443 873.22	6 443 873.22	6 443 873.22
RUWACON (PTY) LTD				6 218 658.84	6 218 658.84	6 218 658.84
MPUMALANGA CONSTRUCTION (PTY) LTD				5 812 870.70	5 812 870.70	5 812 870.70
ABERDARE CABLES (PTY) LTD			4 680 595.43		4 680 595.43	4 680 595.43
BUSINESS CONNEXION				4 452 082.04	4 452 082.04	4 452 082.04
EYA BANTU PROFFESIONAL SERVICES CC				4 099 932.31	4 099 932.31	4 099 932.31
T V R CONSTRUCTION				4 076 590.29	4 076 590.29	4 076 590.29
SIYAVUNA TRADING CC				3 855 293.54	3 855 293.54	3 855 293.54
CHEW BOWDEN AND AFRICA CC T/A CBM AFRICA				3 690 647.37	3 690 647.37	3 690 647.37
BALINTULO TRADING				3 543 002.00	3 543 002.00	3 543 002.00
MAZIYA GENERAL SERVICES				3 393 802.07	3 393 802.07	3 393 802.07
IMVUSA TRADING 595 CC			3 189 392.61		3 189 392.61	3 189 392.61
TOTAL	-	-	14 359 965.08	200 312 499.99	214 672 465.07	214 672 465.07

10. INVESTMENT PORTFOLIO ANALYSIS

The investment portfolio analysis detailed in table 16 below includes information of the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

Table 16: SC5 Monthly Budget Statement – investment portfolio

BUF Buffalo City - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April									
Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality									
Rand Merchant Bank X021901943		Call Account	Call Account	Call Account	250	1.7%	46 830	250	47 080
Absa 91 2884 4539		Call Account	Call Account	Call Account	6	0.0%	1 211	6	1 218
Standard 422 742		Call Account	Call Account	Call Account	9	0.1%	2 225	(1 323)	901
Absa 91 4102 2241		Call Account	Call Account	Call Account	49	0.3%	9 466	49	9 516
Absa 91 4163 6965		Call Account	Call Account	Call Account	1	0.0%	215	1	216
Absa 91 5484 1280		Call Account	Call Account	Call Account	0	0.0%	8	0	8
Rand Merchant Bank X021904910		Call Account	Call Account	Call Account	49	0.3%	9 160	49	9 209
Standard 76586/442740		Call Account	Call Account	Call Account	12	0.1%	2 222	12	2 234
Absa 92 0562 2137		Call Account	Call Account	Call Account	4	0.0%	799	4	804
Rand Merchant Bank X021904913		Call Account	Call Account	Call Account	79	0.5%	14 730	79	14 809
Rand Merchant Bank X021903300		Call Account	Call Account	Call Account	–		–	–	–
Stanlib 551 557 338		Call Account	Call Account	Call Account	–		–	–	–
Absa 92 4434 8061		Call Account	Call Account	Call Account	–		0	–	0
Nedbank 03/7881532939/000126		Call Account	Call Account	Call Account	–		–	–	–
Standard 76586/442739		Call Account	Call Account	Call Account	30	0.2%	5 729	(79)	5 650
Stanlib 551 660 303		Call Account	Call Account	Call Account	124	0.8%	22 241	(3 968)	18 274
Nedbank 03/7881532939/000041		Call Account	Call Account	Call Account	36	0.2%	6 730	36	6 766
Nedbank 03/7881532939/000056		Call Account	Call Account	Call Account	6	0.0%	1 062	6	1 067
Nedbank 03/7881532939/000058		Call Account	Call Account	Call Account	32	0.2%	5 994	(83)	5 911
Nedbank 03/7881532939/000103		Call Account	Call Account	Call Account	6	0.0%	1 193	6	1 200
Nedbank 03/7881532939/000064		Call Account	Call Account	Call Account	44	0.3%	8 272	44	8 316
Absa 92 0559 0710		Call Account	Call Account	Call Account	0	0.0%	41	0	41

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
Nedbank 03/7881532939/000117		Call Account	Call Account	Call Account	43	0.3%	8 175	(114)	8 061
Nedbank 03/7881532939/000108		Call Account	Call Account	Call Account	1	0.0%	169	1	170
Absa 92 2975 5568		Call Account	Call Account	Call Account	0	0.0%	15	0	15
Absa 91 9360 7257		Call Account	Call Account	Call Account	5	0.0%	978	5	983
Nedbank 03/7881532939/000112		Call Account	Call Account	Call Account	–		(0)	–	(0)
Standard 76586/442737		Call Account	Call Account	Call Account	–		0	–	0
Nedbank 03/7881532939/000110		Call Account	Call Account	Call Account	2	0.0%	319	(72)	246
Nedbank 03/7881532939/000123		Call Account	Call Account	Call Account	–		–	–	–
Rand Merchant Bank RRB1629010		Call Account	Call Account	Call Account	390	2.6%	72 977	390	73 367
Stanlib 551 989 180		Call Account	Call Account	Call Account	223	1.5%	36 728	223	36 950
Absa 92 2590 9850		Call Account	Call Account	Call Account	5	0.0%	964	5	969
Stanlib 551 539 764		Call Account	Call Account	Call Account	11	0.1%	1 759	11	1 770
Rand Merchant Bank RRB0324003		Call Account	Call Account	Call Account	0	0.0%	40	0	40
Stanlib 551 567 496		Call Account	Call Account	Call Account	0	0.0%	58	(57)	1
Stanlib 551 576 733		Call Account	Call Account	Call Account	1	0.0%	85	1	86
Rand Merchant Bank RRB0B25020		Call Account	Call Account	Call Account	9	0.1%	1 749	(57)	1 692
Standard 76586/442743		Call Account	Call Account	Call Account	0	0.0%	88	0	88
Rand Merchant Bank RRB1609012		Call Account	Call Account	Call Account	2	0.0%	290	2	291
Stanlib 551 742 405		Call Account	Call Account	Call Account	2	0.0%	377	2	380
Rand Merchant Bank KLN2308011		Call Account	Call Account	Call Account	2	0.0%	368	(53)	314
Nedbank 03/7881532939/000128		Call Account	Call Account	Call Account	259	1.7%	48 472	259	48 731
Rand Merchant Bank RRB1722008		Call Account	Call Account	Call Account	249	1.7%	46 550	249	46 798
Standard 76586/442745		Call Account	Call Account	Call Account	560	3.8%	113 992	(20 440)	93 552
Absa 92 6406 3148		Call Account	Call Account	Call Account	895	6.0%	192 402	(47 427)	144 974

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
Rand Merchant Bank KLN2720020		Call Account	Call Account	Call Account	31	0.2%	6 309	(977)	5 332
Stanlib 551 868 235		Call Account	Call Account	Call Account	1	0.0%	133	1	134
Absa 92 0559 0891		Call Account	Call Account	Call Account	3	0.0%	509	3	512
Rand Merchant Bank VVW2B13011		Call Account	Call Account	Call Account	2	0.0%	699	(575)	124
Standard 76586/494573		Call Account	Call Account	Call Account	30	0.2%	5 728	(62)	5 666
Nedbank 03/7881532939/000133		Call Account	Call Account	Call Account	3	0.0%	499	3	502
Stanlib 753 72 270		Call Account	Call Account	Call Account	303	2.0%	50 014	303	50 317
Stanlib 551 353 708		Call Account	Call Account	Call Account	6	0.0%	1 015	6	1 022
Standard 76586/442736		Call Account	Call Account	Call Account	277	1.9%	51 788	277	52 065
Stanlib 753 72 271		Call Account	Call Account	Call Account	390	2.6%	64 320	390	64 710
Rand Merchant Bank X021904579		Call Account	Call Account	Call Account	203	1.4%	38 060	203	38 264
Nedbank 03/7881532939/000101		Call Account	Call Account	Call Account	174	1.2%	32 542	174	32 716
Absa 92 1120 9757		Call Account	Call Account	Call Account	1 815	12.2%	347 780	1 815	349 595
Absa 92 2110 3430		Call Account	Call Account	Call Account	886	6.0%	169 698	886	170 584
Standard 76586/442741		Call Account	Call Account	Call Account	166	1.1%	31 155	166	31 321
Standard 76586/442744		Call Account	Call Account	Call Account	149	1.0%	27 858	149	28 007
Rand Merchant Bank RRB0C07002		Call Account	Call Account	Call Account	269	1.8%	50 360	269	50 629
Nedbank 03/7881532939/000129		Call Account	Call Account	Call Account	240	1.6%	44 914	240	45 154
Nedbank 03/7881532939/000125		Call Account	Call Account	Call Account	1	0.0%	491	(491)	(0)
Stanlib 551 748 914		Call Account	Call Account	Call Account	95	0.6%	27 796	(27 701)	95
Absa 92 6406 3407		Call Account	Call Account	Call Account	5	0.0%	1 806	(1 806)	-
Nedbank 03/7881532939/000132		Call Account	Call Account	Call Account	2 826	19.1%	529 032	2 826	531 859
Rand Merchant Bank KLN3815041		Call Account	Call Account	Call Account	2 107	14.2%	394 379	2 107	396 485
Standard 76586/470801		Call Account	Call Account	Call Account	1 428	9.6%	267 371	1 428	268 799
Standard 76586/442738		Call Account	Call Account	Call Account	13	0.1%	2 366	13	2 379
Municipality sub-total					14 820		2 811 305	(92 339)	2 718 966
TOTAL INVESTMENTS AND INTEREST	2				14 820		2 811 305	(92 339)	2 718 966

11.ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Transfers and grants expenditure (excluding vat) per allocation or grant is provided in the table below. Further details on grants expenditure performance is detailed in section 11.1 below.

Table 17: SC7 Monthly Budget Statement – transfers and grants expenditure

BUF Buffalo City - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		36 709	714 196	776 722	658 332	735 132	756 458	(21 327)	-2.8%	776 722
Local Government Equitable Share			655 141	655 141	655 141	655 141	655 141	-		655 141
Urban Settlement Development Grant		28 272	33 348	95 994	2 784	72 531	79 995	(7 464)	-9.3%	95 994
Finance Management		1 465	1 300	1 180	41	449	983	(535)		1 180
EPWP Incentive		1 596	1 149	1 149	-	1 031	958	74		1 149
Infrastructure Skills Development Grant		5 376	8 400	8 400	337	3 640	7 000	(3 360)		8 400
Integrated City Development Grant			5 605	5 605	-	-	4 671	(4 671)		5 605
Municipal Human Settlement Capacity Grant			9 253	9 253	30	2 340	7 711	(5 371)	-69.7%	9 253
Provincial Government:		178 126	531 687	298 252	12 770	151 373	249 150	(97 776)	-39.2%	298 252
Roads Subsidy - Provincial Roads		-	1 871	1 871	-	-	1 559	(1 559)	-100.0%	1 871
Dept of Economic Dev, Environmental Affairs & Tourism		3 419	-	2 500	-	-	2 083	(2 083)	-100.0%	2 500
Local Government & Traditional Affairs		5 549	2 000	3 770	154	2 927	3 142	(215)	-6.8%	3 770
Health Subsidy - ATIC		-	2 522	2 522	-	-	2 102	(2 102)	-100.0%	2 522
Cooperative Governance and Traditional Affairs		-	-	-	-	-	-	-		-
Library Subsidy		-	3 638	3 638	-	9 638	3 638	6 000	164.9%	3 638
Reclaim Land Claims Commission(RLCC)		63	-	-	-	-	-	-		-
Dept Sport, Recreation, Arts and Culture (DSRAC)		-	-	31	-	-	25	(25)	-100.0%	31
Dept of Land Affairs		19	-	766	-	-	639	(639)	-100.0%	766
Accreditation Capacity Enhancement Grant		-	-	-	-	-	-	-		-
Human Settlement Development Grant		169 076	521 656	283 154	12 615	138 808	235 962	(97 154)	-41.2%	283 154
District Municipality:		-	-	-	-	-	-	-		-
Health Subsidy - Environmental Health		-	-	-	-	-	-	-		-
Other grant providers:		2 264	3 329	3 120	450	2 414	2 600	(186)	-7.2%	3 120
SETA - Skills Development		1 243	2 989	2 989	419	2 309	2 491	(182)	-7.3%	2 989
Donor Funding - Leiden & Galve		41	-	-	-	-	-	-		-
Trust Funds		522	-	-	-	-	-	-		-
Umsobomvu Youth Fund		458	-	131	31	105	110	(4)	-4.0%	131
Donor Funding - European Commission		-	340	-	-	-	-	-		-
Vuna Award		1	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		217 099	1 249 211	1 078 093	671 551	888 918	1 008 208	(119 289)	-11.8%	1 078 093
Capital expenditure of Transfers and Grants										
National Government:		554 565	742 884	702 762	13 132	410 210	585 635	(175 425)	-30.0%	702 762
Urban Settlement Development Grant		529 103	679 784	659 542	12 972	386 582	549 618	(163 036)	-29.7%	659 542
Infrastructure Skills Development Grant		-	100	100	-	78	83	(6)	-6.7%	100
Energy Efficiency and Demand Management		-	13 000	13 000	161	12 969	10 833	2 136	19.7%	13 000
Public Transport and Systems		-	-	-	-	-	-	-		-
Neighbourhood Development Partnership		4 885	20 000	-	-	-	-	-		-
Integrated National Electrification Programme		20 577	30 000	30 000	-	10 517	25 000	(14 483)	-57.9%	30 000
Finance Management		-	-	120	-	64	100	(36)	-36.4%	120
Provincial Government:		49 395	107 469	86 850	27	43 843	72 375	(28 533)	-39.4%	86 850
Human Settlement Development Grant		46 985	94 400	69 800	-	42 385	58 167	(15 781)	-27.1%	69 800
Human Settlement Development Grant - MPCC		665	13 069	-	-	-	-	-		-
Dept Sport, Recreation, Arts and Culture (DSRAC)		1 377	-	8 014	27	1 457	6 679	(5 221)	-78.2%	8 014
Dept of Local Government and Traditional Affairs		179	-	9 036	-	-	7 530	(7 530)	-100.0%	9 036
Dept of Economic Development, Environmental Affairs and Tourism (DEDEAT)		189	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Health Subsidy - Environmental Health		-	-	-	-	-	-	-		-
Other grant providers:		256	-	459	-	-	-	-		459
BCMET Funding		256	-	-	-	-	-	-		-
Public Funding		-	-	-	-	-	-	-		-
Lieden		-	-	459	-	-	-	-		459
Total capital expenditure of Transfers and Grants		604 216	850 353	790 071	13 159	454 053	658 010	(203 958)	-31.0%	790 071
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		821 314	2 099 564	1 868 165	684 710	1 342 971	1 666 218	(323 247)	-19.4%	1 868 165

11.1 Expenditure On Conditional Grants (DoRA Allocation)

The total expenditure inclusive of reclaimed vat on conditional grants budget as at 30 April 2016 amounts to R542.61 million which is 66% of the mid-year adjusted budget of R824.34 million.

Table 18 below reflects the year to date expenditure on 2015/16 total conditional grants.

Table 18: Spending per Conditional Grant Funding Allocation

<u>Funding/Grant</u>	<u>2015/2016 Mid-year Adjustment Budget</u>	<u>YTD Expenditure</u>	<u>Variance</u>	<u>% Expenditure vs. Budget</u>
Integrated National Electrification Programme Grant	30 000 000	11 989 641	18 010 359	40%
Energy Efficiency & Demand Side Management Grant	13 000 000	14 762 735	(1 762 735)	114%
Finance Management Grant	1 300 000	515 435	784 565	40%
Infrastructure Skills Development Grant	8 500 000	3 819 860	4 680 140	45%
Urban Settlement Development Grant	755 535 408	508 135 420	247 399 988	67%
Integrated City Development Grant	5 605 000	-	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	2 357 435	6 895 565	25%
Expanded Public Works Programme Grant	1 149 000	1 031 024	117 976	90%
TOTAL	824 342 408	542 611 550	281 730 858	66%

Comments on performance of programmes that are implemented by the above funding are detailed below.

11.1.1. INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

The following contracts are at the evaluation stage and expenditure is set to commence at appointment stage.

The grant funding is going to be used to service connections to RDP houses detailed below:

AREA	CONNECTIONS	STATUS
Mdantsane – Mount Ruth	168	Awaiting assessment date
Mdantsane Buffer Strip	563	Awaiting assessment date
Potsdam Unit P(Extension 2)	400	Awaiting assessment date
Quenera (Mzamomhle PH 1)	311	Awaiting assessment date
Reeston Phase 3 (Stage1)	400	Awaiting assessment date

11.1.2. FINANCE MANAGEMENT GRANT (FMG)

Six (6) new interns started the internship programme on 04 January 2016. As at 07 March 2016, three interns out of the six have started doing the Municipal Finance Management Programme as part of the skills development. The Municipal Standard Chart of Accounts (MSCOA) activity that is funded by FMG is scheduled for the last quarter of the financial year. Funding will be fully utilised at year end.

11.1.3. INFRASTRUCTURE SKILLS DEVELOPMENT GRANT (ISDG)

There is no further training scheduled for the current ISDG interns as the program is nearing completion; funding is only being used to pay the interns stipends. The number of interns has reduced and it has affected the amount of stipends to be paid as the funding is for the payment of stipends as well as training. National Treasury has approved additional appointment of four interns and the process of appointing the four additional interns has been initiated to increase the expenditure. The stipend for the interns is being reviewed as they seem to be below other municipalities. This will assist in increasing the expenditure.

11.1.4. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)

INFRASTRUCTURE SERVICES

Sanitation Capital Projects

Litigation process has been finalized for one Waste Water Treatment Works projects. Funds have been spent on materials to be installed and purchasing of electronic components for the Wastewater Treatment Works projects. For one Wastewater Treatment Works project, the municipality has awarded the project as per the court order.

Some of the rural sanitation projects have reached final completion and some have reached practical completion. The Annual contractor and EPWP contractors have

been appointed to fast track the implementation of the outstanding projects within the Rural Sanitation Backlog Eradication Programme.

DEVELOPMENT & SPATIAL PLANNING

KwaTshatshu Pedestrian Bridge

Consultants were appointed in July 2014. The detail designs and tender document phase has been completed. An Environmental Authorisation was issued in July 2015. The Water Use Licence Application (WULA) has been approved by the Department of Water & Sanitation and confirmation has been received. The land requirements are currently being dealt with by the Land Administration Division. Valuations have been obtained and the Land Administration Department is in the process of dealing with the land owner. The construction tender was advertised and closed on 09 February 2016.

Needs Camp / Potsdam Bridge

Consultants were appointed in December 2013. The detail designs and tender document phase has been completed. Environmental Authorisation has been delayed until written confirmation regarding knowledge of the proposed project has been received from the community leader or households affected by the proposed roadway. The Land Administration Department is currently dealing with the land issues regarding ownership and transfer to Council for the roadway. The Water Use Licence Application (WULA) has been approved and received from the Department of Water & Sanitation. The construction tender was advertised and closed on 26 February 2016.

Sidewalks

The construction of sidewalks has been completed in Scenery Park and Amalinda Main Road. The sidewalks in Mdantsane and Sweetwaters are still in progress.

Traffic calming measures

The traffic calming measures (speed humps) have been constructed in the following areas: Duncan Village, Sweetwaters, Mdantsane, Beacon Bay, Cambridge, Haven Hills and Amalinda.

Guardrails

Guardrails have been installed in Mdantsane, Alphandale, Amalinda and Ginsberg.

Traffic Signals

Traffic signals have been completed on the North East Expressway (NEX), Potters Pass, Caxton, Terminus and Gullsway. The informal tender for the visually impaired pedestrian push buttons has been closed and still awaiting the order.

Guidance Signage

Guidance signs have been designed for the rural areas and have been manufactured by the BCMM signage contractor. Installation of guidance signage from Cambridge to King William's Town has been completed and final inspection is underway.

Taxi/ Bus stops, Scenery Park Taxi Loading Area and Bonza Bay Taxi Loading Area Ablution Facility

Taxi/Bus stops in Reeston, Amalinda and Mdantsane nu1&13 are 100% complete. Designs for the Scenery Park Taxi Loading area are in progress and designs will be completed in June 2016. Construction of Ablution Facility at the Bonza Bay Taxi Loading area is complete. Work on the kerbing of the existing taxi rank is complete.

KWT Taxi and Bus Facilities

KWT Taxi/Bus Facility Bid document closes on 27 May 2016.

HUMAN SETTLEMENTS

The department is experiencing disputes with the contractors and the disputes with the contractors have been referred to legal department in order to obtain legal advice and way forward.

ECONOMIC DEVELOPMENT AND AGENCIES

The Directorate of Economic Development and Agencies has an approved allocation of R10 million from the USDG in the 2015/16 financial year. The Market Upgrade programme has various projects i.e. roads renewal, building capital works and refurbishment and roofing. The tender for the Relocation and Upgrading of Cashier

Cubicles will be advertised on 13 May 2016 and it closes on 3 June 2016. Seventy three percent (73%) of the allocated USDG funds on this programme has been spent.

HEALTH / PUBLIC SAFETY & EMERGENCY SERVICES

The project for King Williams Town Traffic Building is a multi-year project. Project is on track in terms of project milestones with the Professional Team. The specifications were approved on 22 January 2016 for the tender for the construction of the building. Tender was advertised on 18 March 2016 and it closed on 22 April 2016.

MUNICIPAL SERVICES

LIBRARIES & HALLS SECTION

Development and Upgrading of Community Halls

Work is in Progress and contractors are on site to carry out refurbishment and upgrade of nine (9) community halls (Carnegie Hall, 5 Mdantsane community halls, Billy Francis, Needs Camp Community Hall and King Williams Town Hall).

The expenditure to date is at 98% and seven (7) of the Projects are 100% complete.

The Professional Service Provider has been appointed to do a cost assessment for the restoration of KWT Town Hall. Remaining funding to be utilized for additional refurbishment at KWT Town Hall.

Construction of Nompumelelo Hall

The Tender was advertised on the 13th of November 2015 and the Tender closing date was the 15th of December 2015. As at the end of April 2016 the tender had not yet been awarded and it has now expired due to extension letters not being sent out timeously. A deviation has been done to spend R2.8 million towards Nompumelelo Hall in the current financial year. R1.2 million has been diverted towards Refurbishment of KWT Town Hall.

THE AMENITIES DIVISION

The department is experiencing challenges with the majority of the annual contractors in terms of their capacity to execute the works or to provide quotations that correlate with their tender documents/appointments. Some projects are at the evaluation stage

such as the Refurbishment of Swimming Pools and Upgrading of the Zoo, and appointment of assessors has been approved for the department so that Bid Evaluation Committee (BEC) may consider the items.

The division had to engage annual contractors to provide quotes based on a bill of quantities. The bill of quantities were prepared by Enterprise Project Management Office (EPMO) officials. There was a lead time in the preparation of the bill of quantities. Annual contractors are being utilized to speed up project execution.

11.1.5. INTEGRATED CITY DEVELOPMENT GRANT (ICDG)

Spending is dependent on the Sleepersite Best Concept Use Framework to be adopted by Council. Monthly reports have been submitted to council pertaining the progress to date.

11.1.6. MUNICIPAL HUMAN SETTLEMENT CAPACITY GRANT (MHSCG)

The transfer of funds to BCMM was only done at end of October 2015 and this resulted in delayed planning and implementation of plans. The funding is meant to assist the department with enhancing the current personnel capacity. The department has revised the Business Plan (BP) and submitted a request for approval of the revised BP from Department of Human Settlements to utilize service providers to augment the existing capacity of the municipality's Human Settlement Directorate for the posts that have not been filled yet due to the fact that the grant is going to be discontinued as from the 1st July 2016.

12. COUNCILLOR AND EMPLOYEE BENEFITS

12.1. Councillor and Employees Benefits Summary

Table 19 below provides summary of employees and Councillors remuneration.

Table 19: SC8 Monthly Budget Statement – Councilor and Staff Benefits

BUF Buffalo City - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April										
Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		29 335	31 903	32 074	2 451	26 100	25 779	321	1%	32 074
Pension and UIF Contributions		3 047	3 328	3 297	286	2 747	2 748	(1)	0%	3 297
Medical Aid Contributions		1 539	1 856	1 874	153	1 474	1 562	(88)	-6%	1 874
Motor Vehicle Allowance		11 247	12 944	12 653	1 294	9 594	10 544	(950)	-9%	12 653
Cellphone Allowance		-	-	2 150	177	1 794	1 791	3	0%	2 150
Housing Allowances		2 515	2 879	2 762	219	2 413	2 301	112	5%	2 762
Other benefits and allowances		-	-	-	71	1 453	950	503	53%	-
Sub Total - Councillors		47 682	52 910	54 810	4 651	45 574	45 675	(101)	0%	54 810
% increase	4		11.0%	14.9%						14.9%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 482	15 026	11 501	491	5 016	9 134	(4 119)	-45%	11 501
Pension and UIF Contributions		985	2 734	2 147	95	975	1 705	(731)	-43%	2 147
Medical Aid Contributions		122	266	254	12	112	202	(90)	-44%	254
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1 071	2 738	2 481	109	1 152	1 971	(819)	-42%	2 481
Cellphone Allowance		-	-	391	19	160	311	(150)	-48%	391
Housing Allowances		6	83	-	-	1	-	1	#DIV/0!	-
Other benefits and allowances		2 038	2 273	1 242	153	1 290	929	362	39%	1 242
Payments in lieu of leave		-	-	-	-	106	-	106	#DIV/0!	-
Long service awards		24	36	0	-	(1)	-	(1)	#DIV/0!	0
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		9 728	23 157	18 017	879	8 811	14 251	(5 440)	-38%	18 017
% increase	4		138.1%	85.2%						85.2%
Other Municipal Staff										
Basic Salaries and Wages		704 205	851 398	850 039	61 900	627 489	675 099	(47 609)	-7%	850 039
Pension and UIF Contributions		134 398	155 271	163 908	11 878	123 895	130 175	(6 280)	-5%	163 908
Medical Aid Contributions		52 791	96 719	79 727	5 338	49 479	63 319	(13 840)	-22%	79 727
Overtime		107 200	60 348	60 348	10 888	98 201	51 999	46 202	89%	60 348
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		19 402	26 800	27 860	1 834	17 189	22 127	(4 938)	-22%	27 860
Cellphone Allowance		-	-	3 665	328	3 299	2 911	388	13%	3 665
Housing Allowances		3 502	10 185	12 205	657	9 858	9 693	164	2%	12 205
Other benefits and allowances		115 629	139 402	171 170	14 487	133 894	131 931	1 963	1%	171 170
Payments in lieu of leave		29 230	7 307	15 291	1 425	24 819	12 144	12 675	104%	15 291
Long service awards		16 246	17 033	17 509	1 535	14 920	13 906	1 014	7%	17 509
Post-retirement benefit obligations		-	-	5 831	1 460	8 608	4 631	3 977	86%	5 831
Sub Total - Other Municipal Staff		1 182 603	1 364 462	1 407 555	111 730	1 111 651	1 117 934	(6 283)	-1%	1 407 555
% increase	4		15.4%	19.0%						19.0%
Total Parent Municipality		1 240 013	1 440 529	1 480 382	117 260	1 166 037	1 177 860	(11 824)	-1%	1 480 382

12.2. Overtime Analysis

Table 20 below provides comparison of overtime expenditure against budget per directorate for the period ended 30 April 2016. Table 21 below details overtime expenditure incurred per cost centre for the past three months ended 30 April 2016.

Table 20: Overtime per Directorate

Directorate	Annual Budget R	YTD Budget R	YTD Expenditure R	Variance R	% of YTD Budget %
Directorate Of Executive Support Services	1 577 751	1 314 793	3 442 866	(2 128 074)	262%
Directorate Of The City Manager	292 903	244 086	434 656	(190 570)	178%
Directorate Of Corporate Services	563 330	469 442	592 590	(123 148)	126%
Directorate Of Development & Spatial Planning	588 164	490 137	468 869	21 267	96%
Directorate Of Economic Development & Agencies	442 264	368 553	680 113	(311 560)	185%
Directorate Of Finance	1 245 438	1 037 865	1 272 992	(235 127)	123%
Directorate Of Health / Public Safety & Emergency Services	25 374 017	21 145 014	25 410 540	(4 265 525)	120%
Directorate Of Human Settlement	96 161	80 134	23 807	56 327	30%
Directorate Of Infrastructure Services	16 161 606	13 468 005	27 131 851	(13 663 846)	201%
<i>Electricity</i>	7 303 001	6 085 834	7 721 418	(1 635 584)	127%
<i>Water</i>	3 162 397	2 635 331	10 694 279	(8 058 949)	406%
<i>Sanitation</i>	4 674 357	3 895 298	8 079 236	(4 183 938)	207%
<i>Other</i>	1 021 851	851 543	636 918	214 625	75%
Directorate Of Municipal Services	19 131 438	15 942 865	40 064 162	(40 064 162)	251%
Total	65 473 072	54 560 893	99 522 446	(44 961 553)	182%

Analysis of Overtime

The total overtime payment for the months of February 2016, March 2016 and April 2016 is reflected below. There was a decrease in the total payment of overtime between February 2016 and March 2016 of R1 645 118 and an increase in the total payment of overtime between March 2016 and April 2016 of R1 338 436.

Table 21: Overtime Per Cost Centre: February 2016 – April 2016

OVERTIME PER COST CENTRE

		February 2016 Amount	March 2016 Amount	April 2016 Amount
	Directorate -Executive Support Services			
105 005	Office of The Director of Executive Support	231 960.99	227 836.46	267 378.35
105 020	Public Participation & Ward Committees	5 551.77	22 737.11	18 577.53
105 025	Strategic Support	-	1 012.95	-
105 030	Special Programmes	-	2 472.15	-
110 005	IDP	1 463.16	-	-
120 010	Public Relations & International Events	60 221.92	39 586.22	88 819.75
		299 197.84	293 644.89	374 775.63
	Directorate - Municipal Manager			
205 005	Office of The Municipal Manager & Support Services	22 206.04	33 984.28	18 123.64
225 005	Municipal Public Accounts Committee	485.10	3 422.65	2 425.50
225 010	Municipal Public Accounts Committee	-	3 594.80	-
215 005	Internal Audit			3 601.57
		22 691.14	41 001.73	24 150.71
	Directorate - Chief Operations Officer			
250005	Office of the Chief Operations Officer	-	-	8 276.60
255010	Mdantsane Urban Renewal Unit	-	-	3 154.40
		-		11 431.00
	Directorate - Chief Financial Officer			
305 005	Office of The Director of Finance	-	-	-
305 010	Support Services Office	4 076.59	3 057.45	-
315 005	Budget Office	-	-	5 521.55
320 010	Supply Chain Management	7 601.58	981.75	8 652.94
320 015	Expenditure Office	5 779.39	2 345.63	3 183.36
320 020	Salary Office	-	4 844.79	-
330 005	Rates & Valuations Office	-	1 029.04	-
330 010	Consolidated Billing & Miscellaneous Revenue Office	-	236 974.62	95 555.04
330 015	Debtors Management Office	62 549.61	21 200.88	44 538.36
330 020	Customer Care Office	18 531.48	19 301.31	8 186.73
330 025	Pre-Payment Vending Office	7 461.20	3 061.53	3 852.25
		105 999.85	292 797.00	169 490.23
	Directorate - Corporate Services			
415 005	Administrative & Council Support	6 948.44	9 857.96	12 910.65
415 010	Auxilliary & Telecommunication Services	44 515.54	30 483.57	40 974.70

		February 2016 Amount	March 2016 Amount	April 2016 Amount
415 025	Management Information Services	19 213.59	5 065.88	-
420 005	H.R. Administration	-	-	-
420 010	Occupational Risk Management	3 737.47	5 436.32	10 872.64
425 005	Research Policy & Knowledge Management Unit	2 035.15	3 102.76	-
420 015	Labour Relations	-	-	859.74
		76 450.19	53 946.49	65 617.73
	Directorate - Engineering Services			
505 010	City Engineering Building	2 794.16	2 256.83	1 826.96
510 005	Scientific Services	1 372.48	-	-
515 006	Night Soil Removal - Coastal	83 211.83	35 840.10	94 764.20
515 007	Night Soil Removal - Central	-	4 534.75	5 212.64
515 026	Sewerage Treatment - Coastal	90 800.70	53 389.09	64 248.63
515 027	Sewerage Treatment - Central	49 141.29	36 320.86	41 227.29
515 028	Sewerage Treatment - Inland	110 538.98	66 420.92	142 951.93
515 031	Sewerage Reticulation - Coastal	279 749.43	240 676.88	263 855.60
515 032	Sewerage Reticulation - Central	112 243.99	87 571.27	112 204.96
515 033	Sewerage Reticulation - Inland	158 771.77	103 130.15	195 216.95
520 005	Water Administration	32 436.69	14 137.87	37 938.81
520 011	Maden Dam	14 072.56	13 751.55	22 881.69
520 012	Bridle Drift Dam	-	6 023.63	3 614.18
520 015	Bulk Pumping Stations	25 360.44	23 243.60	23 996.53
520 021	Umzonyana Water Treatment Works	82 957.38	81 827.03	96 467.18
520 023	KWT Water Treatment Works	139 178.18	100 423.16	131 649.64
520 024	Mdantsane Bulk Pumping	97 755.96	35 550.04	44 491.09
520 025	Water Ops & Maint. - Inland	207 718.38	171 975.45	243 669.93
520 026	Water Ops & Maint. - Midland	249 857.18	211 181.73	229 972.75
520 030	Water Ops & Maint. - Coastal	237 177.72	413 793.18	325 642.39
525 005	Construction Distribution	845.13	-	617.66
525 010	Roads Administration	-	1 496.39	-
525 025	Roads & Stormwater Drainage	4 856.54	5 085.70	28 910.13
530 005	Mechanical Workshop - Westbank	-	-	478.35
530 015	Mechanical Workshop - Braelyn	27 661.02	32 128.16	42 906.62
530 020	Fleet Management - Braelyn	1 264.03	-	-
535 005	Electricity Administration	1 279.79	1 209.66	1 244.72
535 010	Electricity Distribution Supervisory Staff	570 692.30	658 310.37	653 316.33
535 025	Electricity Planning & Design	561.00	736.32	666.20
535 040	Revenue Protection	67 245.98	64 280.83	84 938.45
		2 649 544.91	2 465 295.52	2 894 911.81

		February 2016 Amount	March 2016 Amount	April 2016 Amount
Directorate - Development Planning				
615 075	Architecture	-	82.16	-
615 095	Building Maintenance - Coastal / Central	2 561.12	11 348.60	-
620 015	Traffic Signal Maintenance	8 631.23	10 416.89	13 972.74
625 005	Buffalo City Bus Services	11 483.27	32 117.77	13 347.92
630 005	BCMET	13 310.26	-	-
635 005	Local Economic Development	-	3 189.60	-
635 010	Market	31 786.58	41 188.49	16 013.23
		67 772.46	98 343.51	43 333.89
Directorate - Health & Public Safety				
705 010	Support Services	-	-	-
725 010	Fire & Rescue Services	534 685.84	259 759.42	681 536.12
725 015	Law Enforcement Services	1 681 812.84	1 056 134.57	1 872 710.94
725 020	Traffic Administration	128 792.83	75 480.93	84 629.90
725 025	Traffic Control	349 963.36	180 373.93	259 598.08
710 030	Environmental Health	-	-	10 250.01
725 035	Vehicle Test Station / Examination	25 222.15	11 310.91	13 282.73
725 036	Vehicle Registration	-	2 390.92	5 261.62
725 040	Drivers License Testing	728.91	-	-
725 045	Traffic Technical Services	36 921.64	23 674.85	22 618.74
725 050	Parking Areas / Meters	96 796.36	34 892.42	60 062.64
725 055	Disaster Management	16 629.14	8 560.62	13 655.33
		2 871 553.07	1 652 578.57	3 023 606.11
Directorate - Community Services				
750 005	Office of The Director of Community Services	6 446.05	2 750.12	2 493.09
750 010	Cleansing Administration Support	2 556.68	1 826.20	616.35
755 005	Environmental Administration Support	-	616.85	-
755 010	Environmental Services	550 436.50	557 888.88	299 593.21
755 015	Environmental Conservation	158 843.76	167 595.82	85 911.10
755 020	Environmental Workshop	681.17	-	-
755 025	Interments	278 642.14	246 456.21	243 880.58
755 035	Integrated Environmental Management	509.06	-	-
760 005	Arts & Cultural Services Admin	25 329.65	38 133.65	42 536.38
760 010	Libraries	5 091.74	6 473.89	6 499.42
760 025	Halls	123 787.85	147 343.47	211 701.05
765 005	Amenities Administration Support	53 974.51	30 440.09	30 146.73
765 010	Sportsfields	182 494.83	204 403.35	200 901.34

		February 2016 Amount	March 2016 Amount	April 2016 Amount
765 015	Swimming Pools	158 391.02	206 743.36	179 261.32
765 020	Aquarium	65 641.80	39 095.25	59 210.94
765 025	Zoo	68 880.48	52 025.84	66 475.18
765 030	Beaches	401 025.38	402 640.08	92 011.04
765 035	Resorts	96 748.34	74 512.66	63 570.68
770 005	Cleansing Administration Support	68 174.32	34 970.23	24 012.09
770 010	Refuse Removal	1 138 271.32	969 253.74	941 378.72
770 015	Waste Disposal Sites	41 710.91	30 968.94	44 126.58
770 020	Street Sweeping	693 280.81	506 363.68	722 601.59
770 025	Public Conveniences	147 418.75	116 886.50	123 474.05
770 030	E.L Regional Waste Disposal Site & Transfer Station	81 557.12	62 988.80	88 702.64
		4 349 894.19	3 900 377.61	3 529 104.08
	TOTAL OVERTIME	10 443 103.65	8 797 985.32	10 136 421.19

12.2.1. Comments On Overtime

a) Directorate of Executive Support Services

The planned and emergency nature of tasks within the Executive Mayor and the Speakers Office contribute to excessive hours of work as bodyguards have to work beyond normal working hours. Overtime incurred is also due to ward committee meetings held after business hours, loudhailing done after business hours and on weekends; attending public participation programmes on weekends.

b) City Managers Office

The over expenditure on overtime is due to unplanned and emergency overtime. Monitoring of overtime is continuously undertaken.

c) Directorate of Corporate Services

The over expenditure on overtime is as a result of council meetings which necessitates the drivers to deliver council agendas.

d) Directorate of Economic Development & Agencies

The excessive overtime on Economic Development and Agencies is due to the

Cold Room Attendants who are required to wait for delivery trucks to deliver stock outside of the normal operating hours for the Fresh Produce Market. Furthermore, the overtime on Market is as a result of Cashiers having to work extended hours, waiting for their cash intakes to be counted in their presence before it is deposited to the bank. However, a system is currently being introduced whereby only the Supervisor Cashier will remain behind to make the bank deposits.

e) Directorate of Finance

The over expenditure is due to the preparation of Requests for Information and Communications of Audit Findings for the Auditor General's 2014/2015 Regulatory Audit. Other factors for the over expenditure include the increase in the Bid Committee meetings held, the interim stock take and annual stores stock take. The over expenditure is also due to the Meter Reading project which was undertaken in order to catch up on operations that suffered in October, November, January and February resulting from the unexpected strike by staff, as well as the breakdown in hardware related to the Meter Reading Handheld Devices. The readings had to be taken manually and captured manually which was a time consuming exercise.

f) Directorate of Infrastructure Services

Electricity – Overtime is incurred while carrying out emergency work in all areas of East London and King Williams Town/Bisho due to standby emergencies, vandalism, theft, revenue protection raids for illegals and load shedding, etc.

Water – Overtime is incurred while carrying out emergency work due to the high number of pipe bursts.

Sanitation – Overtime is incurred while carrying out emergency work (burst rising mains etc.) and attending to alarms received via the telemetry system or faults at pump stations i.e. tripped pumps etc.

g) Directorate of Health / Public Safety & Emergency Services

Overtime incurred is due to work performed by security guards placed within various Directorates of BCMM which is being booked against the Law Enforcement

overtime vote. Furthermore, the traffic services as an emergency service always have to work overtime due to the nature of services rendered in that it has to respond to all emergencies either road accidents, unrest situations, protest marches, shortage of staff and disasters as well as unplanned events for example presidential escorts. This therefore results in traffic officers having to work additional hours as planned events never end on time.

h) Directorate of Municipal Services

Overtime is mostly due to halls usage, high volume of burials especially over weekends and the emergency overtime for grass cutting and vegetation control.

The Amenities functions are of such a nature that certain staff must be available seven days a week including public holidays. Services provided include emergency work, swimming pools (inland/ costal), sports fields (inland/ coastal), resorts, aquarium, beaches, coastal conservation, nature reserves and the zoo.

The Department of Solid Waste Management is trying its level best to manage overtime but challenges amongst others like refuse removal truck shortages and high rate of absenteeism force overtime to be worked.

12.3. Standby and Shift Allowance Analysis

Table 22: Standby & Shift Allowance per Directorate

	FEBRUARY 2016	MARCH 2016	APRIL 2016
Directorate of Executive Support Services	9 335	10 791	10 228
Directorate of the City Manager	-	-	-
Directorate of Finance	9 940	13 015	10 472
Directorate of Corporate Services	33 858	20 877	1 563
Directorate of Infrastructure Services	540 105	503 656	552 258
Directorate of Development and Spatial Planning	12 905	12 671	12 201
Directorate of Health / Public Safety & Emergency Services	573 831	479 582	585 429
Directorate of Municipal Services	246 870	238 743	249 677
TOTAL	1 426 843	1 279 334	1 421 828

Table 22 above reflects the total standby and shift allowance incurred per directorate for the past ten (10) months for the months ended 30 April 2016. There was a decrease in the total payment between February 2016 and March 2016 of R147 509 and an increase in the total payment between March and April 2016 of R142 494.

12.4. Cost of Temporary Staff

The total payment of Temporary Staff for the past ten (10) months ended 30 April 2016 is reflected below. There was a decrease in the total payment between February 2016 and March 2016 of R399 210 and a decrease in the total payment between March 2016 and April 2016 of R434 764.

Table 23: Temporary Staff per Directorate

	FEBRUARY 2016	MARCH 2016	APRIL 2016
Directorate of Executive Support Services	1 195 001	1 236 416	1 163 901
Directorate of the City Manager	148 925	309 411	244 292
Directorate of Human Settlements	281 047	257 776	263 036
Directorate of Finance	616 949	445 921	422 607
Directorate of Corporate Services	828 277	660 310	881 734
Directorate of Infrastructure Services	140 007	125 704	89 181
Directorate of Development and Spatial Planning	76 882	89 234	47 271
Directorate of Health / Public Safety & Emergency Services	39 629	36 367	32 943
Directorate of Municipal Services	2 481 956	2 248 326	1 829 734
TOTAL	5 808 674	5 409 464	4 974 700

12.5. Councillors Costs

The table below shows the budget and expenditure to date for councillors costs. The year to date budget of R45 675 161 less the year to date expenditure of R45 571 430 leaves a Variance of R103 731.

Table 24: Councillors Costs

	2015/2016 Annual Budget R	2015/2016 YTD Budget R	2015/2016 YTD Expenditure	2015/2016 Variance R	2015/2016 Variance %
Mayoral Allowance	745 445	621 204	577 435	43 769	92.95%
Deputy Mayoral Allowance	602 036	501 697	466 348	35 349	92.95%
Mayoral Committee Allowance	6 225 934	5 188 278	4 118 437	1 069 840	79.38%
Speakers Allowance	602 036	501 697	398 034	103 662	79.34%
Out of Pocket Expenses	1 140 000	950 000	549 220	400 780	57.81%
Councillors Allowance	22 758 902	18 965 752	20 391 015	(1 425 264)	107.51%
Cllr Cell Phone Allowance	2 149 656	1 791 380	1 793 987	(2 607)	100.15%
Cllr Housing Subsidy	2 761 632	2 301 360	2 412 940	(111 580)	104.85%
Cllr Medical Aid	1 874 352	1 561 960	1 474 057	87 902	94.37%
Cllr Pension Scheme	3 297 210	2 747 675	2 746 535	1 140	99.96%
Cllr Travel Allowance	12 652 990	10 544 158	10 643 418	(99 260)	100.94%
Cllr U.I.F	-	-	-	-	-
TOTAL	54 810 193	45 675 161	45 571 430	103 731	99.77%

13. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The parent municipality, Buffalo City Metropolitan Municipality, is still in a process of resuscitating the development agency for the metro. In this regards BCMM has constituted the board members for Buffalo City Metropolitan Development Agency (BCMDA) and the board is currently recruiting staff for the running of the agency. The CEO and a temporary Office Administrator have been appointed and commenced work on 01 November 2015 and 01 December 2015 respectively. The CFO was also recently appointed and commenced work on 18 April 2016.

In addition, five positions i.e. Executive Manager: Corporate Services; Executive Manager: Development Facilitation; Manager: Risk & Internal Audit; Company Secretary & Legal Services Manager as well as an Executive Personal Assistant have been advertised and interviews have taken place on 9 May 2016. It is anticipated that the final appointments will be made by the board of directors (where applicable) by the end of May. Therefore the anticipated start date for all these positions is June and July 2016.

The draft five year strategic plan for the agency has been developed and was discussed at the board workshop on 17 March 2016. The same is currently being updated and will be finalized within May 2016. Furthermore, the agency has secured office space within the premises of East London IDZ and in this regard the board has approved the signing of the lease agreement for a year with effect from May 2016. It is anticipated that once strategic plan is in place and the advertised posts are filled, the entity will start operating on its own with minimal need for daily support from the parent municipality.

The Buffalo City Metropolitan Development Agency has a budget of R7.58 million within the Executive Support Services Directorate of BCMM and has spent R1.66 million (21.82%) as at 30 April 2016.

14. CAPITAL PROGRAMME PERFORMANCE

BCMM has spent R697.53 million inclusive of reclaimed vat (2014/15: R659.12 million) which is 50% (2014/15: 56%) of its 2015/16 mid-year adjusted capital budget of R1.39 billion (2014/15: R1.17 billion) as at 30 April 2016. This reflects a slight regression when compared to the same period in the previous financial year. However, the rand value spent is above what was spent last year as R697.53 million (inclusive of reclaimed vat) has been spent compared to R659.12 million (inclusive of reclaimed vat) that was spent for the same period in 2014/15. Refer to Annexure A – C5 for the breakdown per municipal vote, standard classification & funding; Annexure B – SC12 for monthly expenditure trends; SC13a for breakdown of asset classification for new assets and SC13b for breakdown on asset classification on renewal of existing asset).

A detailed schedule of the capital projects expenditure is outlined in Annexure E.

Table 25 below reflects capital expenditure performance per source of funding.

Table 25: Capital Expenditure per Funding Source against Budget

Funding	2015/2016 Rollover Adjustment Budget	2015/2016 Mid-year Adjustment Budget	YTD Expend. (incl. VAT)	% Exp. vs Roll- Over (incl. VAT)	% Exp. vs Mid- Yr (incl. VAT)
Total Own Funding	529 796 867	600 806 117	192 979 853	36%	32%
DoE(Integrated National Electrification Programme)	30 000 000	30 000 000	11 989 641	40%	40%
DSRAC (Department of Sport, Recreation, Arts and Culture c/o)	-	8 014 208	1 457 449	0%	18%
Department of Local Government and Housing	-	9 036 112	-	0%	0%
Electricity Demand Side Management Grant	13 000 000	13 000 000	14 762 735	114%	114%
Finance Management Grant	-	120 000	63 600	0%	53%
Infrastructure Skills Development Grant	100 000	100 000	88 609	89%	89%
Gavle c/o	-	458 860	-	0%	0%
Neighbourhood Development Partnership Grant	20 000 000	-	-	0%	0%
Urban Settlement Development Grant	679 784 100	630 339 691	429 365 281	63%	68%
Urban Settlement Development Grant c/o	-	29 202 172	4 442 128	0%	15%
Human Settlement Development Grant	94 400 000	69 800 000	42 385 272	45%	61%
Human Settlement Development Grant-MPCC	13 068 500	-	-	0%	0%
Total Grants	850 352 600	790 071 043	504 554 715	59%	64%
TOTAL PER FUNDING	1 380 149 467	1 390 877 160	697 534 569	51%	50%

Table 26 below reflects capital expenditure performance per service.

Table 26: Actual Expenditure per Service against Budget

Services	<u>2015/2016 Rollover Adjustment Budget</u>	<u>2015/2016 Mid- year Adjustment Budget</u>	<u>YTD Expend. (incl. VAT)</u>	<u>% Exp. vs Roll- Over (incl. VAT)</u>	<u>% Exp. vs Mid- Yr (incl. VAT)</u>
Water	91 000 000	110 000 000	80 588 378	89%	73%
Waste Water	296 301 527	261 801 527	77 895 141	26%	30%
Electricity	158 500 000	164 500 000	113 055 011	71%	69%
Roads and Stormwater	265 000 000	340 648 616	172 977 361	65%	51%
Housing	211 784 513	196 390 625	142 759 494	67%	73%
Transport Planning	69 652 869	86 611 729	45 425 250	65%	52%
Waste Management / Refuse	54 502 324	66 479 736	32 319 589	59%	49%
Amenities	73 483 569	53 574 482	22 296 814	30%	42%
Public Safety	32 265 057	15 808 656	4 294 497	13%	27%
Support Services	79 659 608	47 061 789	5 896 739	7%	13%
Other - BCM Fleet	48 000 000	48 000 000	26 294	0.05%	0.05%
Total Per Service	1 380 149 467	1 390 877 160	697 534 569	51%	50%

Table 27 below reflects capital expenditure performance per directorate.

Table 27: Actual Expenditure per Directorate against Budget

Directorate	<u>2015/2016 Rollover Adjustment Budget</u>	<u>2015/2016 Mid-year Adjustment Budget</u>	<u>YTD Expend. (incl. VAT)</u>	<u>% Exp. vs Roll- Over (incl. VAT)</u>	<u>% Exp. vs Mid- Yr (incl. VAT)</u>
Directorate of Executive Support Services	7 439 297	4 898 157	1 390 973	19%	28%
Directorate of the City Manager	21 500 000	700 000	-	0%	0%
Directorate of Human Settlement	211 784 513	196 390 625	142 759 494	67%	73%
Directorate of Finance	631 902	751 902	516 016	82%	69%
Directorate of Corporate Services	39 538 409	30 620 590	3 598 293	9%	12%
Directorate of Infrastructure Services	859 351 527	925 500 143	444 621 166	52%	48%
Directorate of Development and Spatial Planning	49 652 869	62 152 869	35 682 626	72%	57%
Directorate of Economic Development and Agencies	20 000 000	24 000 000	9 742 624	49%	41%
Directorate of Health, Public Safety and Emergency Services	32 265 057	15 808 656	4 294 497	13%	27%
Directorate of Municipal Services	127 985 893	120 054 218	54 616 403	43%	45%
TOTAL DIRECTORATES	1 370 149 467	1 380 877 160	697 222 093	51%	50%
Asset Replacement	10 000 000	10 000 000	312 476	3%	3%
GRAND - TOTAL	1 380 149 467	1 390 877 160	697 534 569	51%	50%

The capital programme performance by month is tabulated in table 28 below

(Exclusive of Vat).

Table 28: SC12 Monthly budget Statement – capital expenditure trend

BUF Buffalo City - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M10 April									
Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	4 279	2 538	2 748	148	148	2 748	2 600	94.6%	0%
August	36 998	30 122	34 860	42 068	42 216	37 608	(4 608)	-12.3%	3%
September	63 771	24 852	28 339	57 530	99 746	65 947	(33 799)	-51.3%	8%
October	82 385	45 563	48 109	101 591	201 336	114 056	(87 281)	-76.5%	16%
November	52 978	43 333	47 611	85 219	286 556	161 666	(124 889)	-77.3%	22%
December	123 417	50 976	58 312	111 569	398 125	219 978	(178 146)	-81.0%	31%
January	30 397	29 612	34 931	62 851	460 975	254 909	(206 066)	-80.8%	36%
February	47 087	32 833	34 767	49 495	510 470	289 677	(220 794)	-76.2%	40%
March	104 078	51 060	55 941	117 166	627 636	345 618	(282 018)	-81.6%	49%
April	59 993	69 017	77 242	13 159	640 795	422 860	(217 935)	-51.5%	0
May	96 922	65 150	73 367	–		496 227	–		
June	227 742	830 300	894 650	–		1 390 877	–		
Total Capital expenditure	930 050	1 275 354	1 390 877	640 795					

The capital programme performance table 29 below provide summary of capital expenditure by asset class/sub-class for new assets (Exclusive of VAT).

Table 29: SC13a Monthly budget Statement – capital expenditure on new assets by asset class

BUF Buffalo City - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M10 April										
Description	Ref	2014/15	Budget Year 2015/16				c		YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		213 161	158 210	187 162	13 878	115 505	56 902	(58 603)	-103.0%	187 162
Infrastructure - Road transport		116 893	20 000	20 000	-	15 653	6 080	(9 573)	-157.4%	20 000
Roads, Pavements & Bridges		116 893	20 000	20 000	-	15 653	6 080	(9 573)	-157.4%	20 000
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		38 944	66 500	66 500	3 962	40 638	20 218	(20 420)	-101.0%	66 500
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		38 944	66 500	66 500	3 962	40 638	20 218	(20 420)	-101.0%	66 500
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		57 324	71 710	100 662	9 916	59 214	30 604	(28 611)	-93.5%	100 662
Waste Management		30 727	21 710	34 662	594	27 515	10 538	(16 977)	-161.1%	34 662
Transportation		25 256	30 000	42 000	9 169	22 905	12 769	(10 136)	-79.4%	42 000
Gas		-	-	-	-	-	-	-	-	-
Other		1 341	20 000	24 000	153	8 794	7 297	(1 498)	-20.5%	24 000
Community		20 706	35 069	18 300	724	12 985	5 564	(7 422)	-133.4%	18 300
Parks & gardens		3 576	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		7 392	27 069	10 300	75	5 654	3 131	(2 522)	-80.6%	10 300
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		9 738	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	8 000	8 000	649	7 331	2 432	(4 899)	-201.4%	8 000
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		145 316	211 274	195 880	3 031	129 742	59 552	(70 190)	-117.9%	195 880
Housing development		145 316	211 274	195 880	3 031	129 742	59 552	(70 190)	-117.9%	195 880
Other		-	-	-	-	-	-	-	-	-
Other assets		48 568	125 375	128 256	700	9 052	38 993	29 941	76.8%	128 256
General vehicles		25 117	48 450	48 450	-	26	14 730	14 704	99.8%	48 450
Specialised vehicles		-	7 600	5 588	-	3 111	1 699	(1 412)	-83.1%	5 588
Plant & equipment		688	8 675	43 105	105	2 238	13 105	10 867	82.9%	43 105
Computers - hardware/equipment		1 718	40 650	31 113	595	3 677	9 459	5 782	61.1%	31 113
Furniture and other office equipment		10 178	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		4 821	-	-	-	-	-	-	-	-
Other Buildings		1 161	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		4 885	20 000	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	427 751	529 928	529 598	18 333	267 284	161 011	(106 274)	-66.0%	529 598
Specialised vehicles		-	7 600	5 588	-	3 111	1 699	(1 412)	(0)	5 588
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	7 600	5 588	-	3 111	1 699	(1 412)	(0)	5 588
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

The capital programme performance table 30 below provide summary of capital expenditure by asset class/sub-class for renewal of existing assets (Exclusive of VAT).

Table 30: SC13b Monthly budget Statement – capital expenditure on renewal of existing assets by asset class

BUF Buffalo City - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M10 April										
Description	Ref	2014/15		Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		490 455	686 056	791 000	(231)	358 652	240 483	(118 169)	-49.1%	791 000
Infrastructure - Road transport		212 002	245 000	320 649	26 275	146 207	97 485	(48 722)	-50.0%	320 649
Roads, Pavements & Bridges		212 002	245 000	320 649	26 275	146 207	97 485	(48 722)	-50.0%	320 649
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		79 994	92 000	98 000	5 535	67 488	29 794	(37 694)	-126.5%	98 000
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		79 994	92 000	98 000	5 535	67 488	29 794	(37 694)	-126.5%	98 000
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		90 752	91 000	110 000	4 799	74 638	33 443	(41 195)	-123.2%	110 000
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		90 752	91 000	110 000	4 799	74 638	33 443	(41 195)	-123.2%	110 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		107 707	258 056	262 352	(36 840)	70 320	79 761	9 441	11.8%	262 352
Waste Management		107 707	258 056	262 352	(36 840)	70 320	79 761	9 441	11.8%	262 352
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		4 788	30 700	27 759	1 002	7 163	8 440	1 276	15.1%	27 759
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		4 495	22 700	19 009	632	3 692	5 779	2 088	36.1%	19 009
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		293	8 000	8 750	370	3 471	2 660	(811)	-30.5%	8 750
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		7 056	28 671	42 519	292	13 933	12 927	(1 006)	-7.8%	42 519
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		7 056	24 221	41 519	292	13 921	12 623	(1 298)	-10.3%	41 519
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	4 450	1 000	-	12	304	292	96.2%	1 000
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	502 299	745 427	861 279	1 064	379 748	261 849	(117 899)	-45.0%	861 279
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

15. OTHER SUPPORTING DOCUMENTS

15.1. Operating Projects Expenditure

The Metro has spent 54% (R273.67 million) inclusive of reclaimed vat of its 2015/16 mid-year adjusted budget of R501.84 million as at 30 April 2016. This reflects a slight regression when compared to the same period in the previous financial year where 59% (R201.52 million) of the mid-year adjusted operating projects budget of R341.92 million was spent. However, the rand value spent is above what was spent last year as R273.67 million inclusive of reclaimed vat) has been spent compared to R201.52 million (inclusive of reclaimed vat) that was spent for the same period in 2014/15.

A detailed schedule of the operating projects expenditure is outlined in Annexure D.

Tables 31 and 32 below summarise Annexure D.

Table 31: Operating Projects per Directorate

OPERATING PROJECTS PER DIRECTORATE	2015/2016 Roll-over Adjustment Opex Budget	2015/2016 Mid Year Adjustment Opex Budget	YTD Expenditure (incl. vat)	% Exp. vs Roll-Over (incl. vat)	% Exp. vs Mid-Year (incl. vat)
Directorate of Executive Support Services	4 239 106	2 521 697	405 189	10%	16%
Directorate of The City Manager	46 401 900	31 996 309	20 657 473	45%	64%
Directorate of Human Settlements	545 954 656	305 374 146	146 107 210	27%	48%
Directorate of Finance	43 515 303	43 445 303	18 892 106	43%	43%
Directorate of Corporate Services	29 572 014	9 624 627	4 036 878	14%	41%
Directorate of Infrastructure Services	3 500 000	71 500 000	61 778 412	1765%	85%
Directorate of Development & Spatial Planning	-	400 000	307 018	0%	77%
Directorate of Economic Development & Agencies	3 000 000	18 200 000	16 766 229	559%	92%
Directorate of Health / Public Safety & Emergency Services	-	75 000	1 848	0%	2%
Directorate of Municipal Services	21 348 496	18 701 236	4 719 137	22%	23%
TOTAL	697 531 475	501 838 318	273 671 499	39%	54%

Table 32: Operating Projects per Funding Source

OPERATING PROJECTS PER FUNDING SOURCE	<u>2015/2016</u> <u>Roll-over</u> <u>Adjustment</u> <u>Opex Budget</u>	<u>2015/2016</u> <u>Mid Year</u> <u>Adjustment</u> <u>Opex</u> <u>Budget</u>	<u>YTD</u> <u>Expenditure</u> <u>(incl. vat)</u>	<u>% Exp.</u> <u>vs Roll-</u> <u>Over</u> <u>(incl.</u> <u>vat)</u>	<u>%</u> <u>Expendtiure</u>
Total Own Funding	109 693 453	89 905 161	49 932 630	46%	56%
Department of Environmental Affairs	2 500 000	2 500 000	-	0%	0%
Umsobomvu Youth Fund	131 466	131 466	105 140	80%	80%
Department of Local Government & Traditional Affairs	3 494 026	3 769 908	2 926 849	84%	78%
Expanded Public Works Programme Incentives Grant	1 149 000	1 149 000	1 031 024	90%	90%
Finance Management Grant	1 300 000	1 180 000	451 835	35%	38%
Human Settlement Development Grant	522 657 630	283 154 498	138 808 226	27%	49%
Infrastructure Skills Development Grant	8 400 000	8 400 000	3 731 252	44%	43%
Integrated City Development Grant	5 605 000	5 605 000	-	0%	0%
Municipal Human Settlement Capacity Grant	9 253 000	9 253 000	2 357 435	25%	25%
Urban Settlement Development Grant	33 347 900	95 993 545	74 327 106	223%	73%
Department of Sports, Recreation, Arts and Culture	-	30 533	-	0%	0%
Department of Land Affairs	-	766 207	-	0%	0%
Total Grants	587 838 022	411 933 157	223 738 868	38%	54%
TOTAL PER FUNDING	697 531 475	501 838 318	273 671 499	39%	54%

16. INCOME AND EXPENDITURE REPORTS FOR DIRECTORATE OF HEALTH / PUBLIC SAFETY & EMERGENCY SERVICES AND MUNICIPAL SERVICES

16.1. Health / Public Safety & Emergency Services

Below is the table indicating the breakdown of the Cost Analysis indicating income and expenditure.

Table 33: Health / Public Safety & Emergency Services – Cost Analysis

Health & Public Safety	Total Revenue	Employee Costs	Other Operating Expenditure	Repairs & Maintenance	Total Expenditure Excluding Capital
OFFICE OF THE DIRECTOR OF HEALTH / PUBLIC SAFETY & EMERGENCY SERVICES	-	1 929 324	211 692	-	2 141 016
GM - EMERGENCY SERVICES	(71 417 502)	47 770 877	21 478 283	593 356	69 842 516
EMERGENCY SERVICES	-	1 884 188	308 929	-	2 193 117
DISASTER MANAGEMENT	-	1 878 004	708 334	10 157	2 596 496
FIRE & RESCUE	(71 417 502)	44 008 685	20 461 020	583 199	65 052 904
GM - MUNICIPAL HEALTH SERVICES	(423 023)	21 357 163	3 414 911	100 988	24 873 062
MUNICIPAL HEALTH SERVICES	(423 023)	21 357 163	3 414 911	100 988	24 873 062
GM - PUBLIC SAFETY & PROTECTION SERVICES	(37 610 153)	134 821 767	16 509 562	1 519 124	152 850 452
PUBLIC SAFETY & PROTECTION SERVICES	(33 140)	15 913 762	10 090 073	956 075	26 959 910
LAW ENFORCEMENT SERVICES	(32 974)	76 141 802	2 752 422	392 625	79 286 848
TRAFFIC SERVICES	(37 544 039)	42 766 203	3 667 067	170 424	46 603 694
Total	(109 450 678)	205 879 131	41 614 448	2 213 468	249 707 047

16.2. Municipal Services

Below is the table indicating the breakdown of the Cost Analysis indicating income and expenditure.

Table 34: Municipal Services – Cost Analysis

Community Services	Total Revenue	Employee Costs	Other Operating Expenditure	Repairs & Maintenance	Total Expenditure Excluding Capital
OFFICE OF THE DIRECTOR OF MUNICIPAL SERVICES	(9 111)	5 510 526	2 088 660	9 125	7 608 311
GM - COMMUNITY AMENITIES	(14 277 396)	77 931 153	19 697 967	3 494 327	101 123 447
COMMUNITY AMENITIES	-	8 265 115	381 590	38 234	8 684 938
LIBRARIES	(9 880 453)	14 425 290	1 512 466	139 466	16 077 222
HALLS	(1 012 909)	10 441 429	3 396 146	514 756	14 352 331
RECREATION	(3 218 702)	27 184 593	7 460 876	2 091 313	36 736 781
SPORTS FACILITIES	(165 333)	17 614 727	6 946 889	710 559	25 272 175
GM - PARKS / CEMETRIES & CONSERVATION	(7 878 836)	100 236 587	21 285 240	4 850 825	126 372 651
PARKS / CEMETRIES & CONSERVATION	-	1 735 826	148 327	-	1 884 154
CEMETRIES & CREMATORIA	(6 558 324)	16 485 346	7 575 347	266 041	24 326 734
CONSERVATION	(1 191 843)	11 927 787	2 701 611	303 533	14 932 930
PARKS: COASTAL	(128 669)	70 087 627	10 859 955	4 281 251	85 228 833
GM - SOLID WASTE MANAGEMENT	(313 496 766)	104 038 529	117 251 766	15 083 919	236 374 214
SOLID WASTE MANAGEMENT	-	7 918 158	9 771 706	3 776 792	21 466 657
CLEANSING & REFUSE REMOVAL: COASTAL	(309 355 018)	87 938 906	87 877 598	11 266 337	187 082 842
LANDFILLS & TRANSFER STATIONS	(4 141 748)	8 181 464	19 602 462	40 790	27 824 716
Total	(335 662 109)	287 716 795	160 323 634	23 438 195	471 478 624

17. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, NCEBA NCUNYANA, the Acting City Manager of Buffalo City Metropolitan Municipality do hereby certify that –

The monthly budget statement (Section 71 Report)

for the period ending **April 2016** has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print name:

Acting City Manager of Buffalo City Metropolitan Municipality, BUF

Signature:

Date:

ANNEXURES:

Annexure A

- C1 Monthly Budget Statement - Summary
- C2 Monthly Budget Statement - Financial Performance (Std Classification)
- C3 Monthly Budget Statement - Financial Performance (By Municipal Vote)
- C4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure)
- C5 Monthly Budget Statement - Capital Expenditure (Municipal Vote, Std Classification and Funding)
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- C7 Monthly Budget Statement - Cash Flow

Annexure B

- SC1 Material Variance Explanation
- SC2 Performance Indicators
- SC3 Aged Debtors
- SC4 Aged Creditors
- SC5 Investment Portfolio
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- SC8 Councillor and Staff Benefits
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- SC12 Capital Expenditure trend
- SC13a Capital Expenditure on New Assets by Class
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- SC13d Depreciation by Asset Class

Annexure C

Schedule of Borrowings

Annexure D

Operating expenditure report

Annexure E

Capital expenditure report