

**REPORT TO EXECUTIVE MAYOR: 10 FEBRUARY 2016**

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Author: ACTING CITY MANAGER (NCEBA NCUNYANA)/VP

**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2015/16 BUDGET FOR THE PERIOD ENDED 31 JANUARY 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 31 January 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 Chapter 7, Section 71

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 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 31 January 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 31 January 2016 of 87% and the twelve (12) months average of 90.2%.

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**ACTING CITY MANAGER**

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**DATE**

**6. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY FOR THE PERIOD ENDING 31 JANUARY 2016**

**6.1. Dashboard / Performance Summary**

**Table 1: Performance Summary**

<b>OVERALL OPERATING RESULTS</b>		<b>CASH MANAGEMENT</b>	
Income	R 3,334,789,845	Bank Balance	R 144,862,668
Expenditure	R 2,966,005,681	Call investment deposits (excl. int.)	R 2,504,965,342
Operating Surplus	R 368,784,165	<b>Cash and cash equivalents</b>	<b>R 2,649,828,010</b>
		<i>Account Payables</i>	<i>(R 338,895,804)</i>
		<i>Unspent conditional grants</i>	<i>(R 388,083,295)</i>
		<i>Committed to Capital budget-own funds</i>	<i>(R 424,859,660)</i>
		<b>Therefore uncommitted cash and cash equivalents</b>	<b>R 1,497,989,251</b>
		Total Long term loans	R 526,412,379
<b>DEBTORS</b>		<b>SURPLUS / DEFICIT PER SERVICE</b>	
Total debtors book	R 1,501,174,460	Water	R 58,462,932
Total debtors - Government	R 22,524,833	Electricity	R 130,569,141
Total debtors - Business	R 326,903,373	Refuse	R 69,864,917
Total debtors - Households	R 947,356,702	Sewerage	R 44,721,455
Total debtors - Other	R 204,389,552		
Total debt written off	R 33,765,456		
<b>CAPITAL EXPENDITURE</b>		<b>OPERATING PROJECTS EXPENDITURE</b>	
<b><u>2014/2015: Capital Expenditure as a % of Adjusted Budget of R1.06 billion:</u></b>	<b><u>2015/2016: Capital Expenditure as a % of Adjusted Budget of R1.38 billion:</u></b>	<b><u>2014/2015: Operating Expenditure as a % of Adjusted Budget of R288.44 million:</u></b>	<b><u>2015/2016: Operating Expenditure as a % of Adjusted Budget of R697.73 million:</u></b>
Exp.(excl. vat) = R394.23 mil % expenditure (excl. vat): 37%	Exp. (excl. vat) = R460.97 mil % exp (Excl. vat) :33%	Exp.(excl. vat) = R119.53 mil % expenditure (excl. vat): 41%	Exp.(excl. vat)=R155.88 mil % exp.(excl. vat): 22%
Exp.(incl. vat) = R429.46 mil % expenditure (incl. vat): 41%	Exp. (incl. vat) = R498.37 mil % exp (incl. vat): 36%	Exp.(incl. vat) = R120.09 mil % exp. (incl. vat): 42%	Exp.(incl. vat) = R156.11 mil % exp.(incl. vat): 22%
<b>FINANCIAL</b>		<b>HUMAN RESOURCES</b>	
Operating Surplus for the period	R 368,784,165	Total staff complement	4 913
12 months average collection ratio	90.2%	Staff Appointments	635
YTD Grants and subsidies	R 623,166,376	Staff Terminations	161
Debtors to Revenue	17.21%	Number of funded vacant posts	863
Percentage of Creditors paid within terms	100%	Total overtime paid (YTD)	R 67,968,172
Current ratio	3.72:1	Allowances and benefits - Councillors	R 29,845,390
Total Debt to Revenue	11.64%	Salary bill - Officials	R 782,646,900
Capital Charges to Operating Expenditure	1.84%	Workforce costs as a % of income	23%
Cost coverage ratio	6.81 months		

## **6.2. Liquidity position**

Buffalo City Metropolitan Municipality's liquidity is considered relatively sound as the Current Ratio is 3.72:1 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 average twelve months ending 31 January 2016 is 90.2% (2014/15: 91%) and the year to date collection rate for the seven (7) months is 87% (2014/15: 89%).

Total debtors book as at 31 January 2016 amounts to R1.50 billion (2015: R1.34 billion). Households: R947.36 million, Business: R326.90 million, Government: R22.52 million, Other: R204.39 million. The ratio of debtors to revenue is 17.21%. The debtors' age analysis report is reflected on Annexure B – SC3.

## **6.4. Capital Expenditure**

BCMM has spent R498.37 million inclusive of reclaimed vat (2014/15: R429.46 million) which is 36% (2014/15: 41%) of its 2015/16 adjusted capital budget of R1.38 billion (2014/15: R1.06 billion) as at 31 January 2016. This depicts a slight regression when compared to the same period in the previous financial year. (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 22% (R156.11 million, inclusive of reclaimed vat) of its 2015/16 adjusted budget of R697.73 million as at 31 January 2016. This reflects a regression when compared to the same period in the previous financial year where 42% (R120.09 million) of the adjusted operating projects budget of R288.44 million was spent. Procurement processes bottleneck has been identified and addressed through

increase of Bid Committees. It is anticipated that the expenditure will improve in the remaining months of the financial year. The HSDG budget is overstated due to late confirmation of available funding by the Eastern Cape Provincial Department of Human Settlement, the budget will be reduced in the mid year adjustment budget. Should the HSDG allocation that is on the 2015/16 approved DoRA be taken into consideration the total budget allocated for operating projects will reduce to R458.23 million, therefore resulting in the total operating projects expenditure percentage to increase to 34%. (Refer to Section 15 for further details)

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

### **6.6. Expenditure on DoRA Current Allocation**

The Metro has spent R378.45 million inclusive of reclaimed vat (2014/15: R320.61 million) which is 47% (2014/15: 45%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: R714.18 million) as at 31 January 2016. This reflects an improvement when compared to the same period in the previous financial year. (Refer to Section 11 for further details)

#### **6.6.1. Urban Settlement Development Grant (USDG) funded projects**

BCMM has spent R348.08 million inclusive of reclaimed vat (2014/15: R293.26 million) which is 49% (2014/15: 44%) of its 2015/16 USDG budget of R713.13 million (2014/15: R673.29 million) as at 31 January 2016. This reflects an improvement when compared to the same period in the previous financial year. (Refer to Section 11 for further details)

### **6.7. Cash and Cash Equivalents**

The cash and cash equivalents of the City as at 31 January 2016 are R2.65 billion made up of cash and bank amounting to R144.86 million and call investment deposits of R2.50 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 6.81 months.



### **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 31 January 2016 amounts to R526.41 million (Refer to Annexure C for the schedule of borrowings).

The ratio of capital charges to operating expenditure is 1.84% and the total debt to revenue ratio is 11.64% as at 31 January 2016.

## 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**

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	794 519	903 413	903 413	69 401	561 748	553 322	8 427	2%	903 413
Service charges	2 424 753	2 686 741	2 686 741	234 782	1 658 454	1 532 137	126 317	8%	2 686 741
Investment revenue	124 166	133 620	133 620	13 194	82 334	57 236	25 098	44%	133 620
Transfers recognised - operational	948 239	1 249 333	1 254 460	33 405	623 166	623 665	(499)	-0%	1 254 460
Other own revenue	658 478	746 500	746 500	12 629	409 087	396 518	12 569	3%	746 500
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>4 950 155</b>	<b>5 719 607</b>	<b>5 724 735</b>	<b>363 412</b>	<b>3 334 790</b>	<b>3 162 878</b>	<b>171 911</b>	<b>5%</b>	<b>5 724 735</b>
Employee costs	1 192 331	1 387 619	1 387 619	113 087	782 647	809 444	(26 797)	-3%	1 387 619
Remuneration of Councillors	47 682	52 910	52 910	4 251	29 845	30 864	(1 019)	-3%	52 910
Depreciation & asset impairment	729 880	712 213	690 930	57 589	403 080	403 042	38	0%	690 930
Finance charges	60 671	54 313	54 313	8 439	36 292	29 668	6 624	22%	54 313
Materials and bulk purchases	1 213 642	1 377 012	1 377 012	104 873	836 362	825 387	10 975	1%	1 377 012
Transfers and grants	235 798	258 568	258 568	19 787	136 247	150 832	(14 584)	-10%	258 568
Other expenditure	1 736 520	1 876 050	1 902 460	86 332	741 532	774 076	(32 544)	-4%	1 902 460
<b>Total Expenditure</b>	<b>5 216 523</b>	<b>5 718 685</b>	<b>5 723 812</b>	<b>394 356</b>	<b>2 966 006</b>	<b>3 023 314</b>	<b>(57 308)</b>	<b>-2%</b>	<b>5 723 812</b>
<b>Surplus/(Deficit)</b>	<b>(266 368)</b>	<b>922</b>	<b>922</b>	<b>(30 945)</b>	<b>368 784</b>	<b>139 565</b>	<b>229 220</b>	<b>164%</b>	<b>922</b>
Transfers recognised - capital	615 492	850 353	850 353	57 118	356 038	110 546	245 492	222%	850 353
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>349 124</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>	<b>474 712</b>	<b>190%</b>	<b>851 275</b>
Share of surplus/ (deficit) of associate	22 359	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>371 483</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>	<b>474 712</b>	<b>190%</b>	<b>851 275</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>62 851</b>	<b>460 975</b>	<b>248 471</b>	<b>212 505</b>	<b>86%</b>	<b>1 380 149</b>
Capital transfers recognised	615 492	850 353	850 353	57 118	356 038	153 091	202 948	133%	850 353
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	314 558	425 002	529 797	5 733	104 937	95 380	9 557	10%	529 797
<b>Total sources of capital funds</b>	<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>62 851</b>	<b>460 975</b>	<b>248 471</b>	<b>212 505</b>	<b>86%</b>	<b>1 380 149</b>
<b>Financial position</b>									
Total current assets	3 090 516	3 250 381	3 250 382		3 717 562				3 250 382
Total non current assets	12 545 184	11 706 711	11 706 712		12 603 144				11 706 712
Total current liabilities	1 004 468	1 026 227	1 026 227		998 531				1 026 227
Total non current liabilities	1 011 100	1 099 508	1 099 508		991 392				1 099 508
<b>Community wealth/Equity</b>	<b>13 620 132</b>	<b>12 831 357</b>	<b>12 831 358</b>		<b>14 330 782</b>				<b>12 831 358</b>
<b>Cash flows</b>									
Net cash from (used) operating	1 013 447	1 350 929	1 329 235	(6 894)	968 816	788 042	(180 775)	-23%	1 329 235
Net cash from (used) investing	(923 670)	(1 275 354)	(1 380 149)	(62 851)	(460 975)	(743 957)	(282 981)	38%	(1 380 149)
Net cash from (used) financing	(53 669)	(46 097)	(46 097)	-	(22 446)	(26 890)	(4 444)	17%	(46 097)
<b>Cash/cash equivalents at the month/year end</b>	<b>2 200 541</b>	<b>2 383 434</b>	<b>2 256 945</b>	<b>-</b>	<b>2 649 828</b>	<b>2 371 151</b>	<b>(278 677)</b>	<b>-12%</b>	<b>2 067 421</b>
<b>Debtors &amp; creditors analysis</b>									
	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	234 739	73 773	50 415	47 293	42 072	37 769	229 072	786 041	1 501 174
<b>Creditors Age Analysis</b>									
Total Creditors	338 896	-	-	-	-	-	-	-	338 896

## 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)**

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
<b>R thousands</b>	1									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>1 886 925</b>	<b>1 974 740</b>	<b>1 974 740</b>	<b>91 721</b>	<b>1 229 468</b>	<b>1 242 171</b>	(12 702)	-1%	<b>1 974 740</b>
Executive and council		28 536	37 902	37 902	2 455	15 331	12 123	3 208	26%	37 902
Budget and treasury office		1 846 004	1 922 818	1 922 818	87 382	1 209 286	1 225 535	(16 248)	-1%	1 922 818
Corporate services		12 385	14 019	14 019	1 885	4 851	4 513	339	8%	14 019
<i><b>Community and public safety</b></i>		<b>286 920</b>	<b>651 123</b>	<b>653 618</b>	<b>35 466</b>	<b>203 566</b>	<b>158 532</b>	45 034	28%	<b>653 618</b>
Community and social services		9 404	17 738	17 738	897	16 136	6 774	9 363	138%	17 738
Sport and recreation		3 346	5 601	5 601	973	2 128	1 688	440	26%	5 601
Public safety		79 741	90 035	90 035	14 046	82 592	45 372	37 220	82%	90 035
Housing		193 400	535 206	537 702	19 516	102 668	104 010	(1 342)	-1%	537 702
Health		1 029	2 542	2 542	33	41	687	(646)	-94%	2 542
<i><b>Economic and environmental services</b></i>		<b>79 188</b>	<b>97 752</b>	<b>97 883</b>	<b>(4 288)</b>	<b>9 488</b>	<b>43 762</b>	(34 274)	-78%	<b>97 883</b>
Planning and development		25 472	21 272	21 403	(4 338)	9 009	12 967	(3 958)	-31%	21 403
Road transport		49 859	76 096	76 096	37	393	30 668	(30 275)	-99%	76 096
Environmental protection		3 857	385	385	13	86	127	(41)	-32%	385
<i><b>Trading services</b></i>		<b>2 701 728</b>	<b>2 972 019</b>	<b>2 974 519</b>	<b>238 539</b>	<b>1 882 813</b>	<b>1 711 240</b>	171 572	10%	<b>2 974 519</b>
Electricity		1 534 229	1 726 439	1 726 439	124 885	1 090 168	999 435	90 733	9%	1 726 439
Water		461 672	492 088	492 088	64 109	329 247	275 834	53 413	19%	492 088
Waste water management		369 759	392 460	392 460	24 810	240 990	211 733	29 257	14%	392 460
Waste management		336 068	361 032	363 532	24 735	222 408	224 238	(1 830)	-1%	363 532
<i><b>Other</b></i>	4	<b>633 245</b>	<b>874 327</b>	<b>874 327</b>	<b>59 091</b>	<b>365 493</b>	<b>117 720</b>	<b>247 773</b>	<b>210%</b>	<b>874 327</b>
<b>Total Revenue - Standard</b>	2	<b>5 588 007</b>	<b>6 569 960</b>	<b>6 575 087</b>	<b>420 530</b>	<b>3 690 828</b>	<b>3 273 424</b>	<b>417 404</b>	<b>13%</b>	<b>6 575 087</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>1 074 718</b>	<b>1 087 762</b>	<b>1 103 479</b>	<b>66 435</b>	<b>539 787</b>	<b>534 396</b>	5 390	1%	<b>1 103 479</b>
Executive and council		154 500	194 037	194 037	13 380	103 825	108 053	(4 227)	-4%	194 037
Budget and treasury office		622 050	466 958	470 923	31 882	236 255	241 488	(5 233)	-2%	470 923
Corporate services		298 168	426 767	438 519	21 173	199 707	184 855	14 851	8%	438 519
<i><b>Community and public safety</b></i>		<b>612 695</b>	<b>989 070</b>	<b>991 566</b>	<b>44 684</b>	<b>394 628</b>	<b>391 668</b>	2 959	1%	<b>991 566</b>
Community and social services		88 098	93 320	93 320	7 729	54 031	64 710	(10 680)	-17%	93 320
Sport and recreation		78 789	74 147	74 147	6 849	42 901	35 222	7 679	22%	74 147
Public safety		209 992	219 275	219 275	20 863	156 159	140 761	15 397	11%	219 275
Housing		207 474	571 731	574 226	6 734	124 067	136 269	(12 202)	-9%	574 226
Health		28 342	30 598	30 598	2 508	17 471	14 706	2 765	19%	30 598
<i><b>Economic and environmental services</b></i>		<b>775 123</b>	<b>843 333</b>	<b>822 181</b>	<b>67 688</b>	<b>424 203</b>	<b>397 888</b>	26 316	7%	<b>822 181</b>
Planning and development		221 953	213 708	213 840	14 932	112 203	125 838	(13 636)	-11%	213 840
Road transport		453 960	527 886	506 602	44 463	250 710	224 669	26 041	12%	506 602
Environmental protection		99 210	101 739	101 739	8 294	61 290	47 381	13 910	29%	101 739
<i><b>Trading services</b></i>		<b>2 740 479</b>	<b>2 781 669</b>	<b>2 789 735</b>	<b>214 219</b>	<b>1 598 739</b>	<b>1 692 782</b>	(94 043)	-6%	<b>2 789 735</b>
Electricity		1 481 918	1 625 904	1 625 904	120 803	959 599	1 039 203	(79 605)	-8%	1 625 904
Water		586 655	503 337	503 337	41 381	289 302	279 264	10 038	4%	503 337
Waste water management		371 722	362 232	362 232	28 956	196 269	182 567	13 702	8%	362 232
Waste management		300 184	290 196	298 262	23 079	153 570	191 748	(38 179)	-20%	298 262
<i><b>Other</b></i>		<b>13 509</b>	<b>17 005</b>	<b>16 851</b>	<b>1 330</b>	<b>8 649</b>	<b>6 580</b>	<b>2 070</b>	<b>31%</b>	<b>16 851</b>
<b>Total Expenditure - Standard</b>	3	<b>5 216 523</b>	<b>5 718 839</b>	<b>5 723 812</b>	<b>394 356</b>	<b>2 966 006</b>	<b>3 023 314</b>	<b>(57 308)</b>	<b>-2%</b>	<b>5 723 812</b>
<b>Surplus/ (Deficit) for the year</b>		<b>371 483</b>	<b>851 121</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>	<b>474 712</b>	<b>190%</b>	<b>851 275</b>

### **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)**

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
<b>R thousands</b>									%	
<b>Revenue by Vote</b>	1									
Vote 1 - Directorate - Executive Support Services		733	-	131	39	43	143	(99)	-69.7%	131
Vote 2 - Directorate - City Manager		28 536	37 902	37 902	2 455	15 331	10 740	4 590	42.7%	37 902
Vote 3 - Directorate - Human Settlements		196 494	535 206	537 702	19 516	102 704	104 045	(1 341)	-1.3%	537 702
Vote 4 - Directorate - Finance		1 846 004	1 922 818	1 922 818	87 382	1 209 286	1 500 632	(291 346)	-19.4%	1 922 818
Vote 5 - Directorate - Corporate Services		7 832	11 851	11 851	1 758	4 012	2 619	1 393	53.2%	11 851
Vote 6 - Directorate - Infrastructure Services		2 369 496	2 614 132	2 614 132	213 808	1 660 482	1 164 256	496 225	42.6%	2 614 132
Vote 7 - Directorate - Development Planning		44 568	55 515	55 515	(2 243)	19 540	23 281	(3 741)	-16.1%	55 515
Vote 8 - Directorate - Health / Public Safety & Emergency Services		126 175	157 427	157 427	14 080	82 633	84 678	(2 045)	-2.4%	157 427
Vote 9 - Directorate - Municipal Services		352 676	384 756	387 256	26 618	240 759	241 360	(602)	-0.2%	387 256
Vote 10 - Directorate - Miscellaneous		615 492	850 353	850 353	57 118	356 038	141 669	214 369	151.3%	850 353
<b>Total Revenue by Vote</b>	2	<b>5 588 007</b>	<b>6 569 960</b>	<b>6 575 087</b>	<b>420 530</b>	<b>3 690 828</b>	<b>3 273 424</b>	<b>417 404</b>	<b>12.8%</b>	<b>6 575 087</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Directorate - Executive Support Services		158 483	164 414	181 433	12 381	105 053	105 088	(34)	0.0%	181 433
Vote 2 - Directorate - City Manager		79 494	102 124	102 124	4 392	49 006	53 920	(4 914)	-9.1%	102 124
Vote 3 - Directorate - Human Settlements		218 348	582 205	584 701	7 083	126 747	131 349	(4 602)	-3.5%	584 701
Vote 4 - Directorate - Finance		622 050	466 958	470 923	31 882	236 255	230 445	5 809	2.5%	470 923
Vote 5 - Directorate - Corporate Services		123 906	214 533	222 205	13 080	92 084	93 224	(1 139)	-1.2%	222 205
Vote 6 - Directorate - Infrastructure Services		2 921 502	3 046 354	3 025 070	239 017	1 718 413	1 778 841	(60 428)	-3.4%	3 025 070
Vote 7 - Directorate - Development Planning		255 196	274 508	274 508	16 407	147 139	134 691	12 448	9.2%	274 508
Vote 8 - Directorate - Health / Public Safety & Emergency Services		264 371	283 787	283 787	23 595	174 955	168 072	6 883	4.1%	283 787
Vote 9 - Directorate - Municipal Services		573 172	582 239	577 497	46 519	316 354	327 685	(11 330)	-3.5%	577 497
Vote 10 - Directorate - Miscellaneous		-	1 565	1 565	-	-	-	-		1 565
<b>Total Expenditure by Vote</b>	2	<b>5 216 523</b>	<b>5 718 685</b>	<b>5 723 812</b>	<b>394 356</b>	<b>2 966 006</b>	<b>3 023 314</b>	<b>(57 308)</b>	<b>-1.9%</b>	<b>5 723 812</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>371 483</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>	<b>474 712</b>	<b>189.8%</b>	<b>851 275</b>

#### 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 ending 31 January 2016.

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

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
<b>R thousands</b>								%	
<b>Revenue By Source</b>									
Property rates	794 519	902 842	902 842	69 401	561 748	553 322	8 427	2%	902 842
Property rates - penalties & collection charges	–	571	571	–	–	–	–		571
Service charges - electricity revenue	1 465 814	1 658 671	1 658 671	123 248	1 033 601	955 048	78 554	8%	1 658 671
Service charges - water revenue	394 282	411 381	411 381	63 055	268 280	230 543	37 737	16%	411 381
Service charges - sanitation revenue	278 832	314 571	314 571	23 638	178 363	170 311	8 052	5%	314 571
Service charges - refuse revenue	261 807	286 063	286 063	24 092	168 170	166 870	1 300	1%	286 063
Service charges - other	24 018	16 056	16 056	748	10 039	9 366	673	7%	16 056
Rental of facilities and equipment	17 430	18 629	18 629	3 675	14 832	10 867	3 965	36%	18 629
Interest earned - external investments	124 166	133 620	133 620	13 194	82 334	57 236	25 098	44%	133 620
Interest earned - outstanding debtors	34 999	32 175	32 175	2 765	17 642	16 178	1 464	9%	32 175
Dividends received	–	–	–	–	–	–	–		–
Fines	5 500	10 293	10 293	368	3 580	3 500	80	2%	10 293
Licences and permits	14 034	22 472	22 472	3 377	7 769	7 982	(213)	-3%	22 472
Agency services		–	–	–	–	–	–		–

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
<b>R thousands</b>								%	
Transfers recognised - operational	948 239	1 249 333	1 254 460	33 405	623 166	623 665	(499)	0%	1 254 460
Other revenue	586 515	662 931	662 931	2 444	365 265	357 992	7 274	2%	662 931
Gains on disposal of PPE	-	-	-	-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>4 950 155</b>	<b>5 719 607</b>	<b>5 724 735</b>	<b>363 412</b>	<b>3 334 790</b>	<b>3 162 878</b>	<b>171 911</b>	<b>5%</b>	<b>5 724 735</b>
<b>Expenditure By Type</b>									
Employee related costs	1 192 331	1 387 619	1 387 619	113 087	782 647	809 444	(26 797)	-3%	1 387 619
Remuneration of councillors	47 682	52 910	52 910	4 251	29 845	30 864	(1 019)	-3%	52 910
Debt impairment	365 110	245 009	245 009	20 417	142 922	142 922	(0)	0%	245 009
Depreciation & asset impairment	729 880	712 213	690 930	57 589	403 080	403 042	38	0%	690 930
Finance charges	60 671	54 313	54 313	8 439	36 292	29 668	6 624	22%	54 313
Bulk purchases	1 213 642	1 377 012	1 377 012	104 873	836 362	825 387	10 975	1%	1 377 012
Other materials	-	-	-	-	-	-	-		-
Contracted services	14 607	21 622	21 622	473	5 590	9 946	(4 356)	-44%	21 622
Transfers and grants	235 798	258 568	258 568	19 787	136 247	150 832	(14 584)	-10%	258 568
Other expenditure	1 326 394	1 609 419	1 635 830	65 442	593 020	621 208	(28 188)	-5%	1 635 830
Loss on disposal of PPE	30 408	-	-	-	-	-	-		-
<b>Total Expenditure</b>	<b>5 216 523</b>	<b>5 718 685</b>	<b>5 723 812</b>	<b>394 356</b>	<b>2 966 006</b>	<b>3 023 314</b>	<b>(57 308)</b>	<b>-2%</b>	<b>5 723 812</b>
<b>Surplus/(Deficit)</b>	<b>(266 368)</b>	<b>922</b>	<b>922</b>	<b>(30 945)</b>	<b>368 784</b>	<b>139 565</b>	<b>229 220</b>	<b>0</b>	<b>922</b>

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
<b>R thousands</b>								%	
Transfers recognised - capital	615 492	850 353	850 353	57 118	356 038	110 546	245 492	0	850 353
Contributions recognised - capital	-	-	-	-	-	-	-		-
Contributed assets	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>349 124</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>			<b>851 275</b>
Taxation	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after taxation</b>	<b>349 124</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>			<b>851 275</b>
Attributable to minorities	-	-	-	-	-	-			-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>349 124</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>			<b>851 275</b>
Share of surplus/ (deficit) of associate	22 359	-	-	-	-	-			-
<b>Surplus/ (Deficit) for the year</b>	<b>371 483</b>	<b>851 275</b>	<b>851 275</b>	<b>26 173</b>	<b>724 822</b>	<b>250 111</b>			<b>851 275</b>

## **7.4.1. ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE**

### **7.4.1.1. Service Charges – Water Revenue**

The over-recovery of 16% 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 44% 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. Finance Charges**

Due to interest rate adjustments, the interest on a semi fixed loan has changed and this resulted in an increase in interest loan repayments another contributing factor is the influence of seasonal trends.

### **7.4.1.5. Contracted Services**

Contracted services are utilised as and when required. As the year progresses the use of contracted services will stabilise.

### **7.4.1.6. Other expenditure**

Other expenditure includes operating projects, operational costs as well as repairs and maintenance. Expenditure on repairs and maintenance is provided in table 6 below.

### **7.4.1.7. Repairs and Maintenance**

Table 6 below reflects that as at 31 January 2016, the repairs and maintenance expenditure is 43% of the approved budget of R372.01 million (2014/15: 55%). This reflects a regression when compared with the prior year and is anticipated to



improve as the year progresses. Refer to Annexure B: SC13c (repairs and maintenance by asset class).

**Table 6: Repairs and Maintenance per Directorate**

<b>Directorate</b>	<b><u>2015/2016</u> <u>Annual</u> <u>Budget</u> <u>R</u></b>	<b><u>2015/2016</u> <u>Annual</u> <u>Expenditure</u> <u>R</u></b>	<b><u>2015/2016</u> <u>Variance</u> <u>R</u></b>	<b><u>2015/2016</u> <u>% of</u> <u>Budget</u></b>
Directorate of Executive Support	2 901 917	538 211	2 363 706	19%
Directorate of The City Manager	120 609	11 589	109 020	10%
Directorate of Corporate Services	5 865 813	1 504 426	4 361 387	26%
Directorate of Development & Spatial Planning	25 432 367	11 397 742	14 034 625	45%
Directorate of Economic Development & Agencies	1 058 859	156 939	901 920	15%
Directorate of Finance	2 935 990	826 886	2 109 104	28%
Directorate of Health / Public Safety & Emergency Services	5 956 496	1 465 255	4 491 241	25%
Directorate of Human Settlement	97 239	54 963	42 276	57%
Directorate of Infrastructure Services	293 911 912	133 432 329	160 479 583	45%
<i>Electricity</i>	112 549 555	51 449 177	61 100 378	46%
<i>Water</i>	42 435 218	25 954 069	16 481 149	61%
<i>Sanitation</i>	29 620 452	17 907 628	11 712 824	60%
<i>Other</i>	109 306 687	38 121 456	71 185 231	35%
Directorate of Municipal Services	33 728 503	12 217 511	21 510 992	36%
<b>TOTAL</b>	<b>372 009 705</b>	<b>161 605 850</b>	<b>210 403 855</b>	<b>43%</b>

## 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.

**Table 7: C5: Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)**

Vote 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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Directorate - Executive Support Services		1 321	6 200	7 439	51	514	3 176	(2 662)	-84%	7 439
Vote 2 - Directorate - City Manager		5 452	21 500	21 500	–	–	37	(37)	-100%	21 500
Vote 3 - Directorate - Human Settlements		144 783	211 424	211 785	17 439	96 069	17 543	78 526	448%	211 785
Vote 4 - Directorate - Finance		3 282	10 000	10 632	69	435	3 302	(2 867)	-87%	10 632
Vote 5 - Directorate - Corporate Services		4 863	21 600	39 538	127	3 369	1 965	1 404	71%	39 538
Vote 6 - Directorate - Infrastructure Services		671 827	820 556	859 352	36 702	296 299	178 336	117 963	66%	859 352
Vote 7 - Directorate - Development Planning		37 437	68 221	69 653	7 921	24 691	21 023	3 669	17%	69 653
Vote 8 - Directorate - Health / Public Safety & Emergency Services		3 751	21 650	32 265	104	4 156	16 468	(12 312)	-75%	32 265
Vote 9 - Directorate - Municipal Services		57 333	94 204	127 986	438	35 443	6 621	28 822	435%	127 986
<b>Total Capital Multi-year expenditure</b>	4,7	<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>62 851</b>	<b>460 975</b>	<b>248 471</b>	<b>212 505</b>	<b>86%</b>	<b>1 380 149</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Directorate - Executive Support Services		–	–	–	–	–	–	–	–	–
Vote 2 - Directorate - City Manager		–	–	–	–	–	–	–	–	–
Vote 3 - Directorate - Human Settlements		–	–	–	–	–	–	–	–	–
Vote 4 - Directorate - Finance		–	–	–	–	–	–	–	–	–
Vote 5 - Directorate - Corporate Services		–	–	–	–	–	–	–	–	–
Vote 6 - Directorate - Infrastructure Services		–	–	–	–	–	–	–	–	–
Vote 7 - Directorate - Development Planning		–	–	–	–	–	–	–	–	–
Vote 8 - Directorate - Health / Public Safety & Emergency Services		–	–	–	–	–	–	–	–	–
Vote 9 - Directorate - Municipal Services		–	–	–	–	–	–	–	–	–
<b>Total Capital single-year expenditure</b>	4	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure</b>		<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>62 851</b>	<b>460 975</b>	<b>248 471</b>	<b>212 505</b>	<b>86%</b>	<b>1 380 149</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Expenditure - Standard</b>		<b>14 918</b>	<b>59 300</b>	<b>79 110</b>	<b>246</b>	<b>4 318</b>	<b>14 242</b>	<b>(9 925)</b>	<b>-70%</b>	<b>79 110</b>
Governance and administration		6 773	27 700	28 939	51	514	5 210	(4 696)	-90%	28 939
Executive and council		3 282	10 000	10 632	69	435	1 914	(1 479)	-77%	10 632
Budget and treasury office		4 863	21 600	39 538	127	3 369	7 118	(3 749)	-53%	39 538
<b>Corporate services</b>		<b>165 241</b>	<b>305 568</b>	<b>317 533</b>	<b>17 963</b>	<b>116 776</b>	<b>57 166</b>	<b>59 610</b>	<b>104%</b>	<b>317 533</b>
Community and public safety		11 918	40 269	40 269	276	10 398	7 250	3 148	43%	40 269
Community and social services		4 788	32 225	33 215	144	6 153	5 980	173	3%	33 215
Sport and recreation		3 751	21 650	32 265	104	4 156	5 809	(1 653)	-28%	32 265
Public safety		144 783	211 424	211 785	17 439	96 069	38 128	57 941	152%	211 785
Housing		–	–	–	–	–	–	–	–	–
<b>Health</b>		<b>369 799</b>	<b>333 221</b>	<b>334 653</b>	<b>23 556</b>	<b>109 680</b>	<b>60 248</b>	<b>49 431</b>	<b>82%</b>	<b>334 653</b>
Economic and environmental services		37 437	68 221	69 653	7 921	24 691	12 540	12 151	97%	69 653
Planning and development		322 624	265 000	265 000	15 635	84 988	47 708	37 280	78%	265 000
Road transport		9 738	–	–	–	–	–	–	–	–
<b>Environmental protection</b>		<b>379 734</b>	<b>529 266</b>	<b>600 854</b>	<b>21 059</b>	<b>230 176</b>	<b>108 173</b>	<b>122 003</b>	<b>113%</b>	<b>600 854</b>
Trading services		150 386	158 500	158 500	5 785	81 592	28 535	53 056	186%	158 500
Electricity		91 521	91 000	91 000	3 319	48 173	16 383	31 790	194%	91 000
Water		106 938	258 056	296 852	11 937	81 519	53 443	28 077	53%	296 852
Waste water management		30 889	21 710	54 502	18	18 892	9 812	9 080	93%	54 502
<b>Waste management</b>		<b>358</b>	<b>48 000</b>	<b>48 000</b>	<b>26</b>	<b>26</b>	<b>8 642</b>	<b>(8 615)</b>	<b>-100%</b>	<b>48 000</b>
<b>Total Capital Expenditure - Standard Classification</b>	3	<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>62 851</b>	<b>460 975</b>	<b>248 471</b>	<b>212 505</b>	<b>86%</b>	<b>1 380 149</b>
<b>Funded by:</b>										
National Government		565 914	742 884	742 884	45 962	320 763	133 743	187 020	140%	742 884
Provincial Government		49 578	107 469	107 469	11 157	35 275	19 348	15 928	82%	107 469
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>		<b>615 492</b>	<b>850 353</b>	<b>850 353</b>	<b>57 118</b>	<b>356 038</b>	<b>153 091</b>	<b>202 948</b>	<b>133%</b>	<b>850 353</b>
<b>Public contributions &amp; donations</b>	5	–	–	–	–	–	–	–	–	–
<b>Borrowing</b>	6	–	–	–	–	–	–	–	–	–
<b>Internally generated funds</b>		<b>314 558</b>	<b>425 002</b>	<b>529 797</b>	<b>5 733</b>	<b>104 937</b>	<b>95 380</b>	<b>9 557</b>	<b>10%</b>	<b>529 797</b>
<b>Total Capital Funding</b>		<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>62 851</b>	<b>460 975</b>	<b>248 471</b>	<b>212 505</b>	<b>86%</b>	<b>1 380 149</b>

## 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 R14.33 billion.

**Table 8: C6: Monthly Budget Statement – Financial Position**

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		62 873	80 000	80 000	144 863	80 000
Call investment deposits		2 135 924	2 303 434	2 303 434	2 504 965	2 303 434
Consumer debtors		484 302	671 945	671 946	502 561	671 946
Other debtors		362 538	98 188	98 188	517 688	98 188
Current portion of long-term receivables		–	14	14	–	14
Inventory		44 878	96 800	96 800	47 485	96 800
<b>Total current assets</b>		<b>3 090 516</b>	<b>3 250 381</b>	<b>3 250 382</b>	<b>3 717 562</b>	<b>3 250 382</b>
<b>Non current assets</b>						
Long-term receivables		–	60	60	27	60
Investments		–	–	–	–	–
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	12 098 147	11 197 292
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		98 374	22 800	22 800	94 760	22 800
Other non-current assets		–	75 160	75 160	–	75 160
<b>Total non current assets</b>		<b>12 545 184</b>	<b>11 706 711</b>	<b>11 706 712</b>	<b>12 603 144</b>	<b>11 706 712</b>
<b>TOTAL ASSETS</b>		<b>15 635 700</b>	<b>14 957 092</b>	<b>14 957 094</b>	<b>16 320 706</b>	<b>14 957 094</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		48 835	46 097	46 097	46 097	46 097
Consumer deposits		48 505	54 050	54 050	59 221	54 050
Trade and other payables		740 894	774 300	774 300	726 979	774 300
Provisions		166 234	151 780	151 780	166 234	151 780
<b>Total current liabilities</b>		<b>1 004 468</b>	<b>1 026 227</b>	<b>1 026 227</b>	<b>998 531</b>	<b>1 026 227</b>
<b>Non current liabilities</b>						
Borrowing		497 244	500 418	500 418	477 536	500 418
Provisions		513 856	599 090	599 090	513 856	599 090
<b>Total non current liabilities</b>		<b>1 011 100</b>	<b>1 099 508</b>	<b>1 099 508</b>	<b>991 392</b>	<b>1 099 508</b>
<b>TOTAL LIABILITIES</b>		<b>2 015 568</b>	<b>2 125 735</b>	<b>2 125 735</b>	<b>1 989 923</b>	<b>2 125 735</b>
<b>NET ASSETS</b>	2	<b>13 620 132</b>	<b>12 831 357</b>	<b>12 831 359</b>	<b>14 330 782</b>	<b>12 831 359</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		9 383 469	10 020 574	10 020 575	10 094 120	10 020 575
Reserves		4 236 663	2 810 783	2 810 783	4 236 663	2 810 783
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>13 620 132</b>	<b>12 831 357</b>	<b>12 831 358</b>	<b>14 330 782</b>	<b>12 831 358</b>

## 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 R485.40 million resulting in cash and cash equivalents closing balance of R2.65 billion as at 31 January 2016.

**Table 9: C7: Monthly Budget Statement – Cash Flow**

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
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		794 519	831 140	831 140	69 401	561 748	484 832	76 916	16%	831 140
Service charges		2 424 753	2 471 802	2 471 802	234 034	1 648 415	1 441 884	206 531	14%	2 471 802
Other revenue		84 777	657 180	657 180	10 612	401 485	383 355	18 130	5%	657 180
Government - operating		948 263	1 149 387	1 154 104	33 405	623 166	670 476	(47 309)	-7%	1 154 104
Government - capital		615 492	850 353	850 353	220 940	540 192	496 039	44 153	9%	850 353
Interest		159 221	152 531	152 531	15 959	99 976	88 976	10 999	12%	152 531
Dividends		-	-	0	-	-	-	-		0
<b>Payments</b>										
Suppliers and employees		(3 718 728)	(4 448 581)	(4 474 992)	(567 240)	(2 737 845)	(2 595 006)	142 839	-6%	(4 474 992)
Finance charges		(60 674)	(54 313)	(54 313)	(4 220)	(32 073)	(31 683)	390	-1%	(54 313)
Transfers and Grants		(234 175)	(258 568)	(258 568)	(19 787)	(136 247)	(150 832)	(14 584)	10%	(258 568)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1 013 447</b>	<b>1 350 929</b>	<b>1 329 235</b>	<b>(6 894)</b>	<b>968 816</b>	<b>788 042</b>	<b>(180 775)</b>	<b>-23%</b>	<b>1 329 235</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
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		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(929 939)	(1 275 354)	(1 380 149)	(62 851)	(460 975)	(743 957)	(282 981)	38%	(1 380 149)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(923 670)</b>	<b>(1 275 354)</b>	<b>(1 380 149)</b>	<b>(62 851)</b>	<b>(460 975)</b>	<b>(743 957)</b>	<b>(282 981)</b>	<b>38%</b>	<b>(1 380 149)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		3 667	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		(57 336)	(46 097)	(46 097)	-	(22 446)	(26 890)	(4 444)	17%	(46 097)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(53 669)</b>	<b>(46 097)</b>	<b>(46 097)</b>	<b>-</b>	<b>(22 446)</b>	<b>(26 890)</b>	<b>(4 444)</b>	<b>17%</b>	<b>(46 097)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>36 108</b>	<b>29 477</b>	<b>(97 012)</b>	<b>(69 745)</b>	<b>485 395</b>	<b>17 195</b>			<b>(97 012)</b>
Cash/cash equivalents at beginning:		2 164 433	2 353 956	2 353 956		2 164 433	2 353 956			2 164 433
Cash/cash equivalents at month/year end:		2 200 541	2 383 434	2 256 945		2 649 828	2 371 151			2 067 421

## **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**

Description	NT Code	Budget Year 2015/16									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo 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													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	43 102	19 832	11 245	15 304	13 694	13 096	86 834	206 897	410 005	335 826		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	83 210	9 205	3 264	2 963	2 031	1 773	8 786	28 330	139 562	43 883		
Receivables from Non-exchange Transactions - Property Rates	1400	64 094	25 077	20 728	13 869	14 882	11 841	73 634	191 009	415 133	305 234		
Receivables from Exchange Transactions - Waste Water Management	1500	19 779	7 670	5 495	7 089	3 919	3 676	19 516	103 836	170 980	138 036		
Receivables from Exchange Transactions - Waste Management	1600	16 101	8 185	6 516	5 493	5 116	4 962	24 962	147 215	218 551	187 748		
Receivables from Exchange Transactions - Property Rental Debtors	1700	72	64	66	67	61	61	415	2 711	3 517	3 315		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	8 382	3 739	3 102	2 508	2 369	2 359	14 923	106 044	143 427	128 204		
<b>Total By Income Source</b>	<b>2000</b>	<b>234 739</b>	<b>73 773</b>	<b>50 415</b>	<b>47 293</b>	<b>42 072</b>	<b>37 769</b>	<b>229 072</b>	<b>786 041</b>	<b>1 501 174</b>	<b>1 142 247</b>	<b>-</b>	<b>-</b>
<b>2014/15 - totals only</b>		<b>188 707</b>	<b>51 323</b>	<b>36 295</b>	<b>32 134</b>	<b>37 322</b>	<b>42 005</b>	<b>146 747</b>	<b>566 722</b>	<b>1 101 256</b>	<b>824 930</b>		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	11 057	3 273	1 243	1 029	864	493	1 601	2 964	22 525	6 952		
Commercial	2300	116 436	19 194	12 193	10 499	9 088	8 460	53 724	97 310	326 903	179 081		
Households	2400	97 927	45 887	31 593	31 089	27 589	24 939	146 041	542 293	947 357	771 950		
Other	2500	9 319	5 419	5 387	4 677	4 530	3 877	27 706	143 474	204 390	184 264		
<b>Total By Customer Group</b>	<b>2600</b>	<b>234 739</b>	<b>73 773</b>	<b>50 415</b>	<b>47 293</b>	<b>42 072</b>	<b>37 769</b>	<b>229 072</b>	<b>786 041</b>	<b>1 501 174</b>	<b>1 142 247</b>	<b>-</b>	<b>-</b>

#### 8.1.1. Additional debtors information

The debtors that are older than 30 days, which includes all charges, amounted to R1,266,435,782 at 31 January 2016 which is an increase of R23,673,743 when comparing to an amount of R1,242,762,039 as at 31 December 2015.

## **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 31 January 2016. It also provides comparison with the previous month (31 December 2015) which indicates an increase from R1.24 billion to R1.27 billion.

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

<b>AGEING</b>	<b>RATES</b>	<b>SEWERAGE</b>	<b>ELECTRICITY</b>	<b>WATER</b>	<b>REFUSE</b>	<b>SUNDRY DEBTORS</b>	<b>TOTAL FOR JANUARY 2016</b>	<b>TOTAL FOR DECEMBER 2015</b>
<b>DAYS</b>	25,077,447	7,670,258	9,205,467	19,831,545	8,185,433	3,802,992	73,773,141	69,761,670
<b>60 DAYS</b>	20,727,789	5,494,535	3,263,530	11,244,745	6,516,351	3,168,249	50,415,198	56,551,135
<b>90 DAYS</b>	13,869,103	7,089,134	2,962,856	15,303,739	5,492,527	2,575,850	47,293,209	45,586,942
<b>120 DAYS TO 360 DAYS</b>	100,356,676	27,111,222	12,590,423	113,626,194	35,040,211	20,188,224	308,912,950	301,812,407
<b>YEAR 2</b>	76,484,008	28,507,769	8,073,950	68,490,791	36,266,581	26,701,430	244,524,529	237,713,385
<b>YEAR 3</b>	28,716,070	19,403,719	6,150,259	38,639,851	26,321,342	21,151,011	140,382,254	137,230,831
<b>YEAR 4</b>	22,132,017	14,213,851	5,741,023	25,222,951	19,564,547	15,469,620	102,344,008	100,215,843
<b>YEAR 5</b>	17,851,461	9,620,416	3,292,599	16,548,936	12,879,566	10,676,434	70,869,413	69,952,152
<b>YEAR 5+</b>	45,825,017	32,090,322	5,072,250	57,993,987	52,183,405	34,756,098	227,921,080	223,937,673
<b>TOTAL</b>	<b>351,039,587</b>	<b>151,201,225</b>	<b>56,352,358</b>	<b>366,902,740</b>	<b>202,449,964</b>	<b>138,489,909</b>	<b>1,266,435,782</b>	<b>1,242,762,039</b>

### 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 31 January 2016. It also reflects the percentage split per category with domestic consumers having the highest share followed by indigent consumers.

**Table 12: Age Analysis per Category Type**

<b>CATEGORY TYPE</b>	<b>30 DAYS</b>	<b>60 DAYS</b>	<b>90 DAYS</b>	<b>120 DAYS+</b>	<b>Total</b>	<b>% Share</b>
<b>Domestic</b>	32,833,367	22,189,021	19,058,141	477,153,543	551,234,073	43.52
<b>Indigent</b>	12,696,230	9,236,312	11,906,604	262,943,692	296,782,837	23.43
<b>Business</b>	19,194,064	12,192,562	10,498,545	168,582,572	210,467,744	16.62
<b>Government</b>	3,273,021	1,424,587	1,028,961	5,922,871	11,467,440	0.91
<b>Municipal Staff</b>	334,404	164,554	122,942	733,144	1,355,044	0.11
<b>Councillors</b>	22,713	3,075	1,146	30,909	57,843	0.00
<b>Other</b>	5,419,342	5,387,086	4,676,869	179,587,504	195,070,802	15.40
<b>Total</b>	<b>73,773,141</b>	<b>50,597,198</b>	<b>47,293,209</b>	<b>1,094,954,235</b>	<b>1,266,435,782</b>	<b>100.00</b>

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. Billing, Receipts and Debtors Collection Rate

Table 13 below reflects the twelve monthly amounts billed, collected / received and collection rate for the current financial year and previous financial year.

**Table 13: Cumulative Nett Billing, Receipts and Debtors Collection Ratio per month from 2014/15 to 2015/16 financial year**

Month	2013/2014			2014/2015			2015/2016		
	Billing	Receipts	Collection Rate	Billing	Receipts	Collection Rate	Billing	Receipts	Collection Rate
<b>July</b>	2,325,509,002	-2,153,249,916	92.59	2,602,264,135	-2,371,903,619	91.00	2,786,019,633	-2,557,423,910	91.79
<b>August</b>	2,360,722,274	-2,184,105,932	92.52	2,568,699,884	-2,383,877,074	93.00	2 836 283 594	-2 574 980 622	90.79
<b>September</b>	2,362,100,818	-2,201,573,537	93.20	2,589,585,746	-2,403,569,317	93.00	2,868,564,850	-2,601,967,874	90.71
<b>October</b>	2,390,760,330	-2,214,093,193	92.61	2,625,227,643	-2,450,270,791	93.00	2,923,155,470	-2,577,805,127	88.19
<b>November</b>	2,413,236,105	-2,237,227,839	92.71	2,652,206,738	-2,440,158,405	92.00	3,044,458,510	-2,648,249,116	86.99
<b>December</b>	2,451,423,493	-2,277,540,737	92.91	2,662,628,366	-2,446,012,486	92.00	2,971,154,524	-2,673,255,470	89.97
<b>January</b>	2,473,521,774	-2,288,389,311	92.52	2,712,272,987	-2,461,342,745	91.00	2,983,398,774	-2,690,610,721	90.19
<b>February</b>	2,489,423,294	-2,286,023,845	91.83	2,712,530,485	-2,497,487,079	92.00			
<b>March</b>	2,508,588,241	-2,317,244,720	92.37	2,733,798,105	-2,521,003,323	92.00			
<b>April</b>	2,533,810,040	-2,313,671,267	91.31	2,760,426,654	-2,550,439,243	92.39			
<b>May</b>	2,563,282,383	-2,324,079,609	90.67	2,821,295,806	-2,563,487,111	90.86			
<b>June</b>	2,565,798,810	-2,350,536,518	91.61	2,738,540,795	-2,562,718,785	93.58			

#### **8.2.4. 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 31 January 2016 a total of three thousand one hundred and eighty-five (3185) consumers have registered for the scheme. The total registered debt value is R64,520,406.45 to date, debt payments received amount to R70,076,679.56 and debt write-offs total to R18,119,999.74.

#### **8.2.5. Government Accounts**

The total arrears owed by Government Departments to Buffalo City Metropolitan Municipality that are older than 30 days as at 31 January 2016 amounted to R11,467,440. This indicates a decrease of R4,017,799 when compared to prior month amount of R15,485,239.

A total payment of R15,994,872.72 was received from Government Departments in January 2016. The breakdown of the arrears per department (excluding accounts in credit) is indicated in the table hereunder, as at 31 January 2016.

Table 14 below provides an analysis of government debtors as at 31 January 2016 and comparison with the previous month.

**Table 14: Analysis of Government Debtors**

DEPARTMENT	PROPERTY RATES	SERVICES	ARREARS AS AT 31 JANUARY 2016	ARREARS AS AT 31 DECEMBER 2015	DIFFERENCE
National Department Of Public Works	572,403	113,822	686,224	643,854	42,371
Provincial Department Of Public Works	899,143	467,518	1,366,660	1,161,374	205,286
Department Of Education		2,459,400	2,459,400	2,293,320	166,080
Department Of Health		3,145,114	3,145,114	6,215,880	(3,070,766)
Department Of Social Development		-	-	513,945	(513,945)
Department Of Transport		1,963	1,963	41,387	(39,424)
Department Of Agriculture		67,756	67,756	922,252	(854,497)
Department Of Nature Conservation		4,889	4,889	9,974	(5,085)
Department of Human Settlements		5,124	5,124	-	5,124
Department of Labour - UIF Services		8,118	8,118	-	8,118
Members Of Provincial Legislature		41,744	41,744	34,583	7,162
Department of Cooperate Governance & Traditional Affairs		-	-	15,913	(15,913)
Provincial RDP Houses		3,680,447	3,680,447	3,632,755	47,692
<b>TOTAL</b>	<b>1,471,545</b>	<b>9,995,894</b>	<b>11,467,440</b>	<b>15,485,239</b>	<b>(4,017,799)</b>

**9. CREDITORS' ANALYSIS**

The creditors' analysis as depicted in table 15 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 15: SC4 Monthly Budget Statement Aged Creditors**

Description	NT Code	Budget Year 2015/16								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	101 033	-	-	-	-	-	-	-	101 033	84 348
Bulk Water	0200	15 677	-	-	-	-	-	-	-	15 677	16 170
PAYE deductions	0300	14 369	-	-	-	-	-	-	-	14 369	14 022
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	17 365	-	-	-	-	-	-	-	17 365	15 504
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	116 342	-	-	-	-	-	-	-	116 342	103 825
Auditor General	0800	1 347	-	-	-	-	-	-	-	1 347	755
Other	0900	72 763	-	-	-	-	-	-	-	72 763	53 192
<b>Total By Customer Type</b>	<b>1000</b>	<b>338 896</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338 896</b>	<b>287 816</b>

The table below (table 16) depicts actual payments made by BCMM to its top twenty (20) creditors in January 2016.

**Table 16: Payments made to the 20 highest paid creditors – January 2016**

<b>CREDITOR</b>	<b>90 DAYS</b>	<b>60 DAYS</b>	<b>30 DAYS</b>	<b>CURRENT</b>	<b>TOTAL</b>	<b>PAYMENT</b>
ESKOM				101 032 666	101 032 666	101 032 666
AMATOLA WATER				15 676 989	15 676 989	15 676 989
MOTHEO / MPUMALANGA JOINT VENTURE				14 277 110	14 277 110	14 277 110
RUWACON (PTY) LTD				10 726 823	10 726 823	10 726 823
BARLOWORLD EQUIPMENT				6 838 178	6 838 178	6 838 178
LUQAQAMBO CIVILS CONSTRUCTION CC				6 191 673	6 191 673	6 191 673
AMANZ ABANTU SERVICES (PTY) LTD				5 859 657	5 859 657	5 859 657
LIFETIME CONNECTION MANUFACTURING SUPPLY CC				5 640 493	5 640 493	5 640 493
MANTELLA TRADING 522 CC				4 227 130	4 227 130	4 227 130
MVEZO PLANT & CIVILS CC				3 832 917	3 832 917	3 832 917
BALINTULO TRADING				3 033 984	3 033 984	3 033 984
EYA BANTU PROFESSIONAL SERVICES CC				2 930 421	2 930 421	2 930 421
T V R CONSTRUCTION				2 810 444	2 810 444	2 810 444
C & M FASTNERS CC				2 447 186	2 447 186	2 447 186
SHONE'S ELECTRICAL				2 294 728	2 294 728	2 294 728
IMVUSA TRADING 415 CC				1 769 078	1 769 078	1 769 078
MAKINWA MEDIA MANAGEMENT				1 544 897	1 544 897	1 544 897
TSHUVANE SERVICES			1 330 869		1 330 869	1 330 869
LATHIZA CONSTRUCTION CC				1 174 350	1 174 350	1 174 350
LUKHOZI CONSULTING ENGINEERS (PTY) LTD				1 098 011	1 098 011	1 098 011
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>1 330 869</b>	<b>193 406 738</b>	<b>194 737 607</b>	<b>194 737 607</b>

## 10. INVESTMENT PORTFOLIO ANALYSIS

The investment portfolio analysis detailed in table 17 below includes information of the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

**Table 17: SC5 Monthly Budget Statement – investment portfolio**

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
<b>Municipality</b>									
Rand Merchant Bank X021901943		Call Account	Call Account	Call Account	227	1.8%	46 121	227	46 348
Absa 91 2884 4539		Call Account	Call Account	Call Account	6	0.0%	1 193	6	1 199
Standard 422 742		Call Account	Call Account	Call Account	6	0.0%	1 229	6	1 235
Absa 91 4102 2241		Call Account	Call Account	Call Account	46	0.4%	9 325	46	9 371
Absa 91 4163 6965		Call Account	Call Account	Call Account	1	0.0%	211	1	212
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	44	0.3%	8 877	44	8 921
Standard 76586/442740		Call Account	Call Account	Call Account	11	0.1%	2 188	11	2 199
Absa 92 0562 2137		Call Account	Call Account	Call Account	4	0.0%	787	4	791
Rand Merchant Bank X021904913		Call Account	Call Account	Call Account	71	0.6%	14 507	71	14 579
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	28	0.2%	5 694	(24)	5 671
Stanlib 551 660 303		Call Account	Call Account	Call Account	156	1.2%	27 664	(2 768)	24 896
Nedbank 03/7881532939/000041		Call Account	Call Account	Call Account	33	0.3%	6 628	33	6 660
Nedbank 03/7881532939/000056		Call Account	Call Account	Call Account	5	0.0%	1 097	5	1 103
Nedbank 03/7881532939/000058		Call Account	Call Account	Call Account	29	0.2%	5 957	(25)	5 932
Nedbank 03/7881532939/000103		Call Account	Call Account	Call Account	6	0.0%	1 175	6	1 181
Nedbank 03/7881532939/000064		Call Account	Call Account	Call Account	40	0.3%	8 146	40	8 187

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							
<b>Municipality</b>									
Absa 92 0559 0710		Call Account	Call Account	Call Account	0	0.0%	40	0	41
Nedbank 03/7881532939/000117		Call Account	Call Account	Call Account	40	0.3%	8 125	(34)	8 090
Nedbank 03/7881532939/000108		Call Account	Call Account	Call Account	1	0.0%	167	1	168
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%	964	5	968
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%	314	2	316
Nedbank 03/7881532939/000123		Call Account	Call Account	Call Account	–		–	–	–
Rand Merchant Bank RRB1629010		Call Account	Call Account	Call Account	354	2.8%	71 872	354	72 226
Stanlib 551 989 180		Call Account	Call Account	Call Account	211	1.7%	36 083	211	36 294
Absa 92 2590 9850		Call Account	Call Account	Call Account	5	0.0%	950	5	954
Stanlib 551 539 764		Call Account	Call Account	Call Account	9	0.1%	1 509	9	1 518
Rand Merchant Bank RRB0324003		Call Account	Call Account	Call Account	0	0.0%	39	0	40
Stanlib 551 567 496		Call Account	Call Account	Call Account	24	0.2%	4 047	24	4 070
Stanlib 551 576 733		Call Account	Call Account	Call Account	0	0.0%	84	0	84
Rand Merchant Bank RRB0B25020		Call Account	Call Account	Call Account	8	0.1%	1 723	8	1 731
Standard 76586/442743		Call Account	Call Account	Call Account	0	0.0%	86	0	87
Rand Merchant Bank RRB1609012		Call Account	Call Account	Call Account	1	0.0%	285	1	287
Stanlib 551 742 405		Call Account	Call Account	Call Account	2	0.0%	371	2	373
Rand Merchant Bank KLN2308011		Call Account	Call Account	Call Account	2	0.0%	362	2	364
Nedbank 03/7881532939/000128		Call Account	Call Account	Call Account	279	2.2%	56 706	279	56 985
Rand Merchant Bank RRB1722008		Call Account	Call Account	Call Account	309	2.5%	62 799	309	63 108
Standard 76586/442745		Call Account	Call Account	Call Account	460	3.7%	93 355	460	93 815
Absa 92 6406 3148		Call Account	Call Account	Call Account	615	4.9%	125 082	615	125 697
Rand Merchant Bank KLN2720020		Call Account	Call Account	Call Account	9	0.1%	1 880	(80)	1 800

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
<b>Municipality</b>									
Stanlib 551 868 235		Call Account	Call Account	Call Account	1	0.0%	131	1	132
Absa 92 0559 0891		Call Account	Call Account	Call Account	2	0.0%	502	2	504
Rand Merchant Bank VVW2B13011		Call Account	Call Account	Call Account	2	0.0%	645	(428)	217
Standard 76586/494573		Call Account	Call Account	Call Account	28	0.2%	5 642	28	5 670
Nedbank Refer to Confirmation		Refer to Confirmation	Refer to Confirmation	Refer to Confirmation	–		–	–	–
Stanlib 753 72 270		Call Account	Call Account	Call Account	287	2.3%	49 136	287	49 423
Stanlib 551 353 708		Call Account	Call Account	Call Account	6	0.0%	998	6	1 003
Standard 76586/442736		Call Account	Call Account	Call Account	251	2.0%	51 004	251	51 256
Stanlib 753 72 271		Call Account	Call Account	Call Account	208	1.7%	35 595	208	35 803
Rand Merchant Bank X021904579		Call Account	Call Account	Call Account	185	1.5%	37 484	185	37 669
Nedbank 03/7881532939/000101		Call Account	Call Account	Call Account	158	1.3%	32 049	158	32 207
Absa 92 1120 9757		Call Account	Call Account	Call Account	1 383	11.1%	281 338	1 383	282 721
Absa 92 2110 3430		Call Account	Call Account	Call Account	822	6.6%	167 161	822	167 983
Standard 76586/442741		Call Account	Call Account	Call Account	151	1.2%	30 683	151	30 834
Standard 76586/442744		Call Account	Call Account	Call Account	135	1.1%	27 437	135	27 572
Rand Merchant Bank RRB0C07002		Call Account	Call Account	Call Account	244	2.0%	49 597	244	49 842
Nedbank 03/7881532939/000129		Call Account	Call Account	Call Account	218	1.7%	44 234	218	44 452
Nedbank 03/7881532939/000125		Call Account	Call Account	Call Account	2	0.0%	484	2	486
Stanlib 551 748 914		Call Account	Call Account	Call Account	160	1.3%	27 308	160	27 467
Absa 92 6406 3407		Call Account	Call Account	Call Account	9	0.1%	1 779	9	1 788
Nedbank 03/7881532939/000132		Call Account	Call Account	Call Account	2 365	18.9%	480 140	2 365	482 505
Rand Merchant Bank KLN3815041		Call Account	Call Account	Call Account	1 741	13.9%	353 454	1 741	355 194
Standard 76586/470801		Call Account	Call Account	Call Account	1 092	8.7%	221 793	1 092	222 885
Standard 76586/442738		Call Account	Call Account	Call Account	11	0.1%	2 330	11	2 342
<b>Municipality sub-total</b>					<b>12 511</b>		<b>2 508 589</b>	<b>8 887</b>	<b>2 517 476</b>
<b>Entities</b>									
<b>Entities sub-total</b>					<b>–</b>		<b>–</b>	<b>–</b>	<b>–</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>12 511</b>		<b>2 508 589</b>	<b>8 887</b>	<b>2 517 476</b>

## 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 18: SC7 Monthly Budget Statement – transfers and grants expenditure**

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
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		<b>36 709</b>	<b>714 196</b>	<b>714 196</b>	<b>1 837</b>	<b>20 059</b>	<b>416 614</b>	<b>(396 555)</b>	<b>-95.2%</b>	<b>714 196</b>
Local Government Equitable Share			655 141	655 141	-	-	382 166	(382 166)	-100.0%	655 141
Urban Settlement Development Grant		28 272	33 348	33 348	1 725	16 026	19 453	(3 427)	-17.6%	33 348
Finance Management		1 465	1 300	1 300	32	154	758	(604)		1 300
EPWP Incentive		1 596	1 149	1 149	1	1 031	670	360		1 149
Infrastructure Skills Development Grant		5 376	8 400	8 400	4	2 733	4 900	(2 167)		8 400
Integrated City Development Grant			5 605	5 605	-	-	3 270	(3 270)		5 605
Municipal Human Settlement Capacity Grant			9 253	9 253	76	115	5 398	(5 283)	-97.9%	9 253
<b>Provincial Government:</b>		<b>178 126</b>	<b>531 687</b>	<b>536 682</b>	<b>4 462</b>	<b>107 130</b>	<b>320 581</b>	<b>(213 450)</b>	<b>-66.6%</b>	<b>536 682</b>
Roads Subsidy - Provincial Roads		-	1 871	1 871	-	-	1 091	(1 091)	-100.0%	1 871
Dept of Economic Dev , Environmental Affairs & Tourism		3 419	-	2 500	-	-	1 458	(1 458)	-100.0%	2 500
Local Government & Traditional Affairs		5 549	2 000	3 494	371	1 920	2 038	(118)	-5.8%	3 494
Health Subsidy - ATIC		-	2 522	2 522	-	-	1 471	(1 471)	-100.0%	2 522
Library Subsidy		-	3 638	3 638	-	-	9 638	(9 638)	-100.0%	3 638
Reclaim Land Claims Commission(RLCC)		63	-	-	-	-	-	-		-
Dept of Land Affairs		19	-	-	-	-	-	-		-
Human Settlement Development Grant		169 076	521 656	522 658	4 091	105 210	304 884	(199 674)	-65.5%	522 658
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Health Subsidy - Environmental Health		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		<b>2 264</b>	<b>3 329</b>	<b>3 460</b>	<b>-</b>	<b>74</b>	<b>2 018</b>	<b>(1 944)</b>	<b>-96.3%</b>	<b>3 460</b>
SETA - Skills Development		1 243	2 989	2 989	-	-	1 743	(1 743)	-100.0%	2 989
Donor Funding - Leiden & Galve		41	-	-	-	-	-	-		-
Trust Funds		522	-	-	-	-	-	-		-
Umsobomvu Youth Fund		458	-	131	-	74	77	(3)	-3.5%	131
Donor Funding - European Commission		-	340	340	-	-	198	(198)	-100.0%	340
Vuna Award		1	-	-	-	-	-	-		-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>217 099</b>	<b>1 249 211</b>	<b>1 254 338</b>	<b>6 300</b>	<b>127 263</b>	<b>739 213</b>	<b>(611 950)</b>	<b>-82.8%</b>	<b>1 254 338</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		<b>554 565</b>	<b>742 884</b>	<b>742 884</b>	<b>45 962</b>	<b>320 763</b>	<b>433 349</b>	<b>(112 586)</b>	<b>-26.0%</b>	<b>742 884</b>
Urban Settlement Development Grant		529 103	679 784	679 784	45 665	297 753	396 541	(98 787)	-24.9%	679 784
Infrastructure Skills Development Grant		-	100	100	22	22	58	(36)	-61.7%	100
Energy Efficiency and Demand Management		-	13 000	13 000	274	12 470	7 583	4 887	64.4%	13 000
Neighbourhood Development Partnership		4 885	20 000	20 000	-	-	11 667	(11 667)	-100.0%	20 000
Integrated National Electrification Programme		20 577	30 000	30 000	-	10 517	17 500	(6 983)	-39.9%	30 000
<b>Provincial Government:</b>		<b>49 395</b>	<b>107 469</b>	<b>107 469</b>	<b>11 157</b>	<b>35 275</b>	<b>62 690</b>	<b>(27 415)</b>	<b>-43.7%</b>	<b>107 469</b>
Human Settlement Development Grant		46 985	94 400	94 400	11 157	35 275	55 067	(19 791)	-35.9%	94 400
Human Settlement Development Grant - MPCC		665	13 069	13 069	-	-	7 623	(7 623)	-100.0%	13 069
Dept Sport, Recreation, Arts and Culture (DSRAC)		1 377	-	-	-	-	-	-		-
Dept of Local Government and Traditional Affairs		179	-	-	-	-	-	-		-
Dept of Economic Development, Environmental Affairs and Tourism (DEDEAT)		189	-	-	-	-	-	-		-
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Health Subsidy - Environmental Health		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		<b>256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
BCMET Funding		256	-	-	-	-	-	-		-
Public Funding		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		<b>604 216</b>	<b>850 353</b>	<b>850 353</b>	<b>57 118</b>	<b>356 038</b>	<b>496 039</b>	<b>(140 001)</b>	<b>-28.2%</b>	<b>850 353</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>821 314</b>	<b>2 099 564</b>	<b>2 104 691</b>	<b>63 418</b>	<b>483 301</b>	<b>1 235 252</b>	<b>(751 951)</b>	<b>-60.9%</b>	<b>2 104 691</b>



### 11.1. Expenditure On Conditional Grant Allocations

Based on the conditional grants as per the DoRA, the Metro was allocated an amount of R801.94 million. The Metro has spent R378.45 million (47%) inclusive of reclaimed vat as at 31 January 2016; this reflects an improvement when compared to the same period in the previous financial year where R320.61 million (45%) of DoRA allocation of R714.18 million was spent.

Table 19 below reflects the year to date expenditure on 2015/16 total conditional grants.

**Table 19: Spending per Conditional Grant Funding Allocation**

<b>Funding/Grant</b>	<b>2015/2016 Approved Budget</b>	<b>YTD Expenditure (incl. vat)</b>	<b>Variance</b>	<b>% Exp vs. Budget</b>
Integrated National Electrification Programme Grant	30 000 000	11 989 641	18 010 359	40%
Energy Efficiency & Demand Side Management Grant	13 000 000	14 215 779	-1 215 779	109%
Finance Management Grant	1 300 000	154 462	1 145 538	12%
Infrastructure Skills Development Grant	8 500 000	2 846 483	5 653 517	33%
Neighbourhood Development Partnership Grant	20 000 000	0	20 000 000	0%
Urban Settlement Development Grant	713 132 000	348 078 720	365 053 280	49%
Integrated City Development Grant	5 605 000	0	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	130 228	9 122 772	1%
Expanded Public Works Programme Grant	1 149 000	1 030 549	118 451	90%
<b>TOTAL</b>	<b>801 939 000</b>	<b>378 445 861</b>	<b>423 493 139</b>	<b>47%</b>

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

#### 11.1.1. INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

Some of the contracts are currently awaiting assessment date, expenditure to commence at appointment stage. The grant funding is going to be used to service connections to RDP houses detailed below:

<b>AREA</b>	<b>CONNECTIONS</b>	<b>STATUS</b>
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)**

The contracts of the prior intake of finance interns came to an end at 30 June 2015. Six (6) new interns started their internship programme on 04 January 2016, a revised activity plan has been drafted and it will be implemented after the mid-year adjustment budget has been tabled and approved by Council. Funding will be fully utilised at year end.

#### **11.1.3. INFRASTRUCURE 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. An application has been submitted to National Treasury, requesting an appointment of new interns.

#### **11.1.4. NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)**

##### **Reasons for the Low Expenditure**

The precinct plan was approved by National Treasury NDP Unit on 08 December 2015, which will initiate the project concept formulation. Due to the planning processes that have not yet been concluded, it is supported that the capital implementation phase needs to be delayed until project identification has been approved by NDP Unit. The funding will be taken out in the mid year adjustment budget and NT has been requested to reallocate the funding to BCMM in the outer years.

#### **11.1.5. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)**

##### **INFRASTRUCTURE SERVICES**

##### **Sanitation Capital Projects**

Litigation process to be fast-tracked for the 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 is currently taking necessary steps and measures to ensure the project is awarded 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 and the projects implemented the EPWP contractors have reached final completion

The contractor for Zwelitsha Wastewater Treatment Works has commenced in January 2016 with site establishment.

## **DEVELOPMENT & SPATIAL PLANNING**

### **Reasons for the Low Expenditure**

#### **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 has been 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 has been advertised and will close on 26 February 2016.

### **Sidewalks**

Sidewalks have been identified in Scenery Park and Sweetwaters, contractors are on site in Amalinda and Scenery Park.

### **Traffic calming measures**

The following areas have been earmarked for the construction of speed humps: Beacon Bay, Nahoon Valley and Braelyn. Speed humps have been completed in the following areas: Duncan Village, Sweetwaters, Zwelitsha, Mdantsane, Amalinda, Beacon Bay and Qumza Highway.

### **Guardrails**

The order for Guardrails has been installed in Buffalo Flats, Amalinda and Zwelitsha.

### **Traffic Signals**

Sites for traffic signals have been identified on North East Expressway (NEX), Potters Pass, Caxton, Terminus and Gullsway. The installation of traffic signals have been completed at NEX/Thornburn Terrace, Buffalo/Caxton Streets and Buffalo/Terminus Streets.

The following intersections have been earmarked for the installation of Traffic Signals: Settlersway/Potters Pass and Gonubie Main Road/Gullsway. The Settlersway/Potters Pass installation is close to completion as all underground work has now been completed. The installation of traffic signals at Caxton/Buffalo, Terminus/Buffalo and NEX/Thornburn Terrace intersections are now complete.

### **Guidance Signage**

Guidance signs have been designed for the rural areas and have been manufactured by the BCMM signage contractor. The guidance signs have been delivered and the implementation plan has been finalised. An order has been opened and the signage contractor is currently erecting the signs.

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

Taxi/Bus stops in Reeston and Amalinda 100% complete, Construction in Mdantsane

will start in March 2016. Feasibility study and Design Bid Document for Scenery Park Taxi Loading area service provider has been appointed and designs will commence soon. Construction of Ablution Facility at the Bonza Bay Taxi Loading area is complete. Work on the kerbing of the existing taxi rank is complete.

### **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 maintenance, building capital works and refurbishment and roofing. Already the service provider for the roads projects is onsite and working, an amount of R4 million has been committed to the roads projects. Fifty-nine percent (59%) 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 on track in terms of project milestones with Professional Team. Bill of quantities and specifications for building contractor has been finalized – awaiting specifications approval in order for the tender to be advertised.

### **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, King Williams Town Hall).

### **THE AMENITIES DIVISION**

#### **Reasons for the Low Expenditure**

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 Redevelopment of

Mdantsane NU2 swimming pool project scope has been changed to that of the NU2 Sports precinct. The methodology for executing the project has also been changed on numerous occasions which led to delays.

**11.1.6. 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. The draft report is to be presented to Council in February 2016.

**11.1.7. MUNICIPAL HUMAN SETTLEMENT CAPACITY GRANT (MHSCG)**

None of the targets have been realized because the disbursement of the grant was uncertain. 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. Further, request that the municipality be given authority to vary the quantities of the respective personnel depending on the availability of personnel.

## 12. COUNCILLOR AND EMPLOYEE BENEFITS

### 12.1. Councillor and Employees Benefits Summary

Table 20 below provides summary of employees and Councillors remuneration.

**Table 20: SC8 Monthly Budget Statement – Councilor and Staff Benefits**

Summary of Employee and Councillor remuneration	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	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		29 335	31 903	31 903	2 423	17 004	18 457	(1 453)	-8%	31 903
Pension and UIF Contributions		3 047	3 328	3 328	259	1 809	1 948	(139)	-7%	3 328
Medical Aid Contributions		1 539	1 856	1 856	156	1 009	628	381	61%	1 856
Motor Vehicle Allowance		11 247	12 944	12 944	987	5 974	7 691	(1 717)	-22%	12 944
Cellphone Allowance		–	–	–	178	1 255	–	1 255	#DIV/0!	–
Housing Allowances		2 515	2 879	2 879	210	1 483	2 140	(657)	-31%	2 879
Other benefits and allowances		–	–	–	37	1 311	–	1 311	#DIV/0!	–
<b>Sub Total - Councillors</b>		<b>47 682</b>	<b>52 910</b>	<b>52 910</b>	<b>4 251</b>	<b>29 845</b>	<b>30 864</b>	<b>(1 019)</b>	<b>-3%</b>	<b>52 910</b>
<b>% increase</b>	4		<b>11.0%</b>	<b>11.0%</b>						<b>11.0%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		5 482	15 026	15 026	491	3 543	8 634	(5 090)	-59%	15 026
Pension and UIF Contributions		985	2 734	2 734	95	688	1 639	(951)	-58%	2 734
Medical Aid Contributions		122	266	266	12	76	277	(201)	-72%	266
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		1 071	2 738	2 738	86	604	1 845	(1 241)	-67%	2 738
Cellphone Allowance		–	–	–	16	110	–	110	#DIV/0!	–
Housing Allowances		6	83	83	–	1	198	(197)	-99%	83
Other benefits and allowances		2 038	2 273	2 273	150	1 075	1 536	(461)	-30%	2 273
Payments in lieu of leave		–	–	–	–	106	–	106	#DIV/0!	–
Long service awards		24	36	36	–	(1)	–	(1)	#DIV/0!	36
Post-retirement benefit obligations	2	–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>9 728</b>	<b>23 157</b>	<b>23 157</b>	<b>851</b>	<b>6 204</b>	<b>14 128</b>	<b>(7 925)</b>	<b>-56%</b>	<b>23 157</b>
<b>% increase</b>	4		<b>138.1%</b>	<b>138.1%</b>						<b>138.1%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		704 205	851 398	851 398	64 101	438 108	510 779	(72 671)	-14%	851 398
Pension and UIF Contributions		134 398	155 271	155 271	12 239	87 554	94 946	(7 392)	-8%	155 271
Medical Aid Contributions		52 791	96 719	96 719	5 275	33 491	35 467	(1 975)	-6%	96 719
Overtime		107 200	60 348	60 348	11 235	66 646	39 458	27 189	69%	60 348
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		19 402	26 800	26 800	1 693	12 011	16 300	(4 288)	-26%	26 800
Cellphone Allowance		–	–	–	331	2 311	–	2 311	#DIV/0!	–
Housing Allowances		3 502	10 185	10 185	1 018	7 109	4 805	2 304	48%	10 185
Other benefits and allowances		115 629	139 402	139 402	11 088	94 539	72 819	21 720	30%	139 402
Payments in lieu of leave		29 230	7 307	7 307	2 296	20 098	10 652	9 447	89%	7 307
Long service awards		16 246	17 033	17 033	1 495	10 372	10 092	280	3%	17 033
Post-retirement benefit obligations	2	–	–	–	1 465	4 203	–	4 203	#DIV/0!	–
<b>Sub Total - Other Municipal Staff</b>		<b>1 182 603</b>	<b>1 364 462</b>	<b>1 364 462</b>	<b>112 236</b>	<b>776 444</b>	<b>795 316</b>	<b>(18 872)</b>	<b>-2%</b>	<b>1 364 462</b>
<b>% increase</b>	4		<b>15.4%</b>	<b>15.4%</b>						<b>15.4%</b>
<b>Total Parent Municipality</b>		<b>1 240 013</b>	<b>1 440 529</b>	<b>1 440 529</b>	<b>117 337</b>	<b>812 493</b>	<b>840 309</b>	<b>(27 816)</b>	<b>-3%</b>	<b>1 440 529</b>
<b>% increase</b>	4		<b>16.2%</b>	<b>16.2%</b>						<b>16.2%</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
Basic Salaries and Wages		–	96	96	–	–	–	–	–	96
<b>Sub Total - Board Members of Entities</b>	2	–	<b>96</b>	<b>96</b>	–	–	–	–	–	<b>96</b>
<b>% increase</b>	4		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages		–	1 004	1 004	–	–	–	–	–	1 004
Pension and UIF Contributions		–	184	184	–	–	–	–	–	184
Medical Aid Contributions		–	91	91	–	–	–	–	–	91
Motor Vehicle Allowance		–	310	310	–	–	–	–	–	310
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		–	25	25	–	–	–	–	–	25
Other benefits and allowances		–	104	104	–	–	–	–	–	104
<b>Sub Total - Senior Managers of Entities</b>		–	<b>1 718</b>	<b>1 718</b>	–	–	–	–	–	<b>1 718</b>
<b>% increase</b>	4		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		–	180	180	–	–	–	–	–	180
Pension and UIF Contributions		–	34	34	–	–	–	–	–	34
Medical Aid Contributions		–	91	91	–	–	–	–	–	91
Housing Allowances		–	16	16	–	–	–	–	–	16
Other benefits and allowances		–	19	19	–	–	–	–	–	19
<b>Sub Total - Other Staff of Entities</b>		–	<b>341</b>	<b>341</b>	–	–	–	–	–	<b>341</b>
<b>% increase</b>	4		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Total Municipal Entities</b>		–	<b>2 155</b>	<b>2 155</b>	–	–	–	–	–	<b>2 155</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>1 240 013</b>	<b>1 442 684</b>	<b>1 442 684</b>	<b>117 337</b>	<b>812 493</b>	<b>840 309</b>	<b>(27 816)</b>	<b>-3%</b>	<b>1 442 684</b>
<b>% increase</b>	4		<b>16.3%</b>	<b>16.3%</b>						<b>16.3%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>1 192 331</b>	<b>1 389 678</b>	<b>1 389 678</b>	<b>113 087</b>	<b>782 647</b>	<b>809 444</b>	<b>(26 797)</b>	<b>-3%</b>	<b>1 389 678</b>

## 12.2. Overtime Analysis

Table 21 below provides comparison of overtime expenditure against budget per directorate for the period ended 31 January 2016. Table 22 below details overtime expenditure incurred per cost centre for the past three months ended 31 January 2016.

**Table 21: Overtime per Directorate**

Directorate	2015/2016 Annual Budget R	2015/2016 YTD Budget R	2015/2016 YTD Expenditure R	2015/2016 YTD Variance R	2015/2016 % of YTD Budget %
Directorate Of Executive Support Services	1 476 325	861 190	2 436 028	-1 574 839	283%
Directorate Of The City Manager	280 035	163 354	356 741	-193 387	218%
Directorate Of Corporate Services	552 836	322 488	394 797	-72 309	122%
Directorate Of Development & Spatial Planning	565 537	329 897	357 976	-28 080	109%
Directorate Of Economic Development & Agencies	386 138	225 247	570 262	-345 014	253%
Directorate Of Finance	1 235 667	720 806	702 543	18 263	97%
Directorate Of Health / Public Safety & Emergency Services	23 003 966	13 418 980	16 637 528	-3 218 547	124%
Directorate Of Human Settlement	96 161	56 094	15 531	40 563	28%
Directorate Of Infrastructure Services	15 159 129	8 842 825	18 739 025	-9 896 199	212%
<i>Electricity</i>	7 120 580	4 153 672	5 566 686	-1 413 015	134%
<i>Water</i>	2 764 285	1 612 500	7 232 981	-5 620 481	449%
<i>Sanitation</i>	4 257 654	2 483 632	5 469 629	-2 985 998	220%
<i>Other</i>	1 016 610	593 023	469 728	123 294	79%
Directorate Of Municipal Services	17 592 591	10 262 345	27 757 743	-17 495 398	270%
<b>Total</b>	<b>60 348 385</b>	<b>35 203 225</b>	<b>67 968 172</b>	<b>-32 764 947</b>	<b>193%</b>



**Table 22: Overtime Per Cost Centre: November 2015 – January 2016**

		November 2015 Amount	December 2015 Amount	January 2016 Amount
<b>Directorate -Executive Support Services</b>				
105 005	Office of The Director of Executive Support	296 844.70	357 203.38	268 254.68
105 020	Public Participation & Ward Committees	17 819.04	5 741.52	4 228.45
110 005	IDP	2 482.31	-	1 951.50
120 010	Public Relations & International Events	46 735.83	72 985.98	87 613.54
		<b>363 881.88</b>	<b>435 930.88</b>	<b>362 048.17</b>
<b>Directorate - City Manager</b>				
205 005	Office of The Municipal Manager & Support Services	42 974.98	23 111.52	51 222.13
225 010	Municipal Public Accounts Committee	16 988.23	2 102.10	-
		<b>59 963.21</b>	<b>25 213.62</b>	<b>51 222.13</b>
<b>Directorate - Chief Financial Officer</b>				
305 005	Office of The Director of Finance	-	1 335.77	781.91
315 005	Budget Office	-	450.74	1 237.86
320 010	Supply Chain Management	18 292.25	9 261.93	350.63
320 015	Expenditure Office	7 985.79	3 183.36	2 345.63
330 005	Rates & Valuations Office	-	2 323.09	
330 010	Consolidated Billing & Miscellaneous Revenue Office	1 070.00	-	-
330 015	Debtors Management Office	38 559.46	32 519.59	22 103.26
330 020	Customer Care Office	-	7 942.10	2 489.24
		<b>65 907.50</b>	<b>57 016.58</b>	<b>29 308.53</b>
<b>Directorate - Corporate Services</b>				
415 005	Administrative & Council Support	861.95	18 138.72	6 826.51
415 010	Auxilliary & Telecommunication Services	26 983.50	34 630.42	-
415 025	Management Information Services	9 755.19	9 417.53	3 285.15
420 005	H.R. Administration	8 258.31	8 311.23	10 711.78
420 010	Occupational Risk Management	4 892.68	7 610.84	11 959.89
420 015	Labour Relations	904.22	-	-
		<b>51 655.85</b>	<b>78 108.74</b>	<b>32 783.33</b>
<b>Directorate - Infrastructure Services</b>				
505 010	City Engineering Building	1 934.42	2 041.89	-
515 006	Night Soil Removal - Coastal	81 732.16	69 781.31	102 602.59
515 007	Night Soil Removal - Central	2 033.63	4 265.95	-
515 026	Sewerage Treatment - Coastal	27 205.26	27 614.45	26 024.80
515 027	Sewerage Treatment - Central	42 658.09	34 036.90	65 089.49
515 028	Sewerage Treatment - Inland	108 005.34	96 207.08	116 292.64
515 031	Sewerage Reticulation - Coastal	244 951.93	243 863.45	243 112.24
515 032	Sewerage Reticulation - Central	122 957.17	122 645.92	107 395.17

		November 2015 Amount	December 2015 Amount	January 2016 Amount
515 033	Sewerage Reticulation - Inland	65 386.83	92 935.27	166 315.29
520 005	Water Administration	18 279.11	13 438.14	26 389.34
520 011	Maden Dam	19 795.68	14 590.91	16 697.16
520 012	Bridle Drift Dam	2 811.03	8 433.11	-
520 015	Bulk Pumping Stations	18 704.40	22 260.30	27 941.39
520 021	Umzonyana Water Treatment Works	77 640.91	61 851.43	86 446.09
520 023	KWT Water Treatment Works	106 297.92	106 243.97	132 640.03
520 024	Mdantsane Bulk Pumping	29 180.33	34 603.99	18 609.80
520 025	Water Ops & Maint. - Inland	182 527.58	213 536.01	279 321.87
520 026	Water Ops & Maint. - Midland	241 506.07	216 940.00	220 006.95
520 030	Water Ops & Maint. - Coastal	288 743.55	314 593.49	356 668.76
525 025	Roads & Stormwater Drainage	2 654.85	-	35 648.96
530 015	Mechanical Workshop - Braelyn	29 394.89	28 615.09	35 508.97
535 005	Electricity Administration	11 015.46	1 367.45	981.75
535 010	Electricity Distribution Supervisory Staff	770 367.96	828 623.33	712 398.71
535 025	Electricity Planning & Design	701.25	455.82	736.32
535 040	Revenue Protection	73 908.27	89 359.73	80 254.25
		<b>2 570 394.09</b>	<b>2 648 304.99</b>	<b>2 857 082.57</b>
<b>Directorate - Development &amp; Spatial Planning and Economic Development &amp; Agencies</b>				
615 095	Building Maintenance - Coastal / Central	10 826.10	48 063.45	54 253.39
620 015	Traffic Signal Maintenance	15 583.81	17 637.31	8 577.60
625 005	Buffalo City Bus Services	16 215.28	11 754.02	12 750.89
630 005	BCMETS	-	7 986.51	193 727.20
635 005	Local Economic Development	11 995.45	3 667.01	-
635 010	Market	47 395.93	69 673.77	57 842.58
		<b>102 016.57</b>	<b>155 115.06</b>	<b>327 151.66</b>
<b>Directorate - Health / Public Safety &amp; Emergency Services</b>				
705 010	Support Services	-	-	5 330.47
725 010	Fire & Rescue Services	254 266.82	287 529.68	485 269.32
725 015	Law Enforcement Services	1 107 667.01	1 288 138.57	1 589 548.31
725 020	Traffic Administration	90 694.78	115 194.94	136 609.44
725 025	Traffic Control	304 844.13	279 201.21	343 542.57
725 030	Criminal Process	3 231.83	-	-
725 035	Vehicle Test Station / Examination	7 525.05	17 731.62	21 014.33
725 036	Vehicle Registration	-	4 186.74	-
725 040	Drivers License Testing	-	18 043.05	-
725 045	Traffic Technical Services	25 402.86	36 560.75	22 874.82
725 050	Parking Areas / Meters	52 156.72	86 883.05	93 712.76
725 055	Disaster Management	13 441.79	17 374.72	23 933.35
		<b>1 859 230.99</b>	<b>2 150 844.33</b>	<b>2 721 835.37</b>

		November 2015 Amount	December 2015 Amount	January 2016 Amount
<b>Directorate - Municipal Services</b>				
750 005	Office of The Director of Community Services	4 317.93	1 069.46	3 096.03
750 010	Cleansing Administration Support	2 074.40	6 688.41	1 643.58
755 005	Environmental Administration Support	1 850.55	1 850.55	411.23
755 010	Environmental Services	487 865.42	437 956.89	468 707.44
755 015	Environmental Conservation	130 412.94	137 279.65	129 248.26
755 025	Interments	320 431.52	254 161.50	280 693.62
760 005	Arts & Cultural Services Admin	38 329.16	50 242.01	38 110.25
760 010	Libraries	9 729.49	6 234.37	5 491.95
760 025	Halls	185 807.26	187 246.35	172 757.56
765 005	Amenities Administration Support	25 349.08	40 284.04	50 880.72
765 010	Sportsfields	176 039.68	176 580.34	140 263.02
765 015	Swimming Pools	228 123.23	184 613.94	202 830.15
765 020	Aquarium	63 758.05	47 403.80	69 307.76
765 025	Zoo	54 665.36	66 464.22	53 749.07
765 030	Beaches	170 807.96	203 560.03	459 853.95
765 035	Resorts	83 541.50	81 104.94	106 591.00
770 005	Cleansing Administration Support	36 771.60	21 659.23	53 094.41
770 010	Refuse Removal	1 062 015.70	979 183.65	1 047 512.62
770 015	Waste Disposal Sites	31 489.19	34 093.53	37 569.23
770 020	Street Sweeping	781 326.42	728 111.47	611 993.46
770 025	Public Conveniences	133 572.32	131 905.86	126 087.80
770 030	E.L Regional Waste Disposal Site & Transfer Station	50 735.10	60 831.06	66 345.99
		<b>4 079 013.86</b>	<b>3 838 525.30</b>	<b>4 126 239.10</b>
	<b>TOTAL OVERTIME</b>	<b>9 152 063.95</b>	<b>9 389 059.50</b>	<b>10 507 670.86</b>

### 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. 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 overtime expenditure is due to joint operations committee meetings that are taking place on a daily basis, staff in the City Manager's office are expected to

remain behind to provide the managers with any adhoc assistance that might be needed.

**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 staff increase as well as staff working on trade shows and events coordinated by the City which the department plays part in those events.

**e) 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.

**f) Directorate of Health / Public Safety & Emergency Services**

Over expenditure is due to security guards being paid overtime. Number of events on public roads has also impacted on overtime due to events taking place on weekends and public holidays.

**g) 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), sportsfields (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 23 below reflects standby and shift allowance expenditure incurred per directorate for the past seven (7) months ended 31 January 2016. There was a decrease in the total payment between November 2015 and December 2015 of R17 829 and a decrease in the total payment between December 2015 and January 2016 of R27 550.

**Table 23: Standby & Shift Allowance per Directorate**

	<b>NOVEMBER 2015</b>	<b>DECEMBER 2015</b>	<b>JANUARY 2016</b>
Directorate – Executive Support Services	12 073	14 574	12 346
Directorate – City Manager	481	557	-
Directorate – Chief Financial Officer	6 743	6 366	6 622
Directorate – Corporate Services	21 309	21 024	11 078
Directorate – Infrastructure Services	492 907	489 146	518 206
Directorate – Economic & Development Planning	12 993	14 794	18 282
Directorate – Health / Public Safety & Emergency Services	548 089	519 331	542 054
Directorate – Municipal Services	257 101	268 073	197 728
<b>TOTAL</b>	<b>1 351 696</b>	<b>1 333 867</b>	<b>1 306 317</b>

### **12.4. Cost of Temporary Staff**

The total payment of Temporary Staff for the past seven (7) months ended 31 January 2016 is reflected below. There was an increase in the total payment between November 2015 and December 2015 of R2 519 381 and a decrease in the total payment between December 2015 and January 2016 of R1 084 899.

**Table 24: Temporary Staff Per Directorate**

	<b>NOVEMBER 2015</b>	<b>DECEMBER 2015</b>	<b>JANUARY 2016</b>
Directorate – Executive Support Services	638 697	1 438 935	824 152
Directorate – City Manager	292 678	228 278	206 416
Directorate – Chief Financial Officer	178 941	346 517	240 302
Directorate – Corporate Services	534 964	596 209	544 151
Directorate – Infrastructure Services	688 286	858 909	834 080
Directorate – Economic & Development Planning	128 097	166 261	229 470
Directorate – Health / Public Safety & Emergency Services	99 937	118 665	136 319
Directorate – Municipal Services	30 647	35 305	32 943
Directorate – Executive Support Services	1 686 279	3 008 827	2 665 174
<b>TOTAL</b>	<b>4 278 525</b>	<b>6 797 906</b>	<b>5 713 007</b>

**12.5. Councillors Costs**

The table below shows the budget and expenditure to date for councillors costs. The year to date budget less the year to date expenditure of R29 845 390 leaves a Variance of R1 018 888. The budget for out of pocket expenses and Councillor cell phone allowance will be realigned in the mid-year adjustment budget.

**Table 25: Councillors Costs**

	<b>ANNUAL BUDGET</b>	<b>YTD BUDGET</b>	<b>YTD EXPEND</b>	<b>YTD VARIANCE</b>	<b>% VARIANCE</b>
Mayoral Allowance	770 445	449 426	353 292	96 134	79%
Deputy Mayoral Allowance	616 356	359 541	285 325	74 216	79%
Mayoral Committee Allowance	5 778 333	3 370 694	2 449 038	921 656	73%
Speakers Allowance	616 356	359 541	285 325	74 216	79%
Out of Pocket Expenses	0	0	406 947	-406 947	-
Councillors Allowance	24 121 244	14 070 726	13 482 914	587 812	96%
Cllr Cell Phone Allowance	0	0	1 254 590	-1 254 590	-
Cllr Housing Subsidy	2 879 407	1 679 654	1 483 317	196 337	88%
Cllr Medical Aid	1 855 623	1 082 447	1 009 038	73 409	93%
Cllr Pension Scheme	3 328 325	1 941 523	1 809 253	132 270	93%
Cllr Travel Allowance	12 944 103	7 550 727	7 026 351	524 376	93%
<b>TOTAL</b>	<b>52 910 192</b>	<b>30 864 279</b>	<b>29 845 390</b>	<b>1 018 889</b>	<b>97%</b>

### **13. MUNICIPAL ENTITY FINANCIAL PERFORMANCE**

The parent municipality Buffalo City Metropolitan Municipality has constituted the board members for Buffalo City Development Agency (BCDA). The board is currently recruiting staff for the running of the agency. The Project Manager has been appointed and commenced work on 01 August 2015. The CEO and the office administrator have been appointed and commenced work on 02 November 2015 and 01 January 2016 respectively. The Chief Financial Officer position was advertised on 11 January 2016.

The Buffalo City Development Agency has a budget of R7.58 million within the Executive Support Services Directorate of BCMM and has spent R1.03 million (13.6%) as at 31 January 2016.

### **14. CAPITAL PROGRAMME PERFORMANCE**

BCMM has spent R498.37 million inclusive of reclaimed vat (2014/15: R429.46 million) which is 36% (2014/15: 41%) of its 2015/16 adjusted capital budget of R1.38 billion (2014/15: R1.06 billion) as at 31 January 2016. This reflects a slight regression when compared to the same period in the previous financial year. 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 26 below reflects capital expenditure performance per source of funding.

**Table 26: Capital Expenditure per Funding Source against Budget**

<b>Funding</b>	<b><u>2015/2016 Adjusted Budget</u></b>	<b><u>YTD Expenditure (VAT incl)</u></b>	<b><u>Variance (VAT incl)</u></b>	<b><u>% Expe</u></b>
<b>Total Own Funding</b>	<b>529 796 867</b>	<b>104 937 207</b>	<b>424 859 660</b>	<b>20%</b>
DoE(Integrated National Electrification Programme)	30 000 000	11 989 641	18 010 359	40%
Electricity Demand Side Management Grant	13 000 000	14 215 779	-1 215 779	109%
Infrastructure Skills Development Grant	100 000	25 458	74 542	25%
Neighbourhood Development Partnership Grant	20 000 000	0	20 000 000	0%
Urban Settlement Development Grant	679 784 100	331 927 970	347 856 130	49%
Human Settlement Development Grant	94 400 000	35 275 260	59 124 740	37%
Human Settlement Development Grant-MPCC	13 068 500	0	13 068 500	0%
<b>Total Grants</b>	<b>850 352 600</b>	<b>393 434 110</b>	<b>456 918 491</b>	<b>46%</b>
<b>TOTAL PER FUNDING</b>	<b>1 380 149 467</b>	<b>498 371 316</b>	<b>881 778 151</b>	<b>36%</b>

Table 27 below reflects capital expenditure performance per service.

**Table 27: Actual Expenditure per Service against Budget**

<b>Services</b>	<b><u>2015/2016 Adjusted Budget</u></b>	<b><u>YTD Expenditure (VAT incl)</u></b>	<b><u>Variance (VAT incl)</u></b>	<b><u>% Expenditure (VAT incl)</u></b>
Water	91 000 000	51 844 218	39 155 782	57%
Waste Water	296 301 527	87 810 977	208 490 550	30%
Electricity	158 500 000	86 233 771	72 266 229	54%
Roads and Stormwater	265 000 000	93 392 510	171 607 490	35%
Human Settlement	211 784 513	104 585 923	107 198 590	49%
Transport Planning	69 652 869	26 405 466	43 247 403	38%
Waste Management / Refuse	54 502 324	21 712 680	32 789 644	40%
Amenities	73 483 569	17 878 998	55 604 571	24%
Public Safety	32 265 057	4 155 822	28 109 235	13%
Support Services	79 659 608	4 324 657	75 334 951	5%
Other - BCM Fleet	48 000 000	26 294	47 973 706	0%
<b>TOTAL PER SERVICE</b>	<b>1 380 149 467</b>	<b>498 371 316</b>	<b>881 778 151</b>	<b>36%</b>

Table 28 below reflects capital expenditure performance per directorate.



**Table 28: Actual Expenditure per Directorate against Budget**

<b>Directorate</b>	<b>2015/2016 Adjusted Budget</b>	<b>YTD Expenditure (VAT incl)</b>	<b>Variance (VAT incl)</b>	<b>% Exp.</b>
Executive Support Services	7 439 297	514 081	6 925 216	7%
City Manager	21 500 000	0	21 500 000	0%
Human Settlements	211 784 513	104 585 923	107 198 590	49%
Directorate of Financial Services	631 902	353 740	278 162	56%
Directorate of Corporate Services	39 538 409	3 371 817	36 166 592	9%
Directorate of Infrastructure Services	859 351 527	319 311 769	540 039 758	37%
Directorate of Development & Spatial Planning	49 652 869	17 855 906	31 796 963	36%
Directorate of Economic Development & Agencies	20 000 000	8 549 560	11 450 440	43%
Directorate of Health / Public Safety & Emergency Services	32 265 057	4 155 822	28 109 235	13%
Directorate of Municipal Services	127 985 893	39 591 678	88 394 215	31%
<b>TOTAL DIRECTORATES</b>	<b>1 370 149 467</b>	<b>498 290 297</b>	<b>871 859 170</b>	<b>36%</b>
Asset Replacement	10 000 000	81 020	9 918 980	1%
<b>GRAND TOTAL</b>	<b>1 380 149 467</b>	<b>498 371 316</b>	<b>881 778 151</b>	<b>36%</b>

The capital programme performance by month is tabulated in table 29 below (Exclusive of Vat).

**Table 29: SC12 Monthly budget Statement – capital expenditure trend**

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
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	4 279	2 538	2 683	148	148	2 683	2 535	94.5%	0%
August	36 998	30 122	34 048	42 068	42 216	36 731	(5 485)	-14.9%	3%
September	63 771	24 852	27 675	57 530	99 746	64 407	(35 339)	-54.9%	8%
October	82 385	45 563	46 647	101 591	201 336	111 054	(90 282)	-81.3%	16%
November	52 978	43 333	46 409	85 219	286 556	157 463	(129 093)	-82.0%	22%
December	123 417	50 976	56 657	111 569	398 125	214 120	(184 004)	-85.9%	31%
January	30 397	29 612	34 351	62 851	460 975	248 471	(212 505)	-85.5%	36%
February	47 087	32 833	33 784	-	-	282 255	-	-	-
March	104 078	51 060	54 631	-	-	336 885	-	-	-
April	59 993	69 017	75 394	-	-	412 280	-	-	-
May	96 922	65 150	71 105	-	-	483 385	-	-	-
June	227 742	830 300	896 765	-	-	1 380 149	-	-	-
<b>Total Capital expenditure</b>	<b>930 050</b>	<b>1 275 354</b>	<b>1 380 149</b>	<b>460 975</b>					

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

**Table 30: SC13a Monthly budget Statement – capital expenditure on new assets by asset class**

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
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		213 161	158 210	159 185	4 673	76 466	28 658	(47 808)	-166.8%	159 185
Infrastructure - Road transport		116 893	20 000	20 000	242	8 209	3 601	(4 608)	-128.0%	20 000
Roads, Pavements & Bridges		116 893	20 000	20 000	242	8 209	3 601	(4 608)	-128.0%	20 000
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		38 944	66 500	66 500	959	33 382	11 972	(21 410)	-178.8%	66 500
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		38 944	66 500	66 500	959	33 382	11 972	(21 410)	-178.8%	66 500
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		57 324	71 710	72 685	3 472	34 875	13 086	(21 789)	-166.5%	72 685
Waste Management		30 727	21 710	22 685	-	18 299	4 084	(14 215)	-348.1%	22 685
Transportation		25 256	30 000	30 000	2 114	8 748	5 401	(3 347)	-62.0%	30 000
Gas		-	-	-	-	-	-	-	-	-
Other		1 341	20 000	20 000	1 358	7 828	3 601	(4 227)	-117.4%	20 000
<b>Community</b>		20 706	35 069	35 069	273	10 396	6 313	(4 082)	-64.7%	35 069
Parks & gardens		3 576	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		7 392	27 069	27 069	88	5 324	4 873	(451)	-9.2%	27 069
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	186	5 072	1 440	(3 631)	-252.1%	8 000
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		145 316	211 274	211 274	17 427	96 031	38 036	(57 995)	-152.5%	211 274
Housing development		145 316	211 274	211 274	17 427	96 031	38 036	(57 995)	-152.5%	211 274
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		48 568	125 375	171 642	321	7 440	30 901	23 461	75.9%	171 642
General vehicles		25 117	48 450	48 450	26	26	8 723	8 696	99.7%	48 450
Specialised vehicles		-	7 600	12 588	-	3 111	2 266	(844)	-37.3%	12 588
Plant & equipment		688	8 675	46 811	119	1 967	8 428	6 461	76.7%	46 811
Computers - hardware/equipment		1 718	40 650	43 793	176	2 336	7 884	5 548	70.4%	43 793
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	20 000	-	-	3 601	3 601	100.0%	20 000
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	427 751	529 928	577 170	22 695	190 333	103 909	(86 424)	-83.2%	577 170
<b>Specialised vehicles</b>		-	7 600	12 588	-	3 111	2 266	(844)	(0)	12 588
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	7 600	12 588	-	3 111	2 266	(844)	(0)	12 588
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

The capital programme performance table 31 below provide summary of capital expenditure by asset class/sub-class for renewal of existing assets (Exclusive of VAT).

**Table 31: SC13b Monthly budget Statement – capital expenditure on renewal of existing assets by asset class**

Description	Ref	Budget Year 2015/16								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
1										
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		490 455	686 056	724 852	35 475	254 681	130 496	(124 185)	-95.2%	724 852
Infrastructure - Road transport		212 002	245 000	245 000	15 393	76 779	44 108	(32 672)	-74.1%	245 000
<i>Roads, Pavements &amp; Bridges</i>		212 002	245 000	245 000	15 393	76 779	44 108	(32 672)	-74.1%	245 000
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		79 994	92 000	92 000	4 826	48 209	16 563	(31 646)	-191.1%	92 000
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission &amp; Reticulation</i>		79 994	92 000	92 000	4 826	48 209	16 563	(31 646)	-191.1%	92 000
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		90 752	91 000	91 000	3 319	48 173	16 383	(31 790)	-194.0%	91 000
<i>Dams &amp; Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		90 752	91 000	91 000	3 319	48 173	16 383	(31 790)	-194.0%	91 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		107 707	258 056	296 852	11 937	81 519	53 443	(28 077)	-52.5%	296 852
<i>Waste Management</i>		107 707	258 056	296 852	11 937	81 519	53 443	(28 077)	-52.5%	296 852
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Community</b>		4 788	30 700	30 700	141	5 479	5 527	48	0.9%	30 700
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		4 495	22 700	22 700	17	2 677	4 087	1 410	34.5%	22 700
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		293	8 000	8 000	124	2 802	1 440	(1 362)	-94.6%	8 000
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		7 056	28 671	47 428	4 539	10 481	8 539	(1 943)	-22.8%	47 428
General v ehicles		-	-	-	-	-	-	-	-	-
Specialised v ehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		7 056	24 221	42 978	4 539	10 481	7 737	(2 744)	-35.5%	42 978
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	4 450	4 450	-	-	801	801	100.0%	4 450
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing ass</b>	1	502 299	745 427	802 980	40 156	270 642	144 562	(126 080)	-87.2%	802 980
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

## **15. OTHER SUPPORTING DOCUMENTS**

### **15.1. Operating Projects Expenditure**

The Metro has spent 22% (R156.11 million) inclusive of reclaimed vat of its 2015/16 adjusted budget of R697.73 million as at 31 January 2016. This reflects a regression when compared to the same period in the previous financial year where 42% (R120.09 million) of the adjusted operating projects budget of R288.44 million was spent. Procurement processes bottleneck has been identified and addressed through increase of Bid Committees. It is anticipated that the expenditure will improve in the remaining months of the financial year. The HSDG budget is overstated due to late confirmation of available funding by the Eastern Cape Provincial Department of Human Settlement, the budget will be reduced in the mid year adjustment budget. Should the HSDG allocation that is on the 2015/16 approved DoRA be taken into consideration the total budget allocated for operating projects will reduce to R458.23 million, therefore resulting in the total operating projects expenditure percentage to increase to 34%.

A detailed schedule of the operating projects expenditure is outlined in Annexure D. Tables 32 and 33 below summarise Annexure D.

**Table 32: Operating Projects per Directorate**

<b>OPERATING PROJECTS PER DIRECTORATE</b>	<b><u>2015/2016 Adjusted Budget</u></b>	<b><u>YTD Expenditure (VAT incl)</u></b>	<b><u>Variance (VAT incl)</u></b>	<b><u>% Exp</u></b>
Executive Support Services	4 239 106	1 388 535	2 850 571	33%
City Manager	46 401 900	17 502 532	28 899 368	38%
Human Settlements	545 954 656	112 648 169	433 306 487	21%
Directorate of Financial Services	43 515 303	10 357 831	33 157 472	24%
Directorate of Corporate Services	29 572 014	7 294 062	22 277 952	25%
Directorate of Infrastructure Services	3 500 000	3 199 554	300 446	91%
Directorate of Economic Development & Agencies	3 000 000	2 691 702	308 298	90%
Directorate of Health / Public Safety & Emergency Services	200 000	1 464	198 536	1%
Directorate of Municipal Services	21 348 496	1 026 486	20 322 010	5%
<b>TOTAL PER DIRECTORATE</b>	<b>697 731 475</b>	<b>156 110 335</b>	<b>541 621 140</b>	<b>22%</b>

**Table 33: Operating Projects per Funding Source**

<b>OPERATING PROJECTS PER FUNDING SOURCE</b>	<b><u>2015/2016</u> <u>Adjusted</u> <u>Budget</u></b>	<b><u>YTD</u> <u>Expenditure</u> <u>(VAT incl)</u></b>	<b><u>Variance</u> <u>(VAT incl)</u></b>	<b><u>%</u> <u>Expenditure</u></b>
<b>Total Own Funding</b>	<b>109 893 453</b>	<b>28 618 961</b>	<b>81 274 492</b>	<b>26%</b>
Department of Environmental Affairs	2 500 000	0	2 500 000	0%
Umsobomvu Youth Fund	131 466	73 990	57 476	56%
Department of Local Government & Traditional Affairs	3 494 026	1 920 493	1 573 533	55%
Expanded Public Works Programme Incentives Grant	1 149 000	1 030 549	118 451	90%
Finance Management Grant	1 300 000	154 462	1 145 538	12%
Human Settlement Development Grant	522 657 630	105 209 879	417 447 751	20%
Infrastructure Skills Development Grant	8 400 000	2 821 024	5 578 976	34%
Integrated City Development Grant	5 605 000	0	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	130 228	9 122 772	1%
Urban Settlement Development Grant	33 347 900	16 150 749	17 197 151	48%
<b>Total Grants</b>	<b>587 706 556</b>	<b>127 491 374</b>	<b>460 346 648</b>	<b>22%</b>
<b>TOTAL PER FUNDING</b>	<b>697 731 475</b>	<b>156 110 335</b>	<b>541 621 140</b>	<b>22%</b>

**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 34: Health / Public Safety & Emergency Services – Cost Analysis**

<b>Health / Public Safety &amp; Emergency Services</b>	<b>Total Revenue</b>	<b>Employee Costs</b>	<b>Other Operating Expenditure</b>	<b>Repairs &amp; Maintenance</b>	<b>Total Expenditure Excluding Capital</b>
<b>OFFICE OF THE DIRECTOR OF HEALTH / PUBLIC SAFETY &amp; EMERGENCY SERVICES</b>	<b>0</b>	<b>1 186 856</b>	<b>138 789</b>	<b>0</b>	<b>1 325 645</b>
<b>GM - EMERGENCY SERVICES</b>	<b>-51 898 333</b>	<b>32 769 466</b>	<b>14 834 532</b>	<b>352 780</b>	<b>47 956 779</b>
EMERGENCY SERVICES	0	1 388 158	191 407	0	1 579 565
DISASTER MANAGEMENT	0	1 320 123	474 050	5 138	1 799 311
FIRE & RESCUE	-51 898 333	30 061 186	14 169 075	347 642	44 577 902
<b>GM - MUNICIPAL HEALTH SERVICES</b>	<b>-41 419</b>	<b>15 239 830</b>	<b>2 138 271</b>	<b>92 587</b>	<b>17 470 688</b>
MUNICIPAL HEALTH SERVICES	-41 419	15 239 830	2 138 271	92 587	17 470 688
MUNICIPAL HEALTH SERVICES: COASTAL REGION	0	0	0	0	0
MUNICIPAL HEALTH SERVICES: INLAND REGION	0	0	0	0	0
MUNICIPAL HEALTH SERVICES: MIDLAND REGION	0	0	0	0	0
<b>GM - PUBLIC SAFETY &amp; PROTECTION SERVICES</b>	<b>-30 693 567</b>	<b>95 099 816</b>	<b>12 080 723</b>	<b>1 019 888</b>	<b>108 200 427</b>
PUBLIC SAFETY & PROTECTION SERVICES	-27 041	10 929 800	8 144 805	615 772	19 690 377
LAW ENFORCEMENT SERVICES	-18 148	54 962 882	1 473 544	304 802	56 741 228
TRAFFIC SERVICES	-30 648 378	29 207 135	2 462 374	99 314	31 768 822
<b>TOTAL</b>	<b>-82 633 319</b>	<b>144 295 969</b>	<b>29 192 315</b>	<b>1 465 255</b>	<b>174 953 538</b>

## 16.2. Municipal Services

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

**Table 35: Municipal Services – Cost Analysis**

<b>Municipal Services</b>	<b>Total Revenue</b>	<b>Employee Costs</b>	<b>Other Operating Expenditure</b>	<b>Repairs &amp; Maintenance</b>	<b>Total Expenditure Excluding Capital</b>
<b>OFFICE OF THE DIRECTOR OF MUNICIPAL SERVICES</b>	<b>0</b>	<b>4 026 185</b>	<b>531 332</b>	<b>5 031</b>	<b>4 562 547</b>
<b>GM - COMMUNITY AMENITIES</b>	<b>-12 578 524</b>	<b>54 558 330</b>	<b>12 743 868</b>	<b>2 745 598</b>	<b>70 047 795</b>
COMMUNITY AMENITIES	0	5 878 828	212 952	25 596	6 117 375
LIBRARIES	-9 807 375	9 871 888	944 271	92 312	10 908 470
HALLS	-643 180	7 340 341	2 415 461	365 012	10 120 813
RECREATION	-2 046 328	18 902 819	4 990 950	1 896 215	25 789 984
SPORTS FACILITIES	-81 642	12 564 454	4 180 234	366 464	17 111 152
<b>GM - PARKS / CEMETRIES &amp; CONSERVATION</b>	<b>-5 771 937</b>	<b>69 565 101</b>	<b>15 065 241</b>	<b>3 543 964</b>	<b>88 174 306</b>
PARKS / CEMETRIES & CONSERVATION	0	1 221 792	83 487	0	1 305 278
CEMETRIES & CREMATORIA	-4 665 824	11 235 296	5 178 342	215 147	16 628 786
CONSERVATION	-1 020 030	8 216 216	1 864 775	174 081	10 255 072
PARKS: COASTAL	-86 082	48 891 797	7 938 636	3 154 736	59 985 169
PARKS: INLAND	0	0	0	0	0
PARKS: MIDLAND	0	0	0	0	0
VEGETATION CONTROL	0	0	0	0	0
<b>GM - SOLID WASTE MANAGEMENT</b>	<b>-222 408 092</b>	<b>72 369 727</b>	<b>74 250 529</b>	<b>5 922 919</b>	<b>152 543 175</b>
SOLID WASTE MANAGEMENT	0	5 501 671	3 086 332	2 644 455	11 232 459
CLEANSING & REFUSE REMOVAL: COASTAL	-220 442 522	61 217 453	60 861 333	3 263 564	125 342 350
CLEANSING & REFUSE REMOVAL: INLAND	0	0	0	0	
CLEANSING & REFUSE REMOVAL: MIDLAND	0	0	0	0	0
LANDFILLS & TRANSFER STATIONS	-1 965 571	5 650 603	10 302 864	14 900	15 968 367
<b>TOTAL</b>	<b>-240 758 553</b>	<b>200 519 343</b>	<b>102 590 969</b>	<b>12 217 511</b>	<b>315 327 823</b>

**17. MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

<b>QUALITY CERTIFICATE</b>
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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 **January 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)
- C6 Monthly Budget Statement - Financial Position
- C7 Monthly Budget Statement - Cash Flow

### **Annexure B**

- SC1 Material Variance Explanation
- SC2 Performance Indicators
- SC3 Aged Debtors
- SC4 Aged Creditors
- SC5 Investment Portfolio
- SC6 Transfers and Grants Receipts
- SC7 (1) Transfers and Grants Expenditure
- SC7 (2) Expenditure against approved rollovers
- SC8 Councillor and Staff Benefits
- SC9 Actuals and Revised Targets for Cash Receipts
- SC12 Capital Expenditure trend
- SC13a Capital Expenditure on New Assets by Class
- SC13b Capital Expenditure on Renewal of Existing Assets by Class
- SC13c Expenditure on Repairs and Maintenance by Asset Class
- SC13d Depreciation by Asset Class

### **Annexure C**

Schedule of Borrowings

### **Annexure D**

Operating expenditure report

### **Annexure E**

Capital expenditure report