

**10.  
BUDGET REPORT FOR THE QUARTER ENDED SEPTEMBER 2020**

**5/1/1/22-2020/2021**

**BA King**

**Senior Manager: Financial Services**

**21 October 2020**

**(028) 313 8154**

**1. Executive Summary**

Report prepared as part of the financial reporting obligations arising from section 52(d) of the Local Government: Municipal Finance Management Act, 2003 (MFMA).

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate Finance  
Financial Services

**3. Compliance with Strategic Priority**

Provision of democratic, accountable and ethical governance

**4. Delegated Authority**

None

**5. Legal Requirements**

Local Government: Municipal Finance Management Act, (Act 56 of 2003)  
[MFMA]

**6. Background/Discussion/Evaluation/Conclusion**

**Background**

This report has been prepared as part of the financial reporting obligations arising from the MFMA. The MFMA requires the Executive Mayor to report to Council on a quarterly basis on the state of the Municipality's budget.

**Discussion**

Legislation requires that certain financial and performance information is disclosed in the quarterly monitoring report. The report has been prepared according to the standard reporting formats issued by National Treasury.

The following additional information is also included:

The Executive Mayor's special fund report is attached as Annexure B.

The Cost Containment Regulations, 2019 report, attached as Annexure C, represents the status up to the end of September 2020 (Quarter 1).

The quarterly post implementation status of the mSCOA Project is attached as Annexure D.

#### **7. Financial Implications**

None

#### **8. Staff Implications**

None

#### **9. Comments from other Departments, Divisions and Administrations**

None

#### **10. Annexures**

- Annexure A: Quarterly Budget Report for the quarter ended September 2020
- Annexure B: Executive Mayor's special fund – September 2020
- Annexure C: Status report on the Cost Containment Regulations, 2019 – September 2020
- Annexure D: Municipal Regulations on the Standard Chart of Accounts (mSCOA): Post Implementation Status of the mSCOA Project – September 2020

#### **RECOMMENDATION TO THE COUNCIL:**

that the budget report for the quarter ended September 2020, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003 and additional information, **be noted**.

**RESPONSIBLE OFFICIAL :**

**BA KING**

**TARGET DATE FOR IMPLEMENTATION :**

**TO BE NOTED**



# QUARTERLY BUDGET REPORT

## SEPTEMBER 2020

### In-Year Report of the Municipality

Prepared in terms of Section 52(d) of the Local Government:  
Municipal Finance Management Act (Act 56 of 2003) &  
Section 31 of the Municipal Budget and Reporting Regulations,  
Government Gazette 32141, 17 May 2009.



We belong



We care



We serve

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## Glossary

**Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**Budget** – The financial plan of the Municipality.

**Capital expenditure** - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

**Equitable share** – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

**FMG** – Financial Management Grant.

**GFS** – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

**GRAP** – Generally Recognised Accounting Practice. The standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

**MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant.

**MTREF** – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

**NDPG** – Neighbourhood Development Partnership Grant.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

**Rates** – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**SDBIP** – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

**Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Vote** – A main appropriation segment of the budget. In Overstrand Municipality this relates to the directorate level for operating expenditure and the GFS classification for capital expenditure.

**YTD** – Year to date

**y-o-y** – year-on-year

## **PART 1 – IN-YEAR REPORT**

### **Mayor's Report**

#### ***1.1 In-Year Report – Quarterly Budget Report***

##### **1.1.1 Implementation of the budget in accordance with the SDBIP**

The results of the SDBIP for the first quarter ended 30 September 2020 will be tabled in a separate comprehensive report to council.

##### **1.1.2 Financial problems or risks facing the municipality**

No financial problems or risks from a budgetary implementation or financial management perspective at this stage. It is however important to note that as a country we are faced with two major phenomena, firstly, the financial impact of the COVID-19 Pandemic on municipalities, and secondly, the impact of the downgrade on South Africa's credit rating. As a result of the crisis, municipalities are under pressure to provide certain services to assist in curbing the spread of this virus.

##### **1.1.3 Other relevant information**

The 2020/2021 Budget was compiled according to version 6.4 of the mSCOA classification framework. The below results reflect the first quarter's financial position.

YTD Actual operating revenue at the end of the first quarter for 2020/2021 is at 27.32% of the budgeted revenue of R1.251bn. The expenditure reflects spending of 19.63% against the budgeted expenditure of R1.336bn.

YTD Capital expenditure at the end of September 2020 amounts to R24.6m, or 8.29% of the amended budget of R296.1m. Refer to the table on page 28 for the implementation status of the Top 10 Capital Projects.

An adjustments budget was tabled during this quarter for a Special Adjustments Budget relating to COVID-19.

The debtors' level increasing trend observed during May to June 2020 has stabilized and the 12-month rolling average payment rate has since increased from 96,95% in June 2020 to 98,16% at the end of September 2020.

The positive cash flow remains stable and is in line with budgeted performance.

## **Resolutions**

### ***IN-YEAR REPORTS 2020/2021***

This is the resolution that will be presented to Council when the In-Year Report is tabled:

#### ***RECOMMENDATION TO THE COUNCIL:***

that the report for the quarter ended September 2020, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003 and additional information, **be noted**.



## **Executive Summary**

### **COVID-19**

The national lockdown announced on 23 March 2020 by the President, became effective from midnight on 26 March 2020. The initial three-week lockdown was extended with an additional two weeks and thereafter reverted to further lockdown levels. By the end of September 2020 economic activity, with special reference to the international tourism sector, is still restricted and it is expected to have an impact on the consumers and businesses ability to pay municipal accounts. A larger increase in outstanding debt, compared to March 2020 and April 2020 was observed for May 2020 to June 2020.

However, the 12-month rolling average payment rate has since increased from 96,95% in June 2020 to 98,16% at the end of September 2020. The financial impact of COVID-19 is being closely monitored.

### **Revenue by Source**

The Year-to-Date actual revenue is 0.50% above the YTD budget projections of R340.2m at the end of September 2020.

### **Borrowings**

The balance of borrowings amounts to R472.7m at the end of September 2020.

### **Operating expenditure by vote & type**

Current expenditure is 1.76% below YTD budget projections of R267.1m as at September 2020.

### **Capital expenditure**

YTD Capital expenditure amounts to R24.6m or 8.29% of the adjusted budget of R296.1m. The current capital commitments of orders in progress amounts to R80m or 27.02% of the adjusted capital budget of R296.1m.

### **Cash flows**

The municipality started the year with a positive cash balance of R653.8 million. The September closing balance is R698.9 million. Refer to Supporting Table SC9 for more details on the cash position.

### **Allocations received (National & Provincial Grants)**

Grants totaling R5.3m was received during September 2020.

## Spending on Grants

Spending on grants amounts to R9.8m for September 2020 which includes FMG, EPWP, MIG, INEP, Provincial Library Grant & Provincial Housing Grant – Construction Contracts.

## Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M03 September			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Revenue By Source</b>			
Total	0.50%		
<b>Expenditure By Type</b>			
Total	-1.76%		
<b>Capital Expenditure</b>			
Total	37.56%	Capital Commitments= R80m (27.02%)	
<b>Financial Position</b>			
In order			
<b>Cash Flow</b>			
In order			

### Total Revenue (including capital grants)

R thousand	Amended Budget	YearTD actual	% of Budget Received/Spent
Revenue	1,280,077	346,120	27.04%
Expenditure	1,336,541	262,427	19.63%
Surplus / (Deficit)	<b>(56,463)</b>	<b>83,694</b>	
Capital	296,158	24,562	8.29%

### Total Revenue (excluding capital grants)

R thousand	Amended Budget	YearTD actual	% of Budget Received/Spent
Revenue	1,251,458	341,893	27.32%
Expenditure	1,336,541	262,427	19.63%
Surplus / (Deficit)	<b>(85,082)</b>	<b>79,466</b>	
Capital	296,158	24,562	8.29%

## Performance in relation to SDBIP targets

See the comprehensive quarterly report to be tabled in Council.

## Remedial or corrective steps

Refer to the SDBIP report.

## In-year budget statement tables / ...

Table C1: s71 Monthly Budget Statement Summary

## WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M03 September

Description	2019/20	Budget Year 2020/21							
	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	–	262,551	259,241	21,188	67,257	67,169	88	0%	259,241
Service charges	–	663,209	663,209	59,872	178,561	176,334	2,227	1%	663,209
Investment revenue	–	31,400	31,400	594	3,351	3,351	–		31,400
Transfers and subsidies	–	131,840	146,528	872	55,142	55,142	–		146,528
Other own revenue	–	167,873	151,080	14,016	37,582	38,202	(620)	-2%	151,080
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>–</b>	<b>1,256,873</b>	<b>1,251,458</b>	<b>96,541</b>	<b>341,893</b>	<b>340,198</b>	<b>1,695</b>	<b>0%</b>	<b>1,251,458</b>
Employee costs	–	435,325	438,622	34,245	95,118	96,159	(1,041)	-1%	438,622
Remuneration of Councillors	–	11,896	11,896	940	2,810	2,974	(165)	-6%	11,896
Depreciation & asset impairment	–	141,877	141,877	11,823	35,469	35,469	–		141,877
Finance charges	–	51,482	51,482	857	1,432	1,432	–		51,482
Materials and bulk purchases	–	317,828	323,869	38,161	77,147	78,084	(936)	-1%	323,869
Transfers and subsidies	–	11,610	8,300	–	–	–	–		8,300
Other expenditure	–	371,993	360,494	26,365	50,450	53,022	(2,571)	-5%	360,494
<b>Total Expenditure</b>	<b>–</b>	<b>1,342,010</b>	<b>1,336,541</b>	<b>112,392</b>	<b>262,427</b>	<b>267,140</b>	<b>(4,714)</b>	<b>-2%</b>	<b>1,336,541</b>
<b>Surplus/(Deficit)</b>	<b>–</b>	<b>(85,137)</b>	<b>(85,082)</b>	<b>(15,850)</b>	<b>79,466</b>	<b>73,058</b>	<b>6,408</b>	<b>9%</b>	<b>(85,082)</b>
Transfers and subsidies - capital (monetary at	–	30,619	28,619	1,194	4,227	4,227	–		28,619
Contributions & Contributed assets	–	–	–	–	–	–	–		–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>–</b>	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>	<b>6,408</b>	<b>8%</b>	<b>(56,463)</b>
<b>Surplus/ (Deficit) for the year</b>	<b>–</b>	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>	<b>6,408</b>	<b>8%</b>	<b>(56,463)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>–</b>	<b>303,738</b>	<b>296,158</b>	<b>10,118</b>	<b>24,562</b>	<b>17,856</b>	<b>6,706</b>	<b>38%</b>	<b>296,158</b>
Capital transfers recognised	–	86,516	76,747	6,004	14,779	6,272	8,507	136%	76,747
Borrowing	–	92,949	92,478	3,009	5,329	6,006	(678)	-11%	92,478
Internally generated funds	–	124,274	126,933	1,105	4,454	5,578	(1,124)	-20%	126,933
<b>Total sources of capital funds</b>	<b>–</b>	<b>303,738</b>	<b>296,158</b>	<b>10,118</b>	<b>24,562</b>	<b>17,856</b>	<b>6,706</b>	<b>38%</b>	<b>296,158</b>
<b>Financial position</b>									
Total current assets	–	614,227	619,862		840,032				614,227
Total non current assets	–	3,982,468	3,974,888		3,791,850				3,982,468
Total current liabilities	–	254,715	254,715		238,357				254,715
Total non current liabilities	–	687,245	687,245		637,238				687,245
<b>Community wealth/Equity</b>	<b>–</b>	<b>3,654,735</b>	<b>3,652,789</b>		<b>3,756,287</b>				<b>3,654,735</b>
<b>Cash flows</b>									
Net cash from (used) operating	–	198,066	196,120	7,170	77,992	78,028	36	0%	198,066
Net cash from (used) investing	–	(304,307)	(296,727)	(13,623)	(28,890)	(28,890)	–		(304,307)
Net cash from (used) financing	–	6,626	6,626	(1,005)	(3,940)	(3,940)	–		6,626
<b>Cash/cash equivalents at the month/year end</b>	<b>–</b>	<b>485,812</b>	<b>491,446</b>	<b>–</b>	<b>698,975</b>	<b>630,625</b>	<b>(68,351)</b>	<b>-11%</b>	<b>554,198</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	76,524	2,860	2,388	2,392	1,276	1,682	6,548	34,962	128,631
<b>Creditors Age Analysis</b>									
Total Creditors	5,549	–	–	–	–	–	–	–	5,549

**Table C2: Monthly Budget Statement – Financial Performance (standard classification)****WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September**

Description	2019/20	Budget Year 2020/21							
	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 - Functional</b>									
<b>Governance and administration</b>	-	336,136	338,101	23,228	84,443	85,413	(970)	-1%	338,101
Executive and council	-	17,821	18,071	18	7,781	7,494	288	4%	18,071
Finance and administration	-	318,315	320,030	23,211	76,661	77,919	(1,258)	-2%	320,030
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	-	148,846	138,468	12,828	32,417	32,521	(104)	0%	138,468
Community and social services	-	8,185	8,185	676	2,081	2,157	(76)	-4%	8,185
Sport and recreation	-	10,262	10,262	1,164	3,756	2,750	1,006	37%	10,262
Public safety	-	39,830	46,245	3,148	9,075	9,878	(803)	-8%	46,245
Housing	-	90,568	73,775	7,841	17,505	17,736	(231)	-1%	73,775
<b>Economic and environmental services</b>	-	10,065	11,948	805	2,236	2,636	(400)	-15%	11,948
Planning and development	-	9,788	11,671	793	2,156	2,565	(408)	-16%	11,671
Road transport	-	245	245	13	47	61	(14)	-23%	245
Environmental protection	-	32	32	-	32	10	23	229%	32
<b>Trading services</b>	-	792,445	791,560	60,873	227,025	223,856	3,169	1%	791,560
Energy sources	-	436,955	435,401	37,760	130,518	129,436	1,082	1%	435,401
Water management	-	150,392	150,615	10,456	39,399	38,726	673	2%	150,615
Waste water management	-	114,335	114,558	6,597	29,457	28,693	764	3%	114,558
Waste management	-	90,764	90,986	6,059	27,651	27,001	650	2%	90,986
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	-	1,287,492	1,280,077	97,735	346,120	344,426	1,695	0%	1,280,077
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	-	270,009	273,474	20,898	50,486	51,571	(1,085)	-2%	273,474
Executive and council	-	62,707	62,957	4,202	11,803	11,952	(148)	-1%	62,957
Finance and administration	-	203,733	206,948	16,469	38,025	38,867	(842)	-2%	206,948
Internal audit	-	3,569	3,569	228	657	753	(95)	-13%	3,569
<b>Community and public safety</b>	-	251,675	241,857	18,261	46,304	47,118	(814)	-2%	241,857
Community and social services	-	23,502	23,502	1,837	4,912	5,062	(150)	-3%	23,502
Sport and recreation	-	56,586	56,586	3,923	9,534	9,696	(161)	-2%	56,586
Public safety	-	119,176	120,091	9,000	23,777	24,279	(503)	-2%	120,091
Housing	-	52,410	41,677	3,501	8,081	8,081	-	-	41,677
<b>Economic and environmental services</b>	-	176,095	176,678	12,136	29,745	30,591	(846)	-3%	176,678
Planning and development	-	51,179	52,062	3,337	9,228	9,788	(560)	-6%	52,062
Road transport	-	108,617	108,317	6,996	17,590	17,772	(182)	-1%	108,317
Environmental protection	-	16,298	16,298	1,803	2,926	3,030	(104)	-3%	16,298
<b>Trading services</b>	-	640,514	640,814	60,988	135,314	137,192	(1,878)	-1%	640,814
Energy sources	-	354,355	354,355	39,727	83,764	84,392	(628)	-1%	354,355
Water management	-	124,167	124,167	7,580	18,829	19,523	(694)	-4%	124,167
Waste water management	-	88,633	88,933	7,639	18,894	19,313	(418)	-2%	88,933
Waste management	-	73,358	73,358	6,042	13,827	13,965	(138)	-1%	73,358
<b>Other</b>	-	3,719	3,719	108	578	668	(90)	-13%	3,719
<b>Total Expenditure - Functional</b>	-	1,342,010	1,336,541	112,392	262,427	267,140	(4,714)	-2%	1,336,541
<b>Surplus/ (Deficit) for the year</b>	-	(54,518)	(56,463)	(14,656)	83,694	77,286	6,408	8%	(56,463)

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

The main functional areas are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in functional classification, Table C2, and by municipal vote, Table C3.

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

**WC032 Overstrand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September**

Vote Description	2019/20	Budget Year 2020/21							
	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>									
Vote 1 - Council	-	17,732	17,932	10	7,768	7,472	296	4.0%	17,932
Vote 2 - Municipal Manager & Internal Audit	-	-	50	-	-	13	(13)	-100.0%	50
Vote 3 - Management Services	-	1,416	1,621	43	106	371	(265)	-71.5%	1,621
Vote 4 - Finance	-	309,162	306,477	23,093	76,369	76,546	(177)	-0.2%	306,477
Vote 5 - Community Services	-	539,510	522,163	46,213	149,876	149,228	648	0.4%	522,163
Vote 6 - Economic and Social Development & Tourism	-	39,830	48,245	3,148	9,075	10,120	(1,045)	-10.3%	48,245
Vote 7 - Infrastructure & Planning	-	4,663	5,546	194	283	609	(326)	-53.5%	5,546
Vote 8 - Protection Services	-	375,179	378,043	25,034	102,644	100,068	2,576	2.6%	378,043
<b>Total Revenue by Vote</b>	-	<b>1,287,492</b>	<b>1,280,077</b>	<b>97,735</b>	<b>346,120</b>	<b>344,426</b>	<b>1,695</b>	<b>0.5%</b>	<b>1,280,077</b>
<b>Expenditure by Vote</b>									
Vote 1 - Council	-	35,802	36,002	2,291	6,755	4,504	2,251	50.0%	36,002
Vote 2 - Municipal Manager & Internal Audit	-	7,587	7,637	471	1,380	957	423	44.2%	7,637
Vote 3 - Management Services	-	57,115	57,320	4,180	11,195	11,641	(446)	-3.8%	57,320
Vote 4 - Finance	-	91,935	89,250	8,289	16,440	18,110	(1,670)	-9.2%	89,250
Vote 5 - Community Services	-	551,359	541,626	54,594	116,494	118,081	(1,587)	-1.3%	541,626
Vote 6 - Economic and Social Development & Tourism	-	118,272	121,187	9,046	23,564	24,520	(956)	-3.9%	121,187
Vote 7 - Infrastructure & Planning	-	19,065	19,948	1,108	2,823	3,890	(1,067)	-27.4%	19,948
Vote 8 - Protection Services	-	460,876	463,571	32,412	83,776	85,438	(1,662)	-1.9%	463,571
<b>Total Expenditure by Vote</b>	-	<b>1,342,010</b>	<b>1,336,541</b>	<b>112,392</b>	<b>262,427</b>	<b>267,140</b>	<b>(4,714)</b>	<b>-1.8%</b>	<b>1,336,541</b>
<b>Surplus/ (Deficit) for the year</b>	-	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>	<b>6,408</b>	<b>8.3%</b>	<b>(56,463)</b>

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council; Municipal Manager; Management Services; Finance; Community Services; Economic and Social Development & Tourism; Infrastructure & Planning and Protection Services.

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent. During the financial year some of the figures are influenced by transactions that occur annually only.

**Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)**

WC032 Overstrand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	2019/20	Budget Year 2020/21							
	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		262,551	259,241	21,188	67,257	67,169	88	0%	259,241
Service charges - electricity revenue		386,294	386,294	37,674	111,511	110,255	1,256	1%	386,294
Service charges - water revenue		128,520	128,520	9,587	29,363	29,185	178	1%	128,520
Service charges - sanitation revenue		78,913	78,913	6,555	19,586	19,235	351	2%	78,913
Service charges - refuse revenue		69,482	69,482	6,055	18,102	17,660	442	3%	69,482
Rental of facilities and equipment		3,627	3,627	315	1,043	982	61	6%	3,627
Interest earned - external investments		31,400	31,400	594	3,351	3,351	-		31,400
Interest earned - outstanding debtors		4,673	4,673	391	1,304	1,266	38	3%	4,673
Fines, penalties and forfeits		29,564	29,564	2,230	6,768	7,391	(623)	-8%	29,564
Licences and permits		2,385	2,385	201	522	547	(25)	-5%	2,385
Agency services		4,938	4,938	647	1,671	1,543	128	8%	4,938
Transfers and subsidies		131,840	146,528	872	55,142	55,142	-		146,528
Other revenue		115,686	105,892	10,232	26,273	26,473	(200)	-1%	105,892
Gains on disposal of PPE		7,000							
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>-</b>	<b>1,256,873</b>	<b>1,251,458</b>	<b>96,541</b>	<b>341,893</b>	<b>340,198</b>	<b>1,695</b>	<b>0%</b>	<b>1,251,458</b>
<b>Expenditure By Type</b>									
Employee related costs		435,325	438,622	34,245	95,118	96,159	(1,041)	-1%	438,622
Remuneration of councillors		11,896	11,896	940	2,810	2,974	(165)	-6%	11,896
Debt impairment		26,263	26,263	2,189	6,566	6,566	-		26,263
Depreciation & asset impairment		141,877	141,877	11,823	35,469	35,469	-		141,877
Finance charges		51,482	51,482	857	1,432	1,432	-		51,482
Bulk purchases		270,260	270,260	34,661	69,747	70,042	(295)	0%	270,260
Other materials		47,567	53,609	3,500	7,400	8,041	(641)	-8%	53,609
Contracted services		222,414	222,177	13,947	25,087	26,846	(1,759)	-7%	222,177
Transfers and subsidies		11,610	8,300	-	-	-	-		8,300
Other expenditure		123,315	112,054	10,229	18,797	19,609	(812)	-4%	112,054
Loss on disposal of PPE		-	-	-	-	-	-		-
<b>Total Expenditure</b>	<b>-</b>	<b>1,342,010</b>	<b>1,336,541</b>	<b>112,392</b>	<b>262,427</b>	<b>267,140</b>	<b>(4,714)</b>	<b>-2%</b>	<b>1,336,541</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(85,137)</b>	<b>(85,082)</b>	<b>(15,850)</b>	<b>79,466</b>	<b>73,058</b>	<b>6,408</b>	<b>9%</b>	<b>(85,082)</b>
Transfers and subsidies - capital (monetary allocations) (National /		30,619	28,619	1,194	4,227	4,227	-		28,619
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp;</b>	<b>-</b>	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>			<b>(56,463)</b>
Taxation		-	-	-	-	-	-		-
<b>Surplus/(Deficit) after taxation</b>	<b>-</b>	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>			<b>(56,463)</b>
<b>Surplus/(Deficit) attributable to municipality</b>	<b>-</b>	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>			<b>(56,463)</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>-</b>	<b>(54,518)</b>	<b>(56,463)</b>	<b>(14,656)</b>	<b>83,694</b>	<b>77,286</b>			<b>(56,463)</b>

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.50% above the YTD budget.

Current expenditure is 1.76% below YTD budget projections for September 2020.

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

WC032 Overstrand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure & Planning	-	108,693	86,490	5,252	11,882	6,221	5,661	91%	86,490
Vote 6 - Protection Services	-	-	-	-	-	-	-	-	-
Vote 7 - Economic and Social Development & Tourism	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	-	<b>108,693</b>	<b>86,490</b>	<b>5,252</b>	<b>11,882</b>	<b>6,221</b>	<b>5,661</b>	<b>91%</b>	<b>86,490</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	3,015	3,015	-	47	500	(453)	-91%	3,015
Vote 4 - Finance	-	60	60	5	5	15	(10)	-69%	60
Vote 5 - Infrastructure & Planning	-	117,721	129,103	4,263	10,685	8,330	2,355	28%	129,103
Vote 6 - Protection Services	-	13,981	12,323	27	32	313	(281)	-90%	12,323
Vote 7 - Economic and Social Development & Tourism	-	842	842	-	-	-	-	-	842
Vote 8 - Community Services	-	59,426	64,326	572	1,912	2,477	(565)	-23%	64,326
<b>Total Capital single-year expenditure</b>	-	<b>195,045</b>	<b>209,669</b>	<b>4,866</b>	<b>12,680</b>	<b>11,635</b>	<b>1,045</b>	<b>9%</b>	<b>209,669</b>
<b>Total Capital Expenditure</b>	-	<b>303,738</b>	<b>296,158</b>	<b>10,118</b>	<b>24,562</b>	<b>17,856</b>	<b>6,706</b>	<b>38%</b>	<b>296,158</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>									
Executive and council	-	3,075	3,075	5	52	112	(60)	-54%	3,075
Finance and administration	-	5	5	-	-	-	-	-	5
Internal audit	-	3,070	3,070	5	52	112	(60)	-54%	3,070
<b>Community and public safety</b>									
Community and social services	-	93,694	89,085	5,234	14,367	8,510	5,857	69%	89,085
Sport and recreation	-	18,638	19,438	65	65	832	(767)	-92%	19,438
Public safety	-	12,731	12,731	332	1,840	1,122	718	64%	12,731
Housing	-	14,181	12,473	27	32	118	(87)	-73%	12,473
Health	-	48,144	44,443	4,810	12,430	6,438	5,992	93%	44,443
<b>Economic and environmental services</b>									
Planning and development	-	33,589	33,589	533	909	1,598	(689)	-43%	33,589
Road transport	-	13,594	13,594	26	26	266	(240)	-90%	13,594
Environmental protection	-	19,995	19,995	507	883	1,333	(449)	-34%	19,995
<b>Trading services</b>									
Energy sources	-	173,381	170,410	4,347	9,234	7,636	1,598	21%	170,410
Water management	-	21,119	19,119	17	17	43	(26)	-60%	19,119
Waste water management	-	52,606	52,036	1,848	5,047	4,509	538	12%	52,036
Waste management	-	77,217	77,217	1,352	2,664	1,810	854	47%	77,217
Waste management	-	22,439	22,039	1,129	1,507	1,275	232	18%	22,039
<b>Total Capital Expenditure - Functional Classification</b>	-	<b>303,738</b>	<b>296,158</b>	<b>10,118</b>	<b>24,562</b>	<b>17,856</b>	<b>6,706</b>	<b>38%</b>	<b>296,158</b>
<b>Funded by:</b>									
National Government	-	37,369	35,369	1,194	4,227	2,947	1,280	43%	35,369
Provincial Government	-	2,840	1,482	-	-	-	-	-	1,482
Other transfers and grants	-	46,306	39,896	4,810	10,552	3,325	7,227	217%	39,896
<b>Transfers recognised - capital</b>	-	<b>86,516</b>	<b>76,747</b>	<b>6,004</b>	<b>14,779</b>	<b>6,272</b>	<b>8,507</b>	<b>136%</b>	<b>76,747</b>
<b>Borrowing</b>	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>	-	92,949	92,478	3,009	5,329	6,006	(678)	-11%	92,478
<b>Total Capital Funding</b>	-	<b>124,274</b>	<b>126,933</b>	<b>1,105</b>	<b>4,454</b>	<b>5,578</b>	<b>(1,124)</b>	<b>-20%</b>	<b>126,933</b>
<b>Total Capital Funding</b>	-	<b>303,738</b>	<b>296,158</b>	<b>10,118</b>	<b>24,562</b>	<b>17,856</b>	<b>6,706</b>	<b>38%</b>	<b>296,158</b>

Capital expenditure is 37.56% above the Year-to-Date budget projections. Refer to the table on page 28 for the implementation status of the Top 10 Capital Projects.



**Table C6: Monthly Budget Statement - Financial Position**

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	2019/20	Budget Year 2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b><u>ASSETS</u></b>					
<b>Current assets</b>					
Cash		85,812	91,446	188,735	85,812
Call investment deposits		400,000	400,000	510,241	400,000
Consumer debtors		83,889	83,889	86,357	83,889
Other debtors		34,983	34,983	46,958	34,983
Current portion of long-term receivables		3	3	4	3
Inventory		9,540	9,540	7,738	9,540
<b>Total current assets</b>		<b>–</b>	<b>614,227</b>	<b>619,862</b>	<b>840,032</b>
<b>Non current assets</b>					
Long-term receivables		1	1	–	1
Investments		65,460	65,460	50,843	65,460
Investment property		121,846	121,846	123,121	121,846
Investments in Associate		–	–	–	–
Property, plant and equipment		3,790,408	3,782,828	3,608,719	3,790,408
Agricultural		–	–	–	–
Biological assets		–	–	–	–
Intangible assets		4,753	4,753	9,168	4,753
Other non-current assets		–	–	–	–
<b>Total non current assets</b>		<b>–</b>	<b>3,982,468</b>	<b>3,974,888</b>	<b>3,791,850</b>
<b>TOTAL ASSETS</b>		<b>–</b>	<b>4,596,695</b>	<b>4,594,750</b>	<b>4,631,883</b>
<b><u>LIABILITIES</u></b>					
<b>Current liabilities</b>					
Bank overdraft		–	–	–	–
Borrowing		52,751	52,751	52,751	52,751
Consumer deposits		62,074	62,074	41,293	62,074
Trade and other payables		104,604	104,604	109,028	104,604
Provisions		35,286	35,286	35,286	35,286
<b>Total current liabilities</b>		<b>–</b>	<b>254,715</b>	<b>254,715</b>	<b>238,357</b>
<b>Non current liabilities</b>					
Borrowing		430,260	430,260	419,942	430,260
Provisions		256,985	256,985	217,296	256,985
<b>Total non current liabilities</b>		<b>–</b>	<b>687,245</b>	<b>687,245</b>	<b>637,238</b>
<b>TOTAL LIABILITIES</b>		<b>–</b>	<b>941,960</b>	<b>941,960</b>	<b>875,596</b>
<b>NET ASSETS</b>		<b>–</b>	<b>3,654,735</b>	<b>3,652,789</b>	<b>3,756,287</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>					
Accumulated Surplus/(Deficit)		3,651,390	3,649,444	3,753,060	3,651,390
Reserves		3,345	3,345	3,227	3,345
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>–</b>	<b>3,654,735</b>	<b>3,652,789</b>	<b>3,654,735</b>

The statement of financial position is in line with expectations for the financial year.

**Table C7: Monthly Budget Statement - Cash Flow**

WC032 Overstrand - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates		259,513	256,203	39,239	70,293	70,456	(163)	0%	259,513
Service charges		655,534	655,534	32,697	187,509	187,373	136	0%	655,534
Other revenue		131,331	114,537	16,223	35,235	35,316	(81)	0%	131,331
Government - operating		131,840	146,528	872	55,142	55,142	-		131,840
Government - capital		30,619	28,619	1,194	4,227	4,227	-		30,619
Interest		36,073	36,073	985	4,655	4,655	-		36,073
Dividends		-	-	-	-	-	-		-
<b>Payments</b>									
Suppliers and employees		(983,752)	(981,592)	(83,183)	(277,637)	(277,709)	(72)	0%	(983,752)
Finance charges		(51,482)	(51,482)	(857)	(1,432)	(1,432)	-		(51,482)
Transfers and Grants		(11,610)	(8,300)	-	-	-	-		(11,610)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>-</b>	<b>198,066</b>	<b>196,120</b>	<b>7,170</b>	<b>77,992</b>	<b>78,028</b>	<b>36</b>	<b>0%</b>	<b>198,066</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE		7,000	7,000	(3,074)	-	-	-		7,000
Decrease (Increase) in non-current debtors		-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		7	7	(7)	-	-	-		7
Decrease (increase) in non-current investments		(7,575)	(7,575)	(424)	(4,328)	(4,328)	-		(7,575)
<b>Payments</b>									
Capital assets		(303,738)	(296,158)	(10,118)	(24,562)	(24,562)	-		(303,738)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>-</b>	<b>(304,307)</b>	<b>(296,727)</b>	<b>(13,623)</b>	<b>(28,890)</b>	<b>(28,890)</b>	<b>-</b>		<b>(304,307)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans		-	-	-	-	-	-		-
Borrowing long term/refinancing		54,000	54,000	-	-	-	-		54,000
Increase (decrease) in consumer deposits		(1,000)	(1,000)	167	301	301	-		(1,000)
<b>Payments</b>									
Repayment of borrowing		(46,374)	(46,374)	(1,173)	(4,240)	(4,240)	-		(46,374)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>6,626</b>	<b>6,626</b>	<b>(1,005)</b>	<b>(3,940)</b>	<b>(3,940)</b>	<b>-</b>		<b>6,626</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>-</b>	<b>(99,615)</b>	<b>(93,980)</b>	<b>(7,458)</b>	<b>45,162</b>	<b>45,199</b>			<b>(99,615)</b>
Cash/cash equivalents at beginning:	-	585,426	585,426		653,813	585,426			653,813
Cash/cash equivalents at month/year end:	-	485,812	491,446		698,975	630,625			554,198

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R 698.9million.

The municipality started the year with a positive cash balance of R653.8 million. The September closing balance is R698.9 million. Refer to Supporting Table SC9 for more details on the cash position.

## Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows

WC032 Overstrand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
<b>Cash Receipts By Source</b>															
Property rates	3,193	27,861	39,239	-	-	-	-	-	-	-	-	189,219	259,513	274,775	287,860
Service charges - electricity revenue	22,810	55,779	17,932	-	-	-	-	-	-	-	-	285,303	381,824	402,602	462,194
Service charges - water revenue	55,873	(12,504)	10,591	-	-	-	-	-	-	-	-	73,073	127,033	134,698	141,372
Service charges - sanitation revenue	2,205	15,112	2,122	-	-	-	-	-	-	-	-	58,561	78,000	82,722	86,837
Service charges - refuse	2,609	12,928	2,052	-	-	-	-	-	-	-	-	51,088	68,678	72,835	76,458
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	(103)	815	293	-	-	-	-	-	-	-	-	2,580	3,585	3,797	3,983
Interest earned - external investments	1,754	1,003	594	-	-	-	-	-	-	-	-	28,050	31,400	32,975	34,615
Interest earned - outstanding debtors	459	454	391	-	-	-	-	-	-	-	-	3,369	4,673	4,906	5,145
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2,273	2,265	2,230	-	-	-	-	-	-	-	-	(2,571)	4,197	4,403	4,619
Licences and permits	163	158	201	-	-	-	-	-	-	-	-	1,863	2,385	2,498	2,618
Agency services	448	576	647	-	-	-	-	-	-	-	-	3,267	4,938	5,184	5,442
Transfer receipts - operating	53,491	779	872	-	-	-	-	-	-	-	-	76,698	131,840	141,735	154,275
Other revenue	1,958	10,459	12,852	-	-	-	-	-	-	-	-	90,957	116,226	137,399	129,446
<b>Cash Receipts by Source</b>	<b>147,132</b>	<b>115,685</b>	<b>90,016</b>	-	-	-	-	-	-	-	-	<b>861,457</b>	<b>1,214,291</b>	<b>1,300,530</b>	<b>1,394,863</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	-	3,033	1,194	-	-	-	-	-	-	-	-	26,392	30,619	28,470	31,628
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	125	2,949	(3,074)	-	-	-	-	-	-	-	-	7,000	7,000	7,000	7,000
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	54,000	54,000	50,000	50,000
Increase in consumer deposits	38	95	167	-	-	-	-	-	-	-	-	(1,301)	(1,000)	3,724	3,948
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	7	(7)	-	-	-	-	-	-	-	-	7	7	3	1
Change in non-current investments	(540)	(3,364)	(424)	-	-	-	-	-	-	-	-	(3,247)	(7,575)	(7,834)	(8,120)
<b>Total Cash Receipts by Source</b>	<b>146,756</b>	<b>118,406</b>	<b>87,873</b>	-	-	-	-	-	-	-	-	<b>944,307</b>	<b>1,297,341</b>	<b>1,381,894</b>	<b>1,479,320</b>
<b>Cash Payments by Type</b>															
<b>Employee related costs</b>	1,455	70,796	33,500	-	-	-	-	-	-	-	-	316,705	422,456	442,816	468,539
Remuneration of councillors	-	1,869	940	-	-	-	-	-	-	-	-	9,087	11,896	12,436	13,002
Interest paid	68	506	857	-	-	-	-	-	-	-	-	50,050	51,482	52,210	52,352
Bulk purchases - Electricity	3	35,083	34,661	-	-	-	-	-	-	-	-	200,513	270,260	290,978	313,126
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	1,008	2,893	3,500	-	-	-	-	-	-	-	-	40,167	47,567	43,347	45,265
Contracted services	527	10,613	13,947	-	-	-	-	-	-	-	-	197,327	222,414	235,538	247,162
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	11,610	11,610	11,610	11,610
General expenses	97,802	(27,594)	(3,366)	-	-	-	-	-	-	-	-	(57,684)	9,158	119,813	128,276
<b>Cash Payments by Type</b>	<b>100,862</b>	<b>94,167</b>	<b>84,040</b>	-	-	-	-	-	-	-	-	<b>767,775</b>	<b>1,046,844</b>	<b>1,208,747</b>	<b>1,279,331</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2,159	12,285	10,118	-	-	-	-	-	-	-	-	279,176	303,738	197,162	154,378
Repayment of borrowing	1,778	1,289	1,173	-	-	-	-	-	-	-	-	42,133	46,374	52,751	47,751
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>104,799</b>	<b>107,741</b>	<b>95,331</b>	-	-	-	-	-	-	-	-	<b>1,089,084</b>	<b>1,396,956</b>	<b>1,458,660</b>	<b>1,481,460</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>41,956</b>	<b>10,664</b>	<b>(7,458)</b>	-	-	-	-	-	-	-	-	<b>(144,777)</b>	<b>(99,615)</b>	<b>(76,767)</b>	<b>(2,140)</b>
Cash/cash equivalents at the month/year begin	653,813	695,769	706,434	698,975	698,975	698,975	698,975	698,975	698,975	698,975	698,975	698,975	653,813	554,198	477,432
Cash/cash equivalents at the month/year end:	695,769	706,434	698,975	698,975	698,975	698,975	698,975	698,975	698,975	698,975	698,975	554,198	554,198	477,432	475,292

This supporting table gives details of information summarised in Table C7.

## PART 2 – SUPPORTING DOCUMENTATION

## Debtors' analysis

## WC032 Overstrand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2020/21										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	14,871	546	478	603	273	237	1,276	4,569	22,855	6,959	-	3,478
Trade and Other Receivables from Exchange Transactions - Electricity	1300	20,823	729	441	889	292	254	1,020	4,620	29,067	7,075	-	3,629
Receivables from Non-exchange Transactions - Property Rates	1400	23,122	797	522	425	321	298	1,413	3,927	30,826	6,385	-	4,191
Receivables from Exchange Transactions - Waste Water Management	1500	7,726	351	257	232	193	177	903	2,896	12,735	4,401	-	2,090
Receivables from Exchange Transactions - Waste Management	1600	6,842	252	181	153	130	119	532	1,883	10,093	2,817	-	1,631
Receivables from Exchange Transactions - Property Rental Debtors	1700	645	13	10	9	9	8	36	231	961	293	-	103
Interest on Arrear Debtor Accounts	1810	230	44	56	52	49	70	480	10,299	11,281	10,951	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2,265	128	443	28	9	518	887	6,536	10,814	7,978	-	1,850
<b>Total By Income Source</b>	<b>2000</b>	<b>76,524</b>	<b>2,860</b>	<b>2,388</b>	<b>2,392</b>	<b>1,276</b>	<b>1,682</b>	<b>6,548</b>	<b>34,962</b>	<b>128,631</b>	<b>46,859</b>	<b>-</b>	<b>16,972</b>
<b>2019/20 - totals only</b>		<b>63,877</b>	<b>2,954</b>	<b>1,496</b>	<b>1,319</b>	<b>1,103</b>	<b>1,034</b>	<b>4,398</b>	<b>24,923</b>	<b>101,104</b>	<b>32,776</b>	<b>-</b>	<b>26,108</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	826	170	97	73	55	43	193	1,790	3,246	2,154	-	203
Commercial	2300	8,948	364	472	619	81	180	263	1,530	12,456	2,673	-	614
Households	2400	66,857	2,321	1,816	1,699	1,140	1,457	6,077	31,543	112,910	41,915	-	16,153
Other	2500	(106)	5	4	0	1	1	15	99	19	117	-	2
<b>Total By Customer Group</b>	<b>2600</b>	<b>76,524</b>	<b>2,860</b>	<b>2,388</b>	<b>2,392</b>	<b>1,276</b>	<b>1,682</b>	<b>6,548</b>	<b>34,962</b>	<b>128,631</b>	<b>46,859</b>	<b>-</b>	<b>16,972</b>

The debtors' level increasing trend observed during May to June 2020 has stabilized and the 12-month rolling average payment rate has since increased from 96,95% in June 2020 to 98,16% at the end of September 2020.

## Summary of Indigent Households

	Indigent Households	Other Households	Total Households	
<b>2,020</b>				
July	7,589	27,849	35,438	21.41%
August	7,587	27,839	35,426	21.42%
September	7,532	27,882	35,414	21.27%
October				
November				
December				
<b>2,021</b>				
January				
February				
March				
April				
May				
June				

## Monthly FBS (Free Basic Services)

Free Basic Water				Free Basic Sanitation			
No. of Indigent (poor) beneficiaries	No. of other beneficiaries (non indigent)	Total beneficiaries	level of Service (e.g. 6 kilolitres per household)	No. of Indigent (poor) beneficiaries	No. of other beneficiaries (non indigent)	Total beneficiaries	level of Service (e.g. VIP toilets)
7532			6KL	7532	0	7532	waterborne
Free Basic Electricity				Free Basic Refuse Removal			
Beneficiaries provided by Eskom	Beneficiaries provided by Municipality	Non-grid energy Beneficiaries	level of Service (e.g. 50 Kwh per household)	No. of Indigent (poor) beneficiaries	No. of other beneficiaries (non indigent)	Total beneficiaries	level of Service (type of subsidy)
120	7412		50kWh	7532	0	7532	Total monthly levy

**Summary of Debtors Age Analysis**

MONTH	< 30 Days	< 60 Days	< 90 Days	< 120 Days	< 150 Days	<180 Days	<365 Days	>365 Days	Total	Older than 30 Days	Older than 90 days
<b>2020/2021</b>											
June									0	0	0
May									0	0	0
April									0	0	0
March									0	0	0
February									0	0	0
January									0	0	0
December									0	0	0
November									0	0	0
October									0	0	0
September	76,524,362	2,860,127	2,388,115	2,391,709	1,275,636	1,681,529	6,547,645	34,961,995	128,631,118	52,106,757	46,858,514
August	74,822,327	4,896,619	2,557,659	1,656,972	2,061,106	1,637,323	6,435,752	34,051,113	128,118,872	53,296,545	45,842,267
July	78,493,757	4,842,920	3,210,499	3,169,664	2,019,323	1,524,134	6,869,014	33,397,182	133,526,492	55,032,735	46,979,316

**Government Debt**

Overstrand Municipality as at 30/09/2020	Total Debt	Services	Rates	Other
<b>Department Responsible for the Debt</b>				
NPW 2227	2,820,007	1,551,385	1,241,476	27,146
WCED 2251	178,746	178,746	0	0
OTHER 2255	60,305	21,066	39,240	0
HEALTH 2252	121,770	109,096	11,747	927
TPW 2256	1,819	-86,470	88,289	0
HUMAN SETTLE 2215	31,001	31,001	0	0
HOUSING 2253	4,173	4,173	0	0
OTHER MUNICIPALITIES 2276	28,518	28,518	0	0
<b>TOTAL OUTSTANDING</b>	<b>3,246,339</b>	<b>1,837,515</b>	<b>1,380,751</b>	<b>28,072</b>

**Creditors' analysis****Supporting Table SC4****WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September**

Description	NT Code	Budget Year 2020/21								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300	4 750								4 750
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	799								799
Auditor General	0800									-
Other	0900									-
<b>Total By Customer Type</b>	<b>1000</b>	<b>5 549</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 549</b>

Supporting Table SC4 reflects current creditors at the end of September 2020.

The payment of creditors is within requirements of the MFMA.

## Investment portfolio analysis

### Supporting Table SC5

#### WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID R thousands	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><u>Municipality</u></b>								
LIBERTY 15934476	15 YEARS	Policy	01/09/2025	39		16,993	125	17,157
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	54		30,055	260	30,368
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	(84)		3,372	30	3,318
ABSA 9331734880	DEP PLUS	DEP PLUS		26	3.3	10,241	(26)	10,241
Nedbank 03/7881534451 ref. 257	123 days	FIXED DEP	20/11/2020		4.6	100,000		100,000
ABSA 2079256315	182 days	FIXED DEP	18/01/2021		5.3	100,000		100,000
Nedbank 03/7881534451 ref. 258	92 days	FIXED DEP	27/10/2020		4.57	100,000		100,000
ABSA 2079219751	184 days	FIXED DEP	27/01/2021		5.05	100,000		100,000
ABSA 2079279937	184 days	FIXED DEP	03/02/2021		5.05	100,000		100,000
<b>Municipality sub-total</b>				<b>34</b>		<b>560,661</b>	<b>389</b>	<b>561,084</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>34</b>		<b>560,661</b>	<b>389</b>	<b>561,084</b>

Surplus cash not immediately required is invested in call and monthly deposits.  
Long term investments relate to the sinking fund investments.

## Allocation and grant receipts and expenditure

### Supporting Table SC6 – Grant receipts

WC032 Overstrand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	-	121,368	138,372	-	54,968	54,968	-		138,372
Operational Revenue:General Revenue:Equitable Share	-	117,318	134,322	-	52,793	52,793	-		134,322
Expanded Public Works Programme Integrated Grant for Municipalities	-	2,500	2,500	-	625	625	-		2,500
Local Government Financial Management Grant [Schedule 5B]	-	1,550	1,550	-	1,550	1,550	-		1,550
<b>Provincial Government:</b>	-	10,472	8,156	-	2,668	2,668	-		8,156
Capacity Building	-	75	75	-	-	-	-		75
Capacity Building and Other	-	401	401	-	-	-	-		401
Infrastructure	-	145	145	-	-	-	-		145
Libraries, Archives and Museums	-	7,651	5,335	-	2,668	2,668	-		5,335
Other	-	2,200	2,200	-	-	-	-		2,200
<b>District Municipality:</b>	-	-	-	-	-	-	-		-
All Grants	-	-	-	-	-	-	-		-
<b>Other grant providers:</b>	-	0	-	-	-	-	-		0
<b>Total Operating Transfers and Grants</b>	-	131,840	146,528	-	57,636	57,636	-		146,528
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	-	29,887	27,887	4,650	13,010	13,010	-		27,887
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	-	8,000	6,000	-	5,000	5,000	-		6,000
Municipal Infrastructure Grant [Schedule 5B]	-	21,887	21,887	4,650	8,010	8,010	-		21,887
<b>Provincial Government:</b>	-	732	732	732	732	732	-		-
Capacity Building	-	-	-	-	-	-	-		-
Capacity Building and Other	-	732	732	732	732	732	-		-
<b>District Municipality:</b>	-	-	-	-	-	-	-		-
All Grants	-	-	-	-	-	-	-		-
<b>Other grant providers:</b>	-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	-	30,619	28,619	5,382	13,742	13,742	-		27,887
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	-	162,459	175,147	5,382	71,378	71,378	-		174,415

Grant receipts are monitored according to the payment schedules.

**Supporting Table SC7(1) – Grant expenditure**

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	2019/20	Budget Year 2020/21							
	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>	-	4,050	4,050	231	391	391	-		4,050
Expanded Public Works Programme Integrated Grant for Municipalities		2,500	2,500	189	267	267	-		2,500
Local Government Financial Management Grant		1,550	1,550	42	123	123	-		1,550
<b>Provincial Government:</b>	-	10,472	8,156	641	1,958	1,958	-		10,472
Capacity Building and Other		2,676	2,676	-	-	-	-		2,676
Infrastructure	-	145	145	-	-	-	-		145
Libraries, Archives and Museums	-	7,651	5,335	641	1,958	1,958	-		7,651
<b>District Municipality:</b>	-	-	-	-	-	-	-		-
All Grants	-	-	-	-	-	-	-		-
<b>Other grant providers:</b>	-	44,267	33,534	3,005	6,817	6,817	-		33,534
Households	-	44,267	33,534	3,005	6,817	6,817	-		33,534
<b>Total operating expenditure of Transfers and Grants:</b>	-	58,789	45,740	3,877	9,166	9,166	-		48,056
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	-	29,887	27,887	1,194	4,227	4,227	-		29,887
Integrated National Electrification Programme (Municipal Grant)		8,000	6,000	17	17	17	-		8,000
Municipal Infrastructure Grant [Schedule 5B]		21,887	21,887	1,177	4,210	4,210	-		21,887
<b>Provincial Government:</b>	-	732	732	-	-	-	-		732
Capacity Building and Other		732	732	-	-	-	-		732
<b>District Municipality:</b>	-	-	-	-	-	-	-		-
All Grants	-	-	-	-	-	-	-		-
<b>Other grant providers:</b>	-	45,956	39,896	4,810	10,552	10,552	-		39,896
Households	-	45,956	39,896	4,810	10,552	10,552	-		39,896
<b>Total capital expenditure of Transfers and Grants</b>	-	76,575	68,515	6,004	14,779	14,779	-		70,515
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	-	135,364	114,255	9,881	23,946	23,946	-		118,571

Grant expenditure is monitored against grant receipts.



### Supporting Table SC7(2) – Expenditure against approved rollovers

WC032 Overstrand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September

Description	Budget Year 2020/21				
	Approved Rollover 2019/20	Monthly actual	YearTD actual	YTD variance	YTD variance %
<b>R thousands</b>					
<b><u>EXPENDITURE</u></b>					
<b><u>Operating expenditure of Approved Roll-overs</u></b>					
<b>National Government:</b>	-	-	-	-	
Operational Revenue:General Revenue:Equitable Share		-	-	-	
Operational:Revenue:General Revenue:Fuel Levy		-	-	-	
Local Government Financial Management Grant [Schedule 5B]		-	-	-	
<b>Provincial Government:</b>	-	-	-	-	
Capacity Building		-	-	-	
Capacity Building and Other		-	-	-	
Disaster and Emergency Services		-	-	-	
Housing		-	-	-	
Infrastructure		-	-	-	
Libraries, Archives and Museums		-	-	-	
Other		-	-	-	
<b>District Municipality:</b>	-	-	-	-	
All Grants		-	-	-	
<b>Other grant providers:</b>	-	-	-	-	
<b>Total operating expenditure of Approved Roll-overs</b>	-	-	-	-	
<b><u>Capital expenditure of Approved Roll-overs</u></b>					
<b>National Government:</b>	-	-	-	-	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	
<b>Provincial Government:</b>	-	-	-	-	
Capacity Building		-	-	-	
Capacity Building and Other		-	-	-	
Disaster and Emergency Services		-	-	-	
Housing		-	-	-	
Infrastructure		-	-	-	
Libraries, Archives and Museums		-	-	-	
Other		-	-	-	
<b>District Municipality:</b>	-	-	-	-	
All Grants		-	-	-	
<b>Other grant providers:</b>	-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>	-	-	-	-	
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>	-	-	-	-	

A Roll over application was submitted to Provincial and National Treasury in August 2020 for the unspent grant funds.

## Expenditure on councillor allowances and employee benefits

### Supporting Table SC8

#### WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b><u>Councillors (Political Office Bearers plus Other)</u></b>									
Basic Salaries and Wages		10,786	10,786	848	2,532	2,697	(165)	-6%	10,786
Pension and UIF Contributions		-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-		-
Motor Vehicle Allowance		-	-	-	-	-	-		-
Cellphone Allowance		1,110	1,110	93	278	278	-		1,110
Housing Allowances	-	-	-	-	-	-	-		-
Other benefits and allowances	-	-	-	-	-	-	-		-
<b>Sub Total - Councillors</b>	-	<b>11,896</b>	<b>11,896</b>	<b>940</b>	<b>2,810</b>	<b>2,974</b>	<b>(165)</b>	<b>-6%</b>	<b>11,896</b>
<b><u>Senior Managers of the Municipality</u></b>									
Basic Salaries and Wages		12,506	12,486	1,107	3,031	3,121	(90)	-3%	12,486
Pension and UIF Contributions		-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-		-
Performance Bonus		260	260	-	-	-	-		260
Motor Vehicle Allowance		-	-	-	-	-	-		-
Cellphone Allowance		187	187	16	47	47	-		187
Housing Allowances		-	-	-	-	-	-		-
Other benefits and allowances	-	-	-	-	-	-	-		-
Payments in lieu of leave	-	-	-	-	-	-	-		-
Long service awards	-	-	-	-	-	-	-		-
Post-retirement benefit obligations	-	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>	-	<b>12,952</b>	<b>12,932</b>	<b>1,122</b>	<b>3,078</b>	<b>3,168</b>	<b>(90)</b>	<b>-3%</b>	<b>12,932</b>
<b><u>Other Municipal Staff</u></b>									
Basic Salaries and Wages		259,838	259,606	21,180	61,373	62,041	(669)	-1%	259,606
Pension and UIF Contributions		48,588	50,356	3,522	10,525	10,536	(11)	0%	50,356
Medical Aid Contributions		18,241	18,304	1,132	3,401	3,450	(49)	-1%	18,304
Overtime		32,190	33,220	3,709	6,664	6,721	(56)	-1%	33,220
Performance Bonus		462	462	39	116	116	(1)	-1%	462
Motor Vehicle Allowance		8,032	8,256	689	2,050	2,064	(14)	-1%	8,256
Cellphone Allowance		2,378	2,448	165	491	563	(72)	-13%	2,448
Housing Allowances		2,870	2,994	234	676	725	(49)	-7%	2,994
Other benefits and allowances		34,737	35,009	1,202	2,987	3,016	(29)	-1%	35,009
Payments in lieu of leave		-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-		-
Post-retirement benefit obligations		15,035	15,035	1,253	3,759	3,759	-		15,035
<b>Sub Total - Other Municipal Staff</b>	-	<b>422,373</b>	<b>425,690</b>	<b>33,123</b>	<b>92,041</b>	<b>92,991</b>	<b>(951)</b>	<b>-1%</b>	<b>425,690</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	-	<b>447,221</b>	<b>450,518</b>	<b>35,186</b>	<b>97,928</b>	<b>99,134</b>	<b>(1,206)</b>	<b>-1%</b>	<b>450,518</b>
<b>TOTAL MANAGERS AND STAFF</b>	-	<b>435,325</b>	<b>438,622</b>	<b>34,245</b>	<b>95,118</b>	<b>96,159</b>	<b>(1,041)</b>	<b>-1%</b>	<b>438,622</b>

**SDBIP**

The results of the SDBIP for the first quarter ended 30 September 2020 will be included in a separate comprehensive report to be tabled in Council.

## Financial Performance

### Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>Borrowing Management</u></b>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	14.4%	14.5%	0.5%	4.7%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	30.6%	31.2%	21.7%	31.2%
<b><u>Safety of Capital</u></b>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	16.1%	16.1%	15.5%	16.1%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	12862.8%	12862.8%	13012.5%	12862.8%
<b><u>Liquidity</u></b>						
Current Ratio	Current assets/current liabilities	0.0%	241.1%	243.4%	352.4%	241.1%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	190.7%	192.9%	293.2%	190.7%
<b><u>Revenue Management</u></b>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	9.5%	9.5%	39.0%	9.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Creditors Management</u></b>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		99.0%		Annual Indicator	99.0%
<b><u>Funding of Provisions</u></b>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<b><u>Other Indicators</u></b>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		6.7%		Annual Indicator	6.7%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		20.7%		Annual Indicator	20.7%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	34.6%	35.0%	27.8%	35.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	16.8%	0.0%	6.8%	16.9%
Interest & Depreciation	I&D/Total Revenue - capital revenue	0.0%	15.4%	15.5%	0.4%	5.1%
<b><u>IDP regulation financial viability indicators</u></b>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		12.4		Annual Indicator	12.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		12.8%		Annual Indicator	12.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		5.1		Annual Indicator	5.1

## Capital programme performance

### Supporting Table SC12

#### WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July	-	8 805	2 159	2 159	2 159	2 159	(0)	0.0%	1%
August	-	9 365	12 285	12 285	14 444	14 444	-	0.0%	5%
September	-	18 043	3 412	10 118	24 562	17 856	(6 706)	-37.6%	8%
October	-	17 918	17 918	-	-	35 774	-	-	-
November	-	25 078	25 078	-	-	60 852	-	-	-
December	-	26 772	26 772	-	-	87 625	-	-	-
January	-	26 059	21 144	-	-	108 769	-	-	-
February	-	29 649	28 634	-	-	137 403	-	-	-
March	-	34 820	34 943	-	-	172 346	-	-	-
April	-	26 789	25 524	-	-	197 870	-	-	-
May	-	24 114	21 850	-	-	219 720	-	-	-
June	-	56 325	76 438	-	-	296 158	-	-	-
<b>Total Capital expenditure</b>	-	<b>303 738</b>	<b>296 158</b>	<b>24 562</b>					

See comments under variances.

## Top 10 Capital Projects

umb	Local Area	Ward	Project description	Original Budget R'000	Adjusted budget R'000	YTD Expenditure R'000	Status of the project	At what stage is each project currently	Any challenges identified that is resulting in delays?	What measures are in place to remedy the existing challenges.
1	Overstrand	Overstrand	HERMANUS NEW WASTE MANAGEMENT FACILITY	17,963,569	18,063,569	1,423,826	Under construction .	Construction stage. Construction started in July 2020.	Not applicable	None
2	Overstrand	Overstrand	VEHICLES COMMUNITY SERVICES	13,429,959	13,429,959	0	Approved Tender TR57.	In the process of compliance and ordering of the vehicles.	None	None
3	Overstrand	Overstrand	WATER MASTER PLAN IMPLEMENTATION	12,033,060	11,462,362	0	Tender SC 2108/2020 closed on 4 September 2020. 8 Tenders were received.	Tender evaluation stage.	None to date	Not applicable
4	Hermanus	Ward 04	UPGRADE HERMANUS WELL FIELDS	10,500,000	10,500,000	1,066,461	Deviation SCD 3175/2020 approved and construction well in progress.	Construction stage.	Completion is currently being delayed due to underground movement of the casing of one of the boreholes, which has to be rectified by the previous drilling contractor.	Regular communication with consultants and contractors to expedite rectification and completion.
5	Masakhane	Ward 01	NEW 4ML RESERVOIR	9,881,744	9,881,744	2,479,671	Under construction .	Under construction.	Not applicable	Not applicable
6	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX	9,440,000	9,440,000	1,396,855	Under construction .	Under construction.	Not applicable	Not applicable
7	Pringle Bay	Ward 10	NEW RESERVOIR FOR PRINGLE BAY	8,135,000	8,135,000	1,244,851	Tender SC 2018/2019 awarded and construction well in progress.	Construction stage.	No delays experienced in September 2020.	Not applicable
8	Kleinmond	Ward 09	KLEINMOND - SEWER NETWORK	8,000,000	8,000,000	714,645	Construction of phase 1 in progress (SC 1915/2019), and planning for next phase in progress.	Construction and planning.	No delays experienced in September 2020.	Not applicable
9	Zwelihle	Multi-ward HM Area	ZWELIHLE SEWER	7,756,483	7,756,483	0	Tender SC 2107/2020 closed on 4 September 2020. 7 Tenders were received.	Tender evaluation stage.	None to date	Not applicable
10	Hermanus	Ward 03	CBD REGENERATION PROGRAM	7,100,000	7,100,000	18,000	Under construction .	Under construction.	Not applicable	Not applicable
<b>Totals</b>				<b>104,239,815</b>	<b>103,769,117</b>	<b>8,344,308</b>				

Low costing housing services:  
Construction Contracts & Land

Note: Due to change in accounting treatment of construction contracts relating to housing.  
The housing projects is consolidated for this template.

## Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	117,549	115,149	3,840	8,833	7,594	(1,239)	-16.3%	115,149
Roads Infrastructure	-	19,795	19,795	507	883	899	16	1.8%	19,795
<i>Roads</i>	-	19,795	19,795	507	883	899	16	1.8%	19,795
Storm water Infrastructure	-	16,384	16,384	-	862	965	103	10.7%	16,384
<i>Drainage Collection</i>	-	600	600	-	-	-	-	-	600
Electrical Infrastructure	-	12,768	10,768	17	17	339	322	94.9%	10,768
<i>MV Substations</i>	-	696	696	-	-	-	-	-	696
<i>MV Networks</i>	-	12,072	10,072	17	17	339	322	94.9%	10,072
Water Supply Infrastructure	-	29,547	29,547	1,848	4,791	3,253	(1,538)	-47.3%	29,547
<i>Boreholes</i>	-	10,500	10,500	960	1,066	1,250	184	14.7%	10,500
<i>Reservoirs</i>	-	18,017	18,017	888	3,725	2,003	(1,722)	-86.0%	18,017
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	1,030	1,030	-	-	-	-	-	1,030
Sanitation Infrastructure	-	20,576	20,576	421	855	879	24	2.7%	20,576
<i>Pump Station</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	-	20,576	20,576	421	855	879	24	2.7%	20,576
<i>Waste Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	18,479	18,079	1,046	1,424	1,258	(166)	-13.2%	18,079
<i>Landfill Sites</i>	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	12,793	13,593	65	65	90	25	27.7%	13,593
Community Facilities	-	12,743	13,543	65	65	90	25	27.7%	13,543
<i>Halls</i>	-	26	26	-	-	-	-	-	26
<i>Crèches</i>	-	475	475	-	-	-	-	-	475
<i>Cemeteries/Crematoria</i>	-	1,292	1,292	-	-	-	-	-	1,292
<i>Parks</i>	-	202	202	-	-	-	-	-	202
<i>Public Open Space</i>	-	5,735	6,535	-	-	-	-	-	6,535
<i>Nature Reserves</i>	-	2,100	2,100	-	-	-	-	-	2,100
<i>Public Ablution Facilities</i>	-	1,383	1,383	-	-	-	-	-	1,383
<i>Stalls</i>	-	397	397	-	-	-	-	-	397
<i>Taxi Ranks/Bus Terminals</i>	-	360	360	65	65	90	25	27.7%	360
Sport and Recreation Facilities	-	50	50	-	-	-	-	-	50
Investment properties	-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	4,825	4,825	-	-	-	-	-	4,825
<i>Housing</i>	-	48,144	44,443	4,810	12,430	4,459	(7,971)	-178.8%	44,443
<b>Capital Spares</b>	-	-	-	-	-	-	-	-	-
<b>Unspecified</b>	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	7,896	7,896	-	52	658	606	92.1%	7,896
<b>Furniture and Office Equipment</b>	-	1,025	1,025	57	57	171	114	66.6%	1,025
<b>Machinery and Equipment</b>	-	760	760	-	-	-	-	-	760
<b>Transport Assets</b>	-	22,440	20,732	-	-	-	-	-	20,732
<b>Land</b>	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	-	215,433	208,424	8,772	21,437	12,972	(8,465)	-65.3%	208,424

**Supporting Table SC13b**

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	25,621	25,050	535	790	2,084	1,294	62.1%	25,050
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Roads</i>	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	1,000	1,000	-	-	-	-	-	1,000
<i>MV Networks</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	20,560	19,989	-	256	1,363	1,108	81.2%	19,989
<i>Pump Stations</i>	-	1,800	1,800	-	130	300	170	56.7%	1,800
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	18,760	18,189	-	126	1,063	937	88.2%	18,189
Sanitation Infrastructure	-	4,061	4,061	535	535	721	186	25.9%	4,061
<i>Pump Station</i>	-	600	600	-	-	-	-	-	600
<i>Outfall Sewers</i>	-	3,461	3,461	535	535	721	186	25.9%	3,461
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
<i>Waste Transfer Stations</i>	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
							-		
<b>Unimproved Property</b>	-	-	-	-	-	-	-	-	-
<b>Capital Spares</b>	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
<b>Unspecified</b>	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
<b>Land</b>	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	-	25,621	25,050	535	790	2,084	1,294	62.1%	25,050



## Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03  
September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	141,901	141,901	5,945	15,957	21,396	5,439	25.4%	141,901
Roads Infrastructure	-	67,578	67,278	2,426	6,571	10,639	4,069	38.2%	67,578
<i>Roads</i>		63,837	63,537	2,426	6,571	10,639	4,069	38.2%	63,837
<i>Road Structures</i>	-	3,741	3,741	-	-	-	-		3,741
Storm water Infrastructure	-	6,159	6,459	238	598	469	(129)	-27.6%	6,159
<i>Drainage Collection</i>		2,811	2,811	238	598	469	(129)	-27.6%	2,811
<i>Storm water Conveyance</i>		3,348	3,648	-	-	-	-		3,348
Electrical Infrastructure	-	31,243	31,243	1,632	4,571	4,793	222	4.6%	31,243
<i>HV Transmission Conductors</i>	-	42	42	-	-	-	-		42
<i>MV Networks</i>		28,758	28,758	1,632	4,571	4,793	222	4.6%	28,758
<i>LV Networks</i>	-	2,443	2,443	-	-	-	-		2,443
Water Supply Infrastructure	-	19,710	19,710	1,000	2,653	3,285	632	19.2%	19,710
Sanitation Infrastructure	-	13,262	13,262	648	1,565	2,210	645	29.2%	13,262
<i>Waste Water Treatment Works</i>		13,262	13,262	648	1,565	2,210	645	29.2%	13,262
Solid Waste Infrastructure	-	3,691	3,691	-	-	-	-		3,691
<i>Landfill Sites</i>	-	82	82	-	-	-	-		82
<i>Waste Transfer Stations</i>	-	1,450	1,450	-	-	-	-		1,450
<i>Waste Processing Facilities</i>	-	836	836	-	-	-	-		836
<i>Waste Drop-off Points</i>	-	1,065	1,065	-	-	-	-		1,065
<i>Waste Separation Facilities</i>	-	258	258	-	-	-	-		258
Coastal Infrastructure	-	216	216	-	-	-	-		216
Information and Communication Infrastructure	-	42	42	-	-	-	-		42
<b>Community Assets</b>	-	44,758	45,992	2,629	6,898	7,215	317	4.4%	45,992
Community Facilities	-	37,242	38,388	2,400	6,243	5,963	(281)	-4.7%	38,388
<i>Halls</i>		4,885	4,885	363	878	814	(64)	-7.8%	4,885
<i>Fire/Ambulance Stations</i>	-	385	385	-	-	-	-		385
<i>Testing Stations</i>	-	124	124	-	-	-	-		124
<i>Libraries</i>		191	191	-	-	-	-		191
<i>Cemeteries/Crematoria</i>		1,047	1,047	63	136	174	38	21.9%	1,047
<i>Police</i>		518	515	-	-	-	-		515
<i>Parks</i>		27,196	27,196	1,731	4,714	4,533	(181)	-4.0%	27,196
<i>Public Open Space</i>		2,647	3,797	244	516	441	(74)	-16.8%	3,797
<i>Public Ablution Facilities</i>	-	202	202	-	-	-	-		202
Sport and Recreation Facilities	-	7,516	7,604	229	655	1,253	598	47.7%	7,604
<b>Unimproved Property</b>	-	-	-	-	-	-	-		-
<i>Other assets</i>	-	3,410	3,410	-	2	534	532	99.6%	3,410
<i>Operational Buildings</i>	-	3,373	3,373	-	2	534	532	99.6%	3,373
<i>Municipal Offices</i>		3,206	3,206	-	2	534	532	99.6%	3,206
<i>Building Plan Offices</i>	-	129	129	-	-	-	-		129
<i>Depots</i>	-	38	38	-	-	-	-		38
<i>Housing</i>	-	37	37	-	-	-	-		37
<b>Capital Spares</b>	-	-	-	-	-	-	-		-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-		-
<i>Computer Software and Applications</i>	-	5,925	5,925	-	-	-	-		5,925
<b>Unspecified</b>	-	-	-	-	-	-	-		-
<b>Computer Equipment</b>	-	2,186	2,186	-	-	-	-		2,186
<b>Furniture and Office Equipment</b>	-	2,811	2,853	(15)	-	468	468	100.0%	2,853
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
<b>Transport Assets</b>	-	9,914	9,914	333	476	1,652	1,177	71.2%	9,914
<b>Land</b>	-	-	-	-	-	-	-		-
<i>Zoo's, Marine and Non-biological Animals</i>	-	-	-	-	-	-	-		-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-		-
<b>Total Repairs and Maintenance Expenditure</b>	-	210,905	212,182	8,891	23,333	31,267	7,933	25.4%	212,182

## Supporting Table SC13d

## WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	117,641	117,641	9,803	29,410	29,410	(0)	0.0%	117,641
Roads Infrastructure	-	33,352	33,352	2,779	8,338	8,338	(0)	0.0%	33,352
<i>Roads</i>	-	33,352	33,352	2,779	8,338	8,338	(0)	0.0%	33,352
Storm water Infrastructure	-	6,899	6,899	575	1,725	1,725	(0)	0.0%	6,899
<i>Storm water Conveyance</i>	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	26,537	26,537	2,211	6,634	6,634	(0)	0.0%	26,537
<i>HV Transmission Conductors</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	28,591	28,591	2,383	7,148	7,148	(0)	0.0%	28,591
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	28,591	28,591	2,383	7,148	7,148	(0)	0.0%	28,591
Sanitation Infrastructure	-	19,694	19,694	1,641	4,924	4,923	(0)	0.0%	19,694
<i>Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>	-	19,694	19,694	1,641	4,924	4,923	(0)	0.0%	19,694
Solid Waste Infrastructure	-	2,569	2,569	214	642	642	0	0.1%	2,569
<i>Waste Transfer Stations</i>	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	15,899	15,899	1,325	3,975	3,975	(0)	0.0%	15,899
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>	-	-	-	-	-	-	-	-	-
<b>Unimproved Property</b>	-	-	-	-	-	-	-	-	-
<i>Other assets</i>	-	-	-	-	-	-	-	-	-
<b>Capital Spares</b>	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Intangible Assets	-	570	570	47	142	142	(0)	0.0%	570
<i>Effluent Licenses</i>	-	-	-	-	-	-	-	-	-
<b>Unspecified</b>	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	1,771	1,771	148	443	443	(0)	0.0%	1,771
<b>Machinery and Equipment</b>	-	663	663	55	166	166	(0)	0.0%	663
<b>Transport Assets</b>	-	5,333	5,333	444	1,333	1,333	(0)	0.0%	5,333
<b>Land</b>	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	-	141,877	141,877	11,823	35,469	35,469	(0)	0.0%	141,877

## Supporting Table SC13e

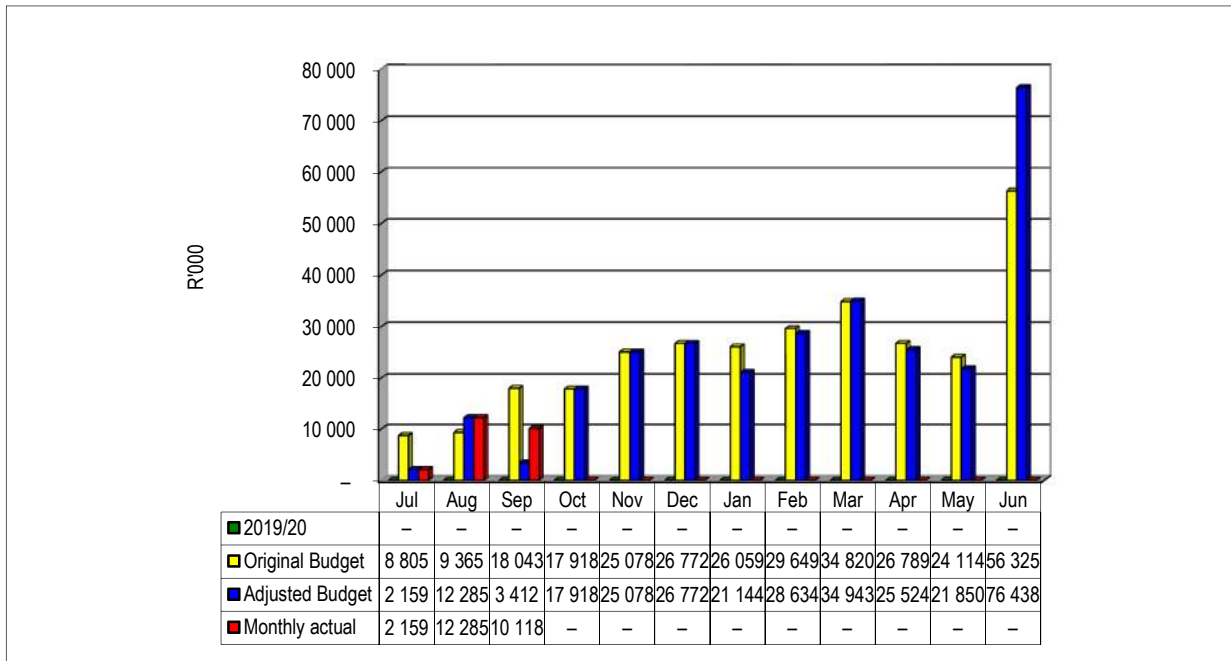
WC032 Overstrand - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	50,206	50,206	480	495	1,293	798	61.7%	50,206
Roads Infrastructure	-	200	200	-	-	-	-		200
<i>Roads</i>	-	200	200	-	-	-	-		200
Storm water Infrastructure	-	13,057	13,057	393	403	426	23	5.5%	13,057
<i>Drainage Collection</i>	-	-	-	-	-	-	-		-
<i>Storm water Conveyance</i>	-	13,057	13,057	393	403	426	23	5.5%	13,057
<i>Attenuation</i>	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	7,350	7,350	-	-	-	-		7,350
<i>MV Networks</i>	-	7,350	7,350	-	-	-	-		7,350
Water Supply Infrastructure	-	2,500	2,500	-	-	-	-		2,500
<i>Distribution</i>	-	2,500	2,500	-	-	-	-		2,500
Sanitation Infrastructure	-	23,138	23,138	4	9	670	661	98.7%	23,138
<i>Pump Station</i>	-	8,520	8,520	4	9	670	661	98.7%	8,520
<i>Reticulation</i>	-	9,218	9,218	-	-	-	-		9,218
<i>Waste Water Treatment Works</i>	-	5,400	5,400	-	-	-	-		5,400
<i>Outfall Sewers</i>	-	-	-	-	-	-	-		-
<i>Toilet Facilities</i>	-	-	-	-	-	-	-		-
<i>Capital Spares</i>	-	-	-	-	-	-	-		-
Solid Waste Infrastructure	-	3,960	3,960	83	83	197	114	57.9%	3,960
<i>Landfill Sites</i>	-	2,500	2,500	83	83	197	114	57.9%	2,500
<i>Waste Transfer Stations</i>	-	1,460	1,460	-	-	-	-		1,460
<b>Community Assets</b>	-	12,479	12,479	332	1,840	1,507	(333)	-22.1%	12,479
Community Facilities	-	976	976	-	443	90	(353)	-392.5%	976
<i>Parks</i>	-	340	340	-	-	-	-		340
<i>Public Open Space</i>	-	540	540	-	443	90	(353)	-392.5%	540
<i>Public Ablution Facilities</i>	-	70	70	-	-	-	-		70
<i>Taxi Ranks/Bus Terminals</i>	-	26	26	-	-	-	-		26
Sport and Recreation Facilities	-	11,503	11,503	332	1,397	1,417	20	1.4%	11,503
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
<b>Unimproved Property</b>	-	-	-	-	-	-	-		-
<i>Other assets</i>	-	-	-	-	-	-	-		-
<b>Capital Spares</b>	-	-	-	-	-	-	-		-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-		-
<b>Unspecified</b>	-	-	-	-	-	-	-		-
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
<b>Land</b>	-	-	-	-	-	-	-		-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-		-
<b>Total Capital Expenditure on upgrading of e</b>	-	62,684	62,684	811	2,335	2,800	465	16.6%	62,684

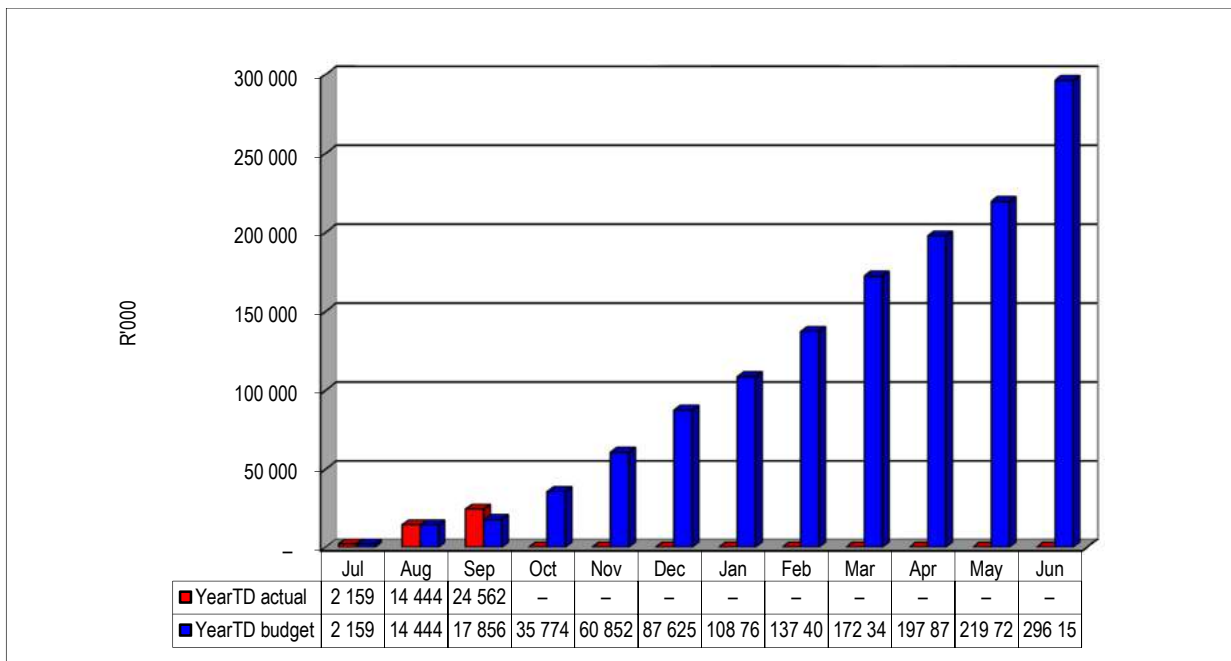
**Other supporting documentation**

**Section 71 charts**

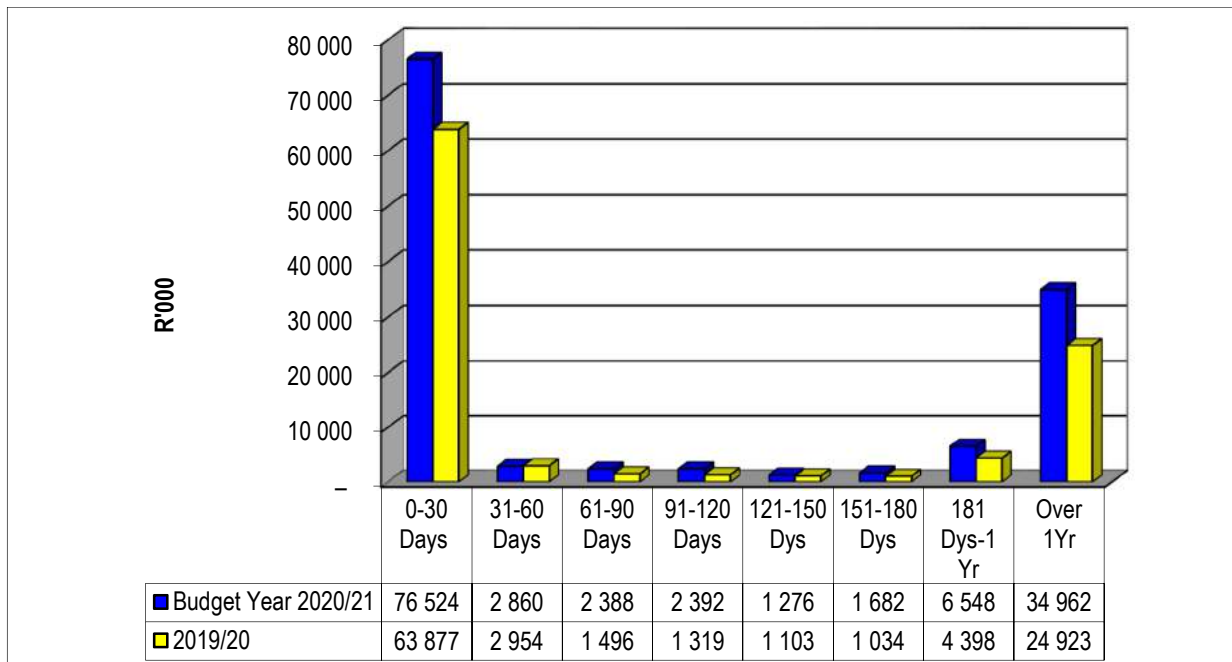
**Capital expenditure monthly trend - actual vs target**



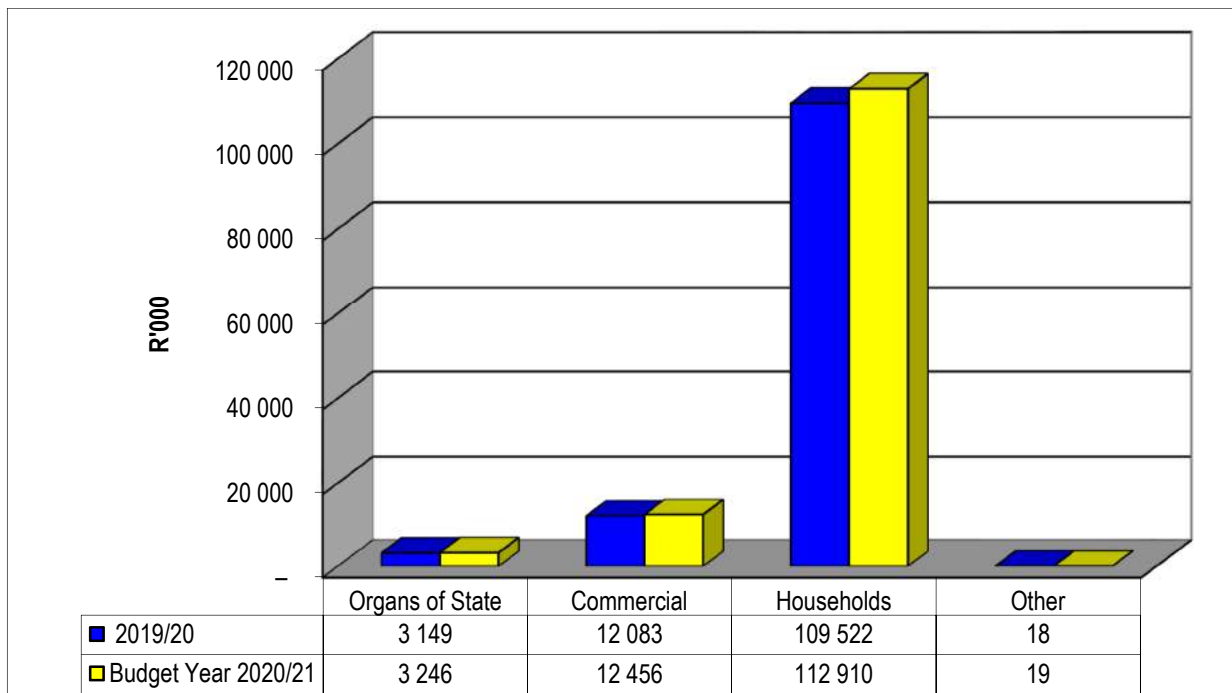
**Capital expenditure – YTD actual vs YTD trend**



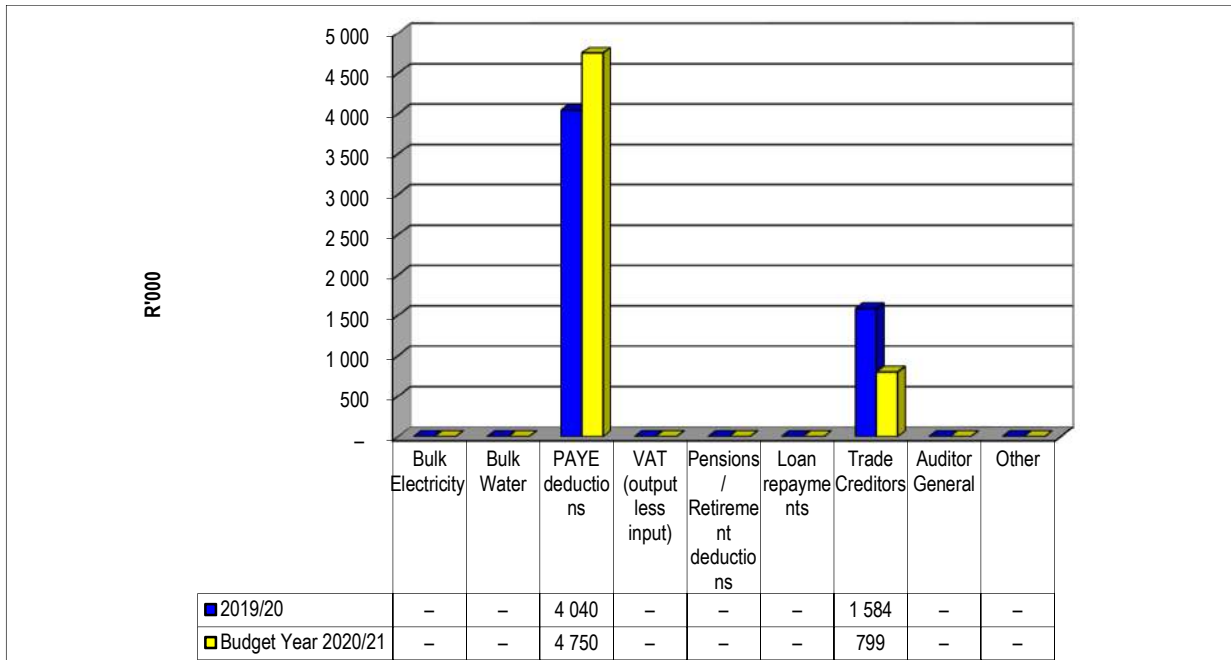
**Debtors Age Analysis**



**Debtors by Type**



**Creditor Payments**



## Municipal manager's quality certification

I, CC Groenewald, the Municipal Manager of Overstrand Municipality, hereby certify that the –

- **Quarterly Budget Report**

for the period ending **September 2020** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **CC Groenewald**

Municipal Manager of **Overstrand Municipality (WC032)**

Signature:

  
\_\_\_\_\_

Date:

21 October 2020

**ANNEXURE B****EXECUTIVE MAYOR'S SPECIAL FUND****Status report in terms of paragraph 7 of the policy**

The Executive Mayor must report to Council on a quarterly basis in respect of the status of the Fund, including amounts withdrawn, the names of the beneficiaries and any donations received.

<b>Opening Balance 01/07/2020</b>		<b>R39 720.89</b>
<b>Add: Overstrand Budget Allocation 2020/2021</b>		<b>R0.00</b>
<b>Donations received:</b>		
Quarter 1	Donations received	200.00
Quarter 2		
Quarter 3		
Quarter 4		
		<b>R200.00</b>
<b>Amount withdrawn:</b>		
Quarter 1	Donations granted	0.00
Quarter 2		
Quarter 3		
Quarter 4		
		<b>R0.00</b>
<b>Closing Balance 30 September 2020</b>		<b><u>R39 920.89</u></b>



<b><u>OVERSTRAND MUNICIPALITY - REPORTING ON THE MUNICIPAL COST CONTAINMENT REGULATIONS, 2019</u></b> <b><u>SEPTEMBER 2020</u></b>
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**Council is herewith informed of the status regarding implementation of the Cost Containment Regulations**

The Municipal Cost Containment Regulations were published on 07 June 2019, with effective date 01 July 2019.

The previous reports to Council (June 2019) addressed the administrative process in anticipation of the regulations. These considerations were based on MFMA Circular No. 82 Cost Containment Measures (Updated November 2016).

Subsequent to the regulations being gazetted, National Treasury issued MFMA Circular No 97 - Cost Containment Measures on 31 July 2019. This circular advises regarding proposed formats for reporting on budgets, expenditure and savings as addressed in the regulations.

Save for revised input pertaining to the consideration of Public Transport in Regulation 7(6)(b), included in changes as approved by council to the Overstrand Travel & Subsistence Policy in consideration of Public Transport, the bulk of the cost containment measures have been captured in various of our Budget related Council Policies. The before-mentioned been considered and updated with the annual revision of policies. The Overstrand Cost Containment Policy was approved by Council on 27 May 2020.

Of importance to note is that the Budget Steering Committee gave effect to stringent cost containment restrictions over the past three years, in terms of the budget policy guidance, to advise Council in this regard.

Templates have furthermore been implemented to guide decision making regarding use of consultants and feasibility considerations.

The administration gave further effect in implementing the regulations and this is being attended to on a continuous basis, applying the stipulations of Budget directives and Budget related policies.

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## ANNEXURE C 2/3

**Cost Containment In-Year Report (\*\* IMPORTANT - Please note that the unspent amounts will be indicated under savings for the year after Q4, in view of the comments relating to Q1, Q2 and Q3, which state as follows (refer below):**

*“Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented”*)

	<b>Budget</b>	<b>Q1 (Actual)</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Savings</b>
<b>Measures</b>	<b><u>R</u></b>	<b><u>R</u></b>	<b><u>R</u></b>	<b><u>R</u></b>	<b><u>R</u></b>	<b><u>R</u></b>
Use of Consultants	36 437 108	2 699 348				1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Vehicles used for political office-bearers	0	0				No Vehicles purchased or planned to purchase vehicles for this purpose in current financial period.
Travel & subsistence: (Please note that deviations from Budgeted amounts also relate to the new normal in terms of scaled down traveling due to virtual meetings, inclusive of a decrease in accommodation costs, Registration Fees w.r.t. conferences, etc.)	714 555	25 891				1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Domestic accommodation: (Please note that deviations from Budgeted amounts also relate to the new normal in terms of scaled down traveling due to virtual meetings, inclusive of a decrease in accommodation costs, Registration Fees w.r.t. conferences, etc.)	497 573	500				1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented

## ANNEXURE C 3/3

Sponsorships, events and catering	987 843	7 802				1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Communication	6 925 479	829 054				1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Other related expenditure items	0	0				1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
<b>Total</b>	<b>45 562 558</b>	<b>3 562 595</b>				

**MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):  
POST IMPLEMENTATION STATUS OF mSCOA PROJECT - SEPTEMBER 2020**

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**1. Executive Summary**

**The purpose of this submission to Council is to:**

1. Inform Council on specific initiatives to date by National Treasury to enable a full and complete understanding of the scope and extent of the SCOA implementation as applicable to all municipalities and municipal entities;
2. Report to Council on progress made to date with the implementation of mSCOA at the Overstrand Municipality since the previous report to Council.
3. Maintain an on-going awareness of specific mSCOA initiatives in the Overstrand Municipality; and
4. Considerations on the way forward with the core financial system, being SamrasClassic, currently in use by the Overstrand Municipality.

A comprehensive supplementary report in this regard, providing the necessary detail with regard to background and historic information over the past number of years for this National Treasury project, was also included up to 31 December 2019, as part of the reporting to Council.

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**Updated status - Quarter 1 (September 2020)**

mSCOA Project Governance and Management: Bytes Systems and Engagements (Samras Financial System)

The previous Usergroup meeting was hosted by George Municipality on 4-5 March 2020. The next meeting (Virtual meetings) has been scheduled for 14-15 October 2020, which opportunity will enable the municipalities to obtain feedback from the service provider with regard to progress made with development of the respective Web Modules as well as updates from these municipal sites where specific web module testing is currently underway.

No feedback or progress regarding the outcome of the audit of ERP mSCOA Systems to be undertaken by National Treasury, as previously advised by them (Scheduled for 2019, post-phoned later to 2020), has been received up to date.

National Treasury issued the following Circulars and guidance relating to mSCOA during the first half of the year:

*Municipal Budget Circular for the 2020/21 MTREF - 09 March 2020: Section 7. Municipal Chart of Accounts (mSCOA)*

The Draft and Final budgets were compiled according to the latest chart available on the financial system

[mSCOA Segment Detail - \(Adjusted Version 6.4 - 27 Feb 2020\) for implementation 2020/21](#)  
[mSCOA Segment Detail - \(Final Version 6.4 - 6 Dec 2019\) for implementation 2020/21 MTREF](#)  
[mSCOA Segment Detail - \(DRAFT Version 6.4 - 5 Nov 2019\) for implementation 2020/21 MTREF](#)

As mentioned in this circular, ‘challenges to populate the detail of cash payments will be addressed through chart amendments in version 6.5 of the chart’.

Furthermore, we also await the linking relating to cash flow in term of: ‘National Treasury will share the linking of A1 Schedule Budget Tables SA30 and A7 to the mSCOA chart items to ensure that the cash flow information is populated correctly with municipalities and system vendors’

*Municipal SCOA Circular No. 7 - 02 March 2020: Guide on Construction Work in Progress (CWIP)*

The principles stated in this circular were implemented during the 2019/2020 General Adjustments Budget, which served before Council on 26 February 2020 and was carried forward into the 2020/2021 Budget Cycle

*Municipal SCOA Circular No. 8 - 24 April 2020: Guidance on Virement Policies for Municipalities*

The guidance in this circular already forms an integral part of Overstrand municipality’s Virement Policy.

*Municipal SCOA Circular No. 9 - 09 June 2020: Reporting on COVID-19 using the mSCOA chart*

The principle of Typical Workstream Projects relating to COVID-19 was implemented for the Special Adjustments Budget, notwithstanding is circular was issued on the same day that the Special Adjustments Budget was submitted to be tabled in Council.