



QUARTERLY BUDGET REPORT AND SDBIP DECEMBER 2023

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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Appendix 1 – Service Delivery and Budget Implementation Plan

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 second quarter ended 31 December 2023 is included as Appendix 1 to this report.

1.1.2 Financial problems or risks facing the municipality

No financial problems or risks from a budgetary implementation or financial management perspective identified up till 31 December 2023. It is however important to note that as a country we face economic challenges that have been slightly eased by the inflation rate that is back within the Reserve Bank's 3 – 6% target range and the latest unchanged Repo Rate decision by the Monetary Policy Committee. The energy supply crisis is ongoing and still presents challenges for economic growth. As a result of this, municipalities remain under pressure to provide cost effective services.

1.1.3 Other relevant information

The below results reflect the second quarter's financial position.

YTD Actual operating revenue at the end of the second quarter for 2023/2024 is at 53.91% of the budgeted revenue of R1.676bn. The expenditure reflects spending of 46.72% against the budgeted expenditure of R1.742bn.

YTD Capital expenditure at the end of December 2023 amounts to R56.05m, or 27.23% of the amended budget of R205.8m. Refer to the table on page 29 for the implementation status of the Top 10 Capital Projects.

An Adjustments Budget was tabled during this quarter for proposals to adjust revenue and expenditure of grant funding that was reduced by National Treasury.

The collection rate regressed slightly during the 2023/2024 financial year and at the end of December 2023 this stood at 97,74%, as compared to 98,96% on 30 June 2023.

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

Resolutions

IN-YEAR REPORTS 2023/2024

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

RECOMMENDATION TO THE COUNCIL:

1. that the budget report and service delivery and budget implementation plan for the quarter ended December 2023, prepared as part of the reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003 and additional information, **be noted**; and
2. that the content of the report, for the second quarter of the 2023/2024 financial year, on the top level Service Delivery and Budget Implementation Plan, **be noted**.

Executive Summary

Loadshedding

The current prolonged loadshedding is still having a notable negative impact on electricity revenue, which is largely being mitigated by reduced bulk electricity purchases. This however still impacts on the budgeted electricity services bottomline and thus the overall bottomline (surplus/deficit) for the municipality, as electricity sales for the current financial year to date did not meet expected electricity sales.

Revenue by Source

The Year-to-Date actual revenue is 1.31% above the YTD budget projections at the end of December 2023.

Borrowings

The balance of borrowings amounts to R451.8m at the end of December 2023.

Operating expenditure by vote & type

Current expenditure is 2.30% below YTD budget projections as at December 2023.

Capital expenditure

The YTD Capital expenditure amounts to R56.05m or 27.23% of the amended budget of R205.8m. The current capital commitments of orders in progress amounts to R56.6m or 27.52% of the amended capital budget of R205.8m.

Cash flows

The municipality started the year with a positive cash balance of R646.5 million. The December closing balance is R703.1 million. Refer to Supporting Table SC9 for more details on the cash position.

Allocations received (National & Provincial Grants)

Grants totaling R83.4m was received during December 2023.

Spending on Grants

Spending on grants amounts to R21.5m for December 2023 which includes FMG, EPWP, MIG, INEP, WSIG, Resource funding for the establishment & support of Law Enforcement Rural Safety Unit, Resource funding for the establish & support of K9 Unit, Community Library Grant, Title Deeds Restoration Grant, CDW and spending on Construction Contracts (Housing).

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M06 December			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Total	1.31%		
Expenditure By Type			
Total	-2.30%		
Capital Expenditure			
Total	-35.37%	Capital Commitments=R56.6m	
Financial Position			
In order			
Cash Flow			
In order			

Total Revenue (including capital grants)

R thousand	Amended Budget	YearTD actual	% of Budget Received/Spent
Revenue	1,727,080	924,048	53.50%
Expenditure	1,742,013	813,786	46.72%
Surplus / (Deficit)	(14,932)	110,263	
Capital	205,819	56,055	27.23%

Total Revenue (excluding capital grants)

R thousand	Amended Budget	YearTD actual	% of Budget Received/Spent
Revenue	1,676,378	903,772	53.91%
Expenditure	1,742,013	813,786	46.72%
Surplus / (Deficit)	(65,635)	89,986	
Capital	205,819	56,055	27.23%

Performance in relation to SDBIP targets

See the comprehensive quarterly report included as Appendix 1 of this report.

Remedial or corrective steps

Refer to the SDBIP report.

MFMA Circular No. 125

National Treasury issued the above circular regarding the implementation of an **Electronic Monitoring and Evaluation System, MFMA Calendar (Muni eMonitor)** for municipalities. The implementation date is envisaged for 1 July 2024.

This system is in all respects similar to the current Eunomia Compliance System that Overstrand Municipality utilises for compliance monitoring.

At the introduction workshop hosted by National Treasury, concerns were raised regarding the duplication of work in relation to the GoMuni system currently deployed by National Treasury.

In-year budget statement tables / ...

Table C1: s71 Monthly Budget Statement Summary

WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M06 December

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates		340,506	340,506	27,959	170,838	170,253	585	0%	340,506
Service charges		1,047,055	1,047,055	98,004	549,579	539,448	10,132	2%	1,047,055
Investment revenue		41,800	41,800	2,237	21,776	20,900	876	4%	41,800
Transfers and subsidies - Operational		184,953	184,754	54,398	130,389	130,389	-		184,754
Other own revenue		62,262	62,262	5,258	31,189	31,085	104	0%	62,262
Total Revenue (excluding capital transfers and contributions)	-	1,676,577	1,676,378	187,856	903,772	892,076	11,696	1%	1,676,378
Employee costs		537,911	548,624	42,110	270,539	274,312	(3,773)	-1%	548,624
Remuneration of Councillors		12,514	12,514	1,061	6,838	6,257	581	9%	12,514
Depreciation and amortisation		149,154	149,154	12,431	74,579	74,579	-		149,154
Interest		49,658	49,658	20,997	23,122	23,122	-		49,658
Inventory consumed and bulk purchases		492,305	491,335	34,463	215,936	224,418	(8,482)	-4%	491,335
Transfers and subsidies		16,380	16,380	1,204	8,886	8,886	-		16,380
Other expenditure		484,290	474,348	49,309	213,885	221,351	(7,466)	-3%	474,348
Total Expenditure		1,742,212	1,742,013	161,574	813,786	832,926	(19,140)	-2%	1,742,013
Surplus/(Deficit)		(65,635)	(65,635)	26,282	89,986	59,150	30,836	52%	(65,635)
Transfers and subsidies - capital (monetary allocations)		54,293	50,703	9,933	20,276	20,276	-		50,703
Transfers and subsidies - capital (in-kind)									
Surplus/(Deficit) after capital transfers & contributions		(11,342)	(14,932)	36,214	110,263	79,426	30,836	39%	(14,932)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		(11,342)	(14,932)	36,214	110,263	79,426	30,836	39%	(14,932)
Capital expenditure & funds sources									
Capital expenditure		209,409	205,819	21,798	56,055	86,733	(30,678)	-35%	205,819
Capital transfers recognised		96,183	92,593	10,879	24,091	41,631	(17,541)	-42%	92,593
Borrowing		95,214	95,214	9,434	25,565	36,357	(10,792)	-30%	95,214
Internally generated funds		18,013	18,013	1,485	6,399	8,745	(2,345)	-27%	18,013
Total sources of capital funds		209,409	205,819	21,798	56,055	86,733	(30,678)	-35%	205,819
Financial position									
Total current assets		683,321	683,321		913,092				683,321
Total non current assets		4,195,837	4,192,247		3,989,100				4,192,247
Total current liabilities		349,426	349,426		269,390				349,426
Total non current liabilities		731,737	731,737		691,740				731,737
Community wealth/Equity		3,797,994	3,794,404		3,941,061				3,794,404
Cash flows									
Net cash from (used) operating		150,856	190,082	59,711	143,661	143,857	196	0%	190,082
Net cash from (used) investing		(214,389)	(210,799)	(22,213)	(58,545)	(58,545)	-		(210,799)
Net cash from (used) financing		37,202	13,755	(17,993)	(28,554)	(28,554)	-		13,755
Cash/cash equivalents at the month/year end		498,932	516,302	-	703,098	580,022	(123,075)	-21%	639,573
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	92,745	10,057	6,711	5,615	5,630	4,229	10,972	54,060	190,018
Creditors Age Analysis									
Total Creditors	5,903	-	-	-	-	-	-	-	5,903

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Revenue - Functional									
<i>Governance and administration</i>		460,614	460,614	50,080	244,326	241,263	3,063	1%	460,614
Executive and council		52,832	52,832	17,555	39,538	40,062	(524)	-1%	52,832
Finance and administration		407,781	407,781	32,525	204,787	201,201	3,586	2%	407,781
Internal audit		-	-	-	-	-	-	-	-
<i>Community and public safety</i>		177,203	175,493	16,214	86,908	88,122	(1,213)	-1%	175,493
Community and social services		8,785	8,785	671	4,623	4,393	231	5%	8,785
Sport and recreation		16,689	14,979	2,853	9,002	10,148	(1,146)	-11%	14,979
Public safety		38,275	38,275	2,847	20,013	20,311	(298)	-1%	38,275
Housing		113,454	113,454	9,844	53,271	53,271	-	-	113,454
Health		-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20,693	20,494	3,185	11,890	12,755	(864)	-7%	20,494
Planning and development		15,360	15,161	952	8,604	8,364	240	3%	15,161
Road transport		5,290	5,290	2,233	3,242	4,373	(1,131)	-26%	5,290
Environmental protection		42	42	-	44	18	27	151%	42
<i>Trading services</i>		1,072,360	1,070,480	128,310	580,923	570,212	10,711	2%	1,070,480
Energy sources		654,236	652,856	69,932	340,287	342,708	(2,421)	-1%	652,856
Water management		169,924	169,424	22,604	96,301	89,230	7,071	8%	169,424
Waste water management		143,566	143,566	21,307	80,563	78,548	2,015	3%	143,566
Waste management		104,634	104,634	14,466	63,773	59,727	4,046	7%	104,634
<i>Other</i>		-	-	-	0	-	0	-	-
Total Revenue - Functional		1,730,869	1,727,080	197,788	924,048	912,352	11,696	1%	1,727,080
Expenditure - Functional									
<i>Governance and administration</i>		334,581	334,574	22,459	153,882	158,777	(4,895)	-3%	334,574
Executive and council		80,395	80,772	4,364	39,346	40,421	(1,075)	-3%	80,772
Finance and administration		249,820	249,447	17,837	112,809	116,785	(3,976)	-3%	249,447
Internal audit		4,366	4,354	258	1,727	1,571	155	10%	4,354
<i>Community and public safety</i>		297,549	297,491	27,649	156,249	158,466	(2,217)	-1%	297,491
Community and social services		23,853	24,040	1,688	10,582	11,297	(716)	-6%	24,040
Sport and recreation		63,849	63,638	5,761	26,767	27,474	(708)	-3%	63,638
Public safety		132,228	132,193	10,978	67,209	68,003	(794)	-1%	132,193
Housing		77,620	77,620	9,222	51,692	51,692	-	-	77,620
Health		-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		210,462	211,007	21,824	91,711	93,033	(1,322)	-1%	211,007
Planning and development		56,507	56,187	4,045	24,218	25,785	(1,567)	-6%	56,187
Road transport		129,394	130,188	15,843	56,575	55,753	822	1%	130,188
Environmental protection		24,561	24,632	1,937	10,918	11,495	(577)	-5%	24,632
<i>Trading services</i>		895,516	894,838	89,454	410,604	421,232	(10,629)	-3%	894,838
Energy sources		527,575	527,575	41,915	235,637	241,547	(5,909)	-2%	527,575
Water management		149,901	149,901	20,403	66,400	68,056	(1,656)	-2%	149,901
Waste water management		122,166	121,488	18,440	66,057	67,338	(1,281)	-2%	121,488
Waste management		95,874	95,874	8,696	42,509	44,292	(1,782)	-4%	95,874
<i>Other</i>		4,104	4,104	187	1,340	1,417	(77)	-5%	4,104
Total Expenditure - Functional		1,742,212	1,742,013	161,574	813,786	832,926	(19,140)	-2%	1,742,013
Surplus/ (Deficit) for the year		(11,342)	(14,932)	36,214	110,263	79,426	30,836	39%	(14,932)

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) - M06 December

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Council & Mayor's Office		52,697	52,697	17,528	39,474	39,474	-		52,697
Vote 2 - Municipal Manager & Internal Audit		-	-	-	-	-	-		-
Vote 3 - Management Services		956	956	39	358	478	(120)	-25.1%	956
Vote 4 - Finance		400,540	400,540	32,411	203,949	201,370	2,579	1.3%	400,540
Vote 5 - Infrastructure & Planning		784,082	782,702	80,403	400,528	402,047	(1,519)	-0.4%	782,702
Vote 6 - Protection Services		38,275	38,275	2,847	20,013	21,139	(1,125)	-5.3%	38,275
Vote 7 - Economic and Social Development & Tourism		3,628	3,429	302	1,626	1,715	(89)	-5.2%	3,429
Vote 8 - Community Services		450,692	448,482	64,260	258,100	246,130	11,970	4.9%	448,482
Vote 9 - Costing Services		-	-	-	-	-	-		-
Vote 10 - Main Ledger Services		-	-	-	-	-	-		-
Total Revenue by Vote		1,730,869	1,727,080	197,788	924,048	912,352	11,696	1.3%	1,727,080
Expenditure by Vote									
Vote 1 - Council & Mayor's Office		49,457	49,457	3,315	26,770	24,729	2,041	8.3%	49,457
Vote 2 - Municipal Manager & Internal Audit		8,371	8,371	(486)	3,705	4,185	(480)	-11.5%	8,371
Vote 3 - Management Services		69,485	69,485	4,621	30,016	32,252	(2,236)	-6.9%	69,485
Vote 4 - Finance		107,441	107,441	8,381	53,059	53,720	(662)	-1.2%	107,441
Vote 5 - Infrastructure & Planning		820,055	820,055	72,459	386,500	396,514	(10,014)	-2.5%	820,055
Vote 6 - Protection Services		137,515	137,515	10,959	68,994	68,706	288	0.4%	137,515
Vote 7 - Economic and Social Development & Tourism		19,382	19,183	1,125	6,653	7,956	(1,303)	-16.4%	19,183
Vote 8 - Community Services		530,506	530,506	61,199	238,088	244,863	(6,776)	-2.8%	530,506
Vote 9 - Costing Services		-	-	-	-	-	-		-
Vote 10 - Main Ledger Services		-	-	-	-	-	-		-
Total Expenditure by Vote		1,742,212	1,742,013	161,574	813,786	832,926	(19,140)	-2.3%	1,742,013
Surplus/ (Deficit) for the year		(11,342)	(14,932)	36,214	110,263	79,426	30,836	38.8%	(14,932)

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; Infrastructure & Planning; Protection Services; Economic and Social Development & Tourism and Community 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) - M06 December

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Revenue									
Exchange Revenue		1,119,553	1,119,553	102,629	588,315	577,174	11,142	2%	1,119,553
Service charges - Electricity		577,969	577,969	49,920	297,147	300,099	(2,953)	-1%	577,969
Service charges - Water		147,269	147,269	15,941	81,941	74,862	7,079	9%	147,269
Service charges - Waste Water Management		104,715	104,715	9,788	54,232	52,357	1,874	4%	104,715
Service charges - Waste management		85,430	85,430	8,070	49,337	45,207	4,131	9%	85,430
Sale of Goods and Rendering of Services		131,673	131,673	14,285	66,923	66,923	-	-	131,673
Agency services		8,319	8,319	405	3,632	3,986	(354)	-9%	8,319
Interest		0	0	-	-	-	-	-	0
Interest earned from Receivables		6,400	6,400	846	4,572	4,187	385	9%	6,400
Interest earned from Current and Non Current Assets		41,800	41,800	2,237	21,776	20,900	876	4%	41,800
Dividends		-	-	-	-	-	-	-	-
Rent on Land		1,127	1,127	259	1,098	1,098	-	-	1,127
Rental from Fixed Assets		5,646	5,646	473	2,702	2,823	(121)	-4%	5,646
Licence and permits		964	964	117	432	474	(41)	-9%	964
Operational Revenue		8,242	8,242	289	4,524	4,259	266	6%	8,242
Non-Exchange Revenue		557,023	556,824	85,227	315,457	314,902	555	0%	556,824
Property rates		340,506	340,506	27,959	170,838	170,253	585	0%	340,506
Surcharges and Taxes		-	-	-	-	-	-	-	-
Fines, penalties and forfeits		20,421	20,421	1,700	10,069	10,210	(142)	-1%	20,421
Licence and permits		1,943	1,943	117	997	972	25	3%	1,943
Transfer and subsidies - Operational		184,953	184,754	54,398	130,389	130,389	-	-	184,754
Interest		1,300	1,300	181	1,045	959	86	9%	1,300
Fuel Levy		-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-
Other Gains		7,900	7,900	872	2,119	2,119	-	-	7,900
Discontinued Operations		-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,676,577	1,676,378	187,856	903,772	892,076	11,696	1%	1,676,378
Expenditure By Type									
Employee related costs		537,911	548,624	42,110	270,539	274,312	(3,773)	-1%	548,624
Remuneration of councillors		12,514	12,514	1,061	6,838	6,257	581	9%	12,514
Bulk purchases - electricity		429,805	429,805	30,137	194,215	200,576	(6,361)	-3%	429,805
Inventory consumed		62,499	61,529	4,325	21,721	23,843	(2,121)	-9%	61,529
Debt impairment		19,414	19,414	1,618	9,707	9,707	-	-	19,414
Depreciation and amortisation		149,154	149,154	12,431	74,579	74,579	-	-	149,154
Interest		49,658	49,658	20,997	23,122	23,122	-	-	49,658
Contracted services		300,624	289,271	33,212	113,302	120,529	(7,227)	-6%	289,271
Transfers and subsidies		16,380	16,380	1,204	8,886	8,886	-	-	16,380
Irrecoverable debts written off		-	-	-	-	-	-	-	-
Operational costs		164,252	165,663	14,478	90,876	91,115	(239)	0%	165,663
Losses on Disposal of Assets		-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-
Total Expenditure		1,742,212	1,742,013	161,574	813,786	832,926	(19,140)	-2%	1,742,013
Surplus/(Deficit)		(65,635)	(65,635)	26,282	89,986	59,150	30,836	0	(65,635)
Transfers and subsidies - capital (monetary allocations)		54,293	50,703	9,933	20,276	20,276	-	-	50,703
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(11,342)	(14,932)	36,214	110,263	79,426			(14,932)
Income Tax		-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(11,342)	(14,932)	36,214	110,263	79,426			(14,932)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(11,342)	(14,932)	36,214	110,263	79,426			(14,932)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(11,342)	(14,932)	36,214	110,263	79,426			(14,932)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 1.31% above the YTD budget projections.

Current expenditure is 2.30% below YTD budget projections for December 2023.

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) - M06 December

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	5,000	5,000	-	-	-	2,800	(2,800)	-100%	5,000
Vote 3 - Management Services	2,215	1,508	77	1,360	751	609	81%	1,508	
Vote 4 - Finance	60	10	-	10	(5)	15	-312%	10	
Vote 5 - Infrastructure & Planning	196,210	192,620	21,284	50,789	79,846	(29,057)	-36%	192,620	
Vote 6 - Protection Services	300	300	18	35	150	(115)	-77%	300	
Vote 7 - Economic and Social Development & Tourism	45	45	-	-	23	(23)	-100%	45	
Vote 8 - Community Services	735	735	165	165	368	(202)	-55%	735	
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	
Total Capital Multi-year expenditure		204,565	200,218	21,544	52,360	83,932	(31,573)	-38%	200,218
Single Year expenditure appropriation									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	1,800	2,557	-	2,556	1,279	1,277	100%	2,557	
Vote 4 - Finance	-	-	-	-	-	-	-	-	
Vote 5 - Infrastructure & Planning	468	468	88	88	234	(146)	-62%	468	
Vote 6 - Protection Services	600	600	-	600	300	300	100%	600	
Vote 7 - Economic and Social Development & Tourism	-	-	-	-	-	-	-	-	
Vote 8 - Community Services	1,976	1,976	166	451	988	(537)	-54%	1,976	
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	
Total Capital single-year expenditure		4,844	5,601	254	3,695	2,800	894	32%	5,601
Total Capital Expenditure		209,409	205,819	21,798	56,055	86,733	(30,678)	-35%	205,819
Capital Expenditure - Functional Classification									
Governance and administration									
Executive and council	5,005	5,005	-	5	2,800	(2,795)	-100%	5,005	
Finance and administration	4,070	4,070	77	3,921	3,000	921	31%	4,070	
Internal audit	-	-	-	-	-	-	-	-	
Community and public safety	49,161	47,451	1,295	5,520	18,725	(13,206)	-71%	47,451	
Community and social services	1,330	1,330	331	616	665	(49)	-7%	1,330	
Sport and recreation	5,041	3,331	-	454	1,665	(1,211)	-73%	3,331	
Public safety	900	900	18	635	450	185	41%	900	
Housing	41,890	41,890	947	3,814	15,945	(12,131)	-76%	41,890	
Health	-	-	-	-	-	-	-	-	
Economic and environmental services	5,748	5,748	602	1,564	1,827	(263)	-14%	5,748	
Planning and development	1,108	1,108	106	268	482	(213)	-44%	1,108	
Road transport	4,640	4,640	496	1,296	1,345	(49)	-4%	4,640	
Environmental protection	-	-	-	-	-	-	-	-	
Trading services	145,425	143,545	19,824	45,044	60,381	(15,336)	-25%	143,545	
Energy sources	59,526	58,146	4,723	14,439	20,973	(6,535)	-31%	58,146	
Water management	25,963	25,463	7,063	12,732	12,155	577	5%	25,463	
Waste water management	59,445	59,445	8,038	17,874	27,008	(9,134)	-34%	59,445	
Waste management	490	490	-	-	245	(245)	-100%	490	
Other	-	-	-	-	-	-	-	-	
Total Capital Expenditure - Functional Classification		209,409	205,819	21,798	56,055	86,733	(30,678)	-35%	205,819
Funded by:									
National Government	54,293	50,703	9,933	20,276	21,851	(1,575)	-7%	50,703	
Provincial Government	-	-	-	-	-	-	-	-	
District Municipality	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	41,890	41,890	947	3,814	19,780	(15,966)	-81%	41,890	
Transfers recognised - capital	96,183	92,593	10,879	24,091	41,631	(17,541)	-42%	92,593	
Borrowing	95,214	95,214	9,434	25,565	36,357	(10,792)	-30%	95,214	
Internally generated funds	18,013	18,013	1,485	6,399	8,745	(2,345)	-27%	18,013	
Total Capital Funding		209,409	205,819	21,798	56,055	86,733	(30,678)	-35%	205,819

Capital expenditure is 35.37% below the Year-to-Date budget projections. Refer to the table on page 29 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 - M06 December**

Description	2022/23	Budget Year 2023/24			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash and cash equivalents		516,302	516,302	703,098	516,302
Trade and other receivables from exchange transactions		88,033	88,033	118,597	88,033
Receivables from non-exchange transactions		34,822	34,822	81,857	34,822
Current portion of non-current receivables		-	-	-	-
Inventory		11,054	11,054	8,797	11,054
VAT		1,063	1,063	-	1,063
Other current assets		32,047	32,047	743	32,047
Total current assets		683,321	683,321	913,092	683,321
Non current assets					
Investments		77,846	77,846	72,820	77,846
Investment property		138,346	138,346	137,176	138,346
Property, plant and equipment		3,859,136	3,855,546	3,655,821	3,855,546
Biological assets		-	-	-	-
Living and non-living resources		474	474	542	474
Heritage assets		112,126	112,126	114,055	112,126
Intangible assets		7,909	7,909	8,687	7,909
Trade and other receivables from exchange transactions		-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-
Other non-current assets		-	-	-	-
Total non current assets		4,195,837	4,192,247	3,989,100	4,192,247
TOTAL ASSETS		4,879,158	4,875,568	4,902,192	4,875,568
LIABILITIES					
Current liabilities					
Bank overdraft		-	-	-	-
Financial liabilities		50,907	50,907	57,949	50,907
Consumer deposits		65,312	65,312	67,904	65,312
Trade and other payables from exchange transactions		182,222	182,222	53,939	182,222
Trade and other payables from non-exchange transactions		-	-	33,812	-
Provision		48,875	42,971	42,397	42,971
VAT		2,111	2,111	10,194	2,111
Other current liabilities		-	5,904	3,195	5,904
Total current liabilities		349,426	349,426	269,390	349,426
Non current liabilities					
Financial liabilities		420,625	420,625	391,303	420,625
Provision		167,099	167,099	175,805	167,099
Long term portion of trade payables		-	-	-	-
Other non-current liabilities		144,013	144,013	124,632	144,013
Total non current liabilities		731,737	731,737	691,740	731,737
TOTAL LIABILITIES		1,081,163	1,081,163	961,130	1,081,163
NET ASSETS		3,797,994	3,794,404	3,941,061	3,794,404
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		3,785,378	3,791,176	3,937,833	3,791,176
Reserves and funds		12,617	3,229	3,228	3,229
Other		-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		3,797,994	3,794,404	3,941,061	3,794,404

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 - M06 December

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		336,188	335,688	31,129	170,384	170,362	22	0%	335,688
Service charges		1,039,957	904,949	80,612	447,741	447,196	545	0%	904,949
Other revenue		121,835	171,788	16,076	93,017	93,052	(35)	0%	171,788
Transfers and Subsidies - Operational		184,953	184,754	54,645	139,234	139,234	-		184,754
Transfers and Subsidies - Capital		54,293	50,703	7,871	39,303	39,303	-		50,703
Interest		13,801	41,800	3,264	27,392	27,392	-		41,800
Dividends		-	-	-	-	-	-		-
Payments									
Suppliers and employees		(1,550,513)	(1,433,561)	(111,685)	(741,402)	(740,673)	729	0%	(1,433,561)
Interest		(49,658)	(49,658)	(20,997)	(23,122)	(23,122)	-		(49,658)
Transfers and Subsidies		-	(16,380)	(1,204)	(8,886)	(8,886)	-		(16,380)
NET CASH FROM/(USED) OPERATING ACTIVITIES		150,856	190,082	59,711	143,661	143,857	196	0%	190,082
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-		-
Decrease (increase) in non-current investments		(4,980)	(4,980)	(415)	(2,490)	(2,490)	-		(4,980)
Payments									
Capital assets		(209,409)	(205,819)	(21,798)	(56,055)	(56,055)	-		(205,819)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(214,389)	(210,799)	(22,213)	(58,545)	(58,545)	-		(210,799)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-	-	-	-	-	-		-
Borrowing long term/refinancing		50,000	50,000	-	-	-	-		50,000
Increase (decrease) in consumer deposits		(12,798)	22,000	(134)	2,101	2,101	-		22,000
Payments									
Repayment of borrowing		-	(58,245)	(17,860)	(30,654)	(30,654)	-		(58,245)
NET CASH FROM/(USED) FINANCING ACTIVITIES		37,202	13,755	(17,993)	(28,554)	(28,554)	-		13,755
NET INCREASE/ (DECREASE) IN CASH HELD		(26,331)	(6,962)	19,505	56,562	56,759			(6,962)
Cash/cash equivalents at beginning:		525,264	523,264		646,535	523,264			646,535
Cash/cash equivalents at month/year end:		498,932	516,302		703,098	580,022			639,573

The municipality started the year with a positive cash balance of R646.5 million. The December closing balance is R703.1 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 - Budget

Description	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
	July	August	September	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source															
Property rates	25,160	31,332	26,466	28,563	27,625	31,129	-	-	-	-	-	-	335,688	357,122	374,992
Service charges - electricity revenue	43,620	49,434	44,790	48,579	47,772	50,034	-	-	-	-	-	-	573,917	642,336	697,438
Service charges - water revenue	10,574	12,837	9,695	10,440	12,101	13,425	-	-	-	-	-	-	144,495	155,699	165,314
Service charges - Waste Water Management	7,405	9,103	6,904	8,643	8,097	8,915	-	-	-	-	-	-	102,728	110,598	117,234
Service charges - Waste Management	6,678	8,484	6,444	7,804	6,904	8,238	-	-	-	-	-	-	83,809	90,042	95,443
Rental of facilities and equipment	303	996	595	592	667	722	-	-	-	-	-	-	6,773	7,124	7,463
Interest earned - external investments	3,684	2,619	4,788	4,763	3,685	2,237	-	-	-	-	-	-	41,800	44,600	47,700
Interest earned - outstanding debtors	781	916	911	945	1,036	1,028	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1,598	1,703	1,702	1,601	1,765	1,700	-	-	-	-	-	-	5,165	6,278	7,451
Licences and permits	218	270	212	263	233	233	-	-	-	-	-	-	2,907	3,076	3,255
Agency services	537	799	649	682	561	405	-	-	-	-	-	-	8,319	8,818	9,346
Transfers and Subsidies - Operational	73,216	2,442	4,528	0	4,403	54,645	-	-	-	-	-	-	184,953	200,916	213,137
Other revenue	25,505	5,858	9,025	21,714	11,365	13,016	-	-	-	-	-	-	148,625	118,043	124,340
Cash Receipts by Source	199,278	126,791	116,710	134,589	126,215	185,726	-	-	-	-	-	-	1,639,178	1,744,651	1,863,113
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	9,663	(0)	8,437	0	13,500	7,871	-	-	-	-	-	-	54,293	40,235	41,222
Transfers and subsidies - capital (monetary allocations) (Nat/Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	50,000	60,000	60,000
Increase (decrease) in consumer deposits	684	130	281	1,914	(775)	(134)	-	-	-	-	-	-	22,000	2,000	2,000
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(415)	(415)	(415)	(415)	(415)	(415)	-	-	-	-	-	-	(4,980)	(4,980)	(4,980)
Total Cash Receipts by Source	209,210	126,505	125,013	136,089	138,525	193,048	-	-	-	-	-	-	1,760,491	1,841,906	1,961,354
Cash Payments by Type															
Employee related costs	32,611	40,484	41,728	42,230	64,294	40,737	-	-	-	-	-	-	525,496	546,711	576,113
Remuneration of councillors	988	1,044	1,623	1,061	1,061	1,061	-	-	-	-	-	-	12,514	13,014	13,540
Interest	20	379	984	176	567	20,997	-	-	-	-	-	-	49,658	51,817	49,865
Bulk purchases - Electricity	9	48,735	51,439	30,748	33,130	30,137	-	-	-	-	-	-	429,805	484,562	533,019
Acquisitions - water & other inventory	1,085	3,334	1,448	6,547	4,982	4,325	-	-	-	-	-	-	62,499	68,235	66,340
Contracted services	465	17,015	18,580	22,878	21,162	33,212	-	-	-	-	-	-	300,624	323,452	341,534
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	1,204	1,339	2,083	325	2,733	1,204	-	-	-	-	-	-	16,380	17,143	17,944
Other expenditure	102,470	(4,893)	16,862	33,297	5,006	2,213	-	-	-	-	-	-	102,822	186,065	64,107
Cash Payments by Type	138,852	107,437	134,746	137,262	132,935	133,885	-	-	-	-	-	-	1,499,799	1,690,998	1,662,463
Other Cash Flows/Payments by Type															
Capital assets	519	9,034	5,754	10,930	8,019	21,798	-	-	-	-	-	-	209,409	130,325	164,442
Repayment of borrowing	2,412	1,138	5,420	2,575	1,250	17,860	-	-	-	-	-	-	58,245	50,907	154,740
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	141,783	117,608	145,920	150,768	142,204	173,543	-	-	-	-	-	-	1,767,453	1,872,229	1,981,645
NET INCREASE/(DECREASE) IN CASH HELD	67,426	8,897	(20,908)	(14,680)	(3,679)	19,505	-	-	-	-	-	-	(6,962)	(30,324)	(20,290)
Cash/cash equivalents at the monthly/year beginning:	646,535	713,962	722,859	701,951	687,272	683,593	703,098	703,098	703,098	703,098	703,098	703,098	646,535	639,573	609,250
Cash/cash equivalents at the monthly/year end:	713,962	722,859	701,951	687,272	683,593	703,098	703,098	703,098	703,098	703,098	703,098	703,098	639,573	609,250	588,960

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

PART 2 – SUPPORTING DOCUMENTATION

Debtors' analysis

Supporting Table SC3 Debtors' age analysis

(This table represents the debtors billing system representing the state of all debtors, including payments received in advance)

WC032 Overstrand - Supporting Table SC3 Monthly Budget Statement - aged debtors - Budget

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to 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		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	23,730	1,644	1,473	1,097	958	715	2,227	8,432	40,275	13,428	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	29,966	2,868	2,169	1,885	1,695	1,152	2,661	7,236	49,632	14,629	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	27,888	1,071	809	576	1,064	1,116	1,358	6,873	40,754	10,986	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	12,529	1,071	866	766	686	499	1,520	6,291	24,228	9,762	-	-
Receivables from Exchange Transactions - Waste Management	1600	11,347	1,087	939	847	719	413	1,226	3,511	20,088	6,716	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	468	31	21	29	15	13	60	320	956	436	-	-
Interest on Arrear Debtor Accounts	1810	371	146	163	194	239	219	934	15,336	17,601	16,922	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(13,553)	2,140	270	222	253	103	986	6,062	(3,517)	7,626	-	-
Total By Income Source	2000	92,745	10,057	6,711	5,615	5,630	4,229	10,972	54,060	190,018	80,505	-	-
2022/23 - totals only		78,397	5,058	3,744	2,872	2,309	1,869	9,113	50,176	153,538	66,339	-	-
Debtors Age Analysis By Customer Group													
Organs of State	2200	921	223	230	248	743	148	186	1,877	4,576	3,202	-	-
Commercial	2300	9,599	157	77	59	59	59	304	2,219	12,532	2,699	-	-
Households	2400	83,582	9,671	6,399	5,299	4,823	4,020	10,469	49,785	174,050	74,397	-	-
Other	2500	(1,357)	6	4	9	5	1	12	179	(1,140)	206	-	-
Total By Customer Group	2600	92,745	10,057	6,711	5,615	5,630	4,229	10,972	54,060	190,018	80,505	-	-

The debtors' 12-month rolling average payment rate is 97,74% at the end of December 2023.

Summary of Indigent Households

	Indigent Households	Other Households	Total Households	
2023				
July	1,723	35,038	36,761	4.69%
August	2,669	34,124	36,793	7.25%
September	3,332	33,241	36,573	9.11%
October	3,782	33,033	36,815	10.27%
November	4,119	32,801	36,920	11.16%
December	4,354	32,614	36,968	11.78%
2024				
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)
4354			10KL	4354	0	4354	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)
64	4290		50kWh	4354	0	4354	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
2023/2024											
June											
May											
April											
March											
February											
January											
December	109,072,899	10,058,609	6,710,622	5,615,200	5,629,807	4,228,716	10,971,539	54,059,770	206,347,163	97,274,264	80,505,033
November	112,062,369	8,103,222	6,250,249	6,153,762	4,483,428	2,391,461	10,407,235	52,574,653	202,426,380	90,364,011	76,010,540
October	115,037,842	9,259,994	7,549,287	5,792,960	2,844,589	2,464,460	10,196,069	51,414,601	204,559,802	89,521,960	72,712,679
September	110,609,040	10,245,320	7,458,195	3,604,091	2,996,769	2,608,223	10,646,137	54,611,641	202,779,415	92,170,376	74,466,861
Augustus	108,810,413	9,717,501	4,140,787	3,287,003	2,823,927	2,376,790	10,178,978	53,321,348	194,656,747	85,846,335	71,988,046
July	111,777,492	5,395,074	3,813,898	3,146,287	2,571,439	2,146,522	9,782,942	51,365,888	189,999,540	78,222,048	69,013,076

Government Debt

Overstrand Municipality as at 31/12/2023	Total Debt	Services	Rates	Other
Department Responsible for the Debt				
NPW 2227	3,311,465	1,325,050	1,986,415	0
WCED 2251	456,912	456,912	0	0
OTHER 2255	19,877	19,877	0	0
HEALTH 2252	132,032	80,662	51,370	0
TPW 2256	423,894	-140,869	564,762	0
HUMAN SETTLE 2215	56,748	56,748	0	0
HOUSING 2253	4,956	4,956	0	0
OTHER MUNICIPALITIES 2276	170,167	170,167	0	0
TOTAL OUTSTANDING	4,576,050	1,973,503	2,602,547	0

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - Budget

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	5,903	-	-	-	-	-	-	-	5,903	5,593	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	5,903	-	-	-	-	-	-	-	5,903	5,593	

Supporting Table SC4 reflects current creditors at the end of December 2023.

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 - Budget

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commissi on Paid (Rands)	Commissi on Recipient	Expiry date of investmen t	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Yrs/Months												
Municipality													
LIBERTY 15934476	15 YEARS	Policy	Yes	Yes	No	No	No	01/09/2023	23,533	292		125	23,950
LIBERTY 21196964	14 YEARS	Policy	Yes	Yes	No	No	No	30/06/2023	42,449	473		260	43,183
MOMENTUM MP 3853776	14 YEARS	Policy	Yes	Yes	No	No	No	01/07/2026	5,551	106		30	5,687
ABSA 9331734880	DEP PLUS	DEP PLUS	Yes	Yes	Yes	No	No		10,280	68	-65487.95		10,283
Nedbank 03/7881534451 ref: 275	184 days	FIXED DEP	Yes	No	Yes	No	No	31/01/2024	100,000				100,000
ABSA 2081186184	184 days	FIXED DEP	Yes	No	Yes	No	No	31/01/2024	100,000				100,000
ABSA 2081286089	183 days	FIXED DEP	Yes	No	Yes	No	No	30/04/2024	100,000				100,000
Standard Bank 288434005-035	183 days	FIXED DEP	Yes	No	Yes	No	No	30/04/2024	100,000				100,000
ABSA 2081333826	180 days	FIXED DEP	Yes	No	Yes	No	No	30/05/2024	100,000				100,000
													-
													-
Municipality sub-total									581,813	940		415	583,102
TOTAL INVESTMENTS AND INTEREST									581,813	940		415	583,102

Surplus cash not immediately required is invested in call and monthly deposits.

Long-term investments relate to the sinking fund investments. These investments at maturity are intended to redeem a capital loan of R100m in 2026. The three investments comply with legislative prescriptions (investment instruments).

The performance of these investments was severely impacted by COVID with the temporary financial market collapse in March 2020. The relative instability of the financial markets since then is still hampering the trajectory of the values up to maturity.

This matter was considered at the time by the executive mayor, accounting officer and chief financial officer, as well as subsequently, with the outcome, a conservative approach in remaining with the initial investment as a proven strategy during turbulent market cycles. In the instance of any severe market fluctuations possibly negatively impacting on the maturity value of the contract investments, the necessary recommendation will be tabled in Council with the draft budget for the 2025/2026 MTREF to ensure full settlement of the redemption.

Allocation and grant receipts and expenditure

Supporting Table SC6 – Grant receipts

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	-	167,902	167,703	54,645	126,148	126,148	-		167,703
Operational Revenue:General Revenue:Equitable Share	-	157,935	157,935	52,645	118,451	118,451	-		157,935
Energy Efficiency and Demand-side [Schedule 5B]		4,200	4,200	2,000	3,000	3,000	-		4,200
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3,565	3,366		2,495	2,495	-		3,366
Local Government Financial Management Grant [Schedule 5B]		1,550	1,550		1,550	1,550	-		1,550
Municipal Infrastructure Grant [Schedule 5B]		652	652		652	652	-		652
Provincial Government:	-	87,519	87,519	19,860	77,010	77,010	-		87,519
Title Deeds Restoration Grant	-	766	766		-	-	-		766
Community Library Services Grant		8,399	8,399		5,600	5,600	-		8,399
Resource funding for the establish & support of K9 Unit		3,345	3,345		3,345	3,345	-		3,345
CDW		76	76		76	76	-		76
Maintenance & Construction of Transport Infrastructure		400	400		-	-	-		400
Resourcing Funding for establishment of Law Enforcement Rural Safety Unit		4,065	4,065		4,065	4,065	-		4,065
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	-	70,468	70,468	19,860	63,924	63,924	-		70,468
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	-	255,421	255,222	74,505	203,159	203,159	-		255,222
Capital Transfers and Grants									
National Government:	-	54,293	50,703	7,871	39,471	39,471	-		50,703
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		24,380	23,000		20,000	20,000	-		23,000
Municipal Infrastructure Grant [Schedule 5B]		24,913	23,203	7,871	17,471	17,471	-		23,203
Water Services Infrastructure Grant [Schedule 5B]		5,000	4,500		2,000	2,000	-		4,500
Provincial Government:		41,890	41,890	1,071	4,728	4,728	-		41,890
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	-	41,890	41,890	1,071	4,728	4,728	-		41,890
Specify (Add grant description)	-	-	-	-	-	-	-		-
Specify (Add grant description)	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants		96,183	92,593	8,942	44,199	44,199	-		92,593
TOTAL RECEIPTS OF TRANSFERS & GRANTS		351,604	347,815	83,448	247,357	247,357	-		347,815

Grant receipts are monitored according to the payment schedules. Year to date actuals only reflects actual receipts for 2023/2024.

No notifications received from project managers of any funds withheld.

Supporting Table SC7(1) – Grant expenditure

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	-	9,967	9,768	423	2,153	2,153	-		9,768
Operational Revenue:General Revenue:Equitable Share	-	-	-		-	-	-		-
Energy Efficiency and Demand-side [Schedule 5B]		4,200	4,200		-	-	-		4,200
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3,565	3,366	300	1,588	1,588	-		3,366
Agriculture, Conservation and Environmental		-	-		-	-	-		-
Local Government Financial Management Grant [Schedule 5B]		1,550	1,550	47	195	195	-		1,550
Health Hygiene in Informal Settlements		-	-		-	-	-		-
Municipal Infrastructure Grant [Schedule 5B]		652	652	75	370	370	-		652
Provincial Government:	-	87,519	87,519	10,193	59,041	59,041	-		87,519
Title Deeds Restoration Grant	-	766	766	10	51	51	-		766
Community Library Services Grant		8,399	8,399	617	4,265	4,265	-		8,399
Resource funding for the establish & support of K9 Unit		3,345	3,345	352	2,804	2,804	-		3,345
CDW		76	76	11	29	29	-		76
Maintenance & Construction of Transport Infrastructure	-	400	400				-		400
Resourcing Funding for establishment of Law Enforcement Rural Safety Unit		4,065	4,065	341	2,637	2,637	-		4,065
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	-	70,468	70,468	8,863	49,256	49,256	-		70,468
District Municipality:	-	-	-	-	-	-	-		-
Specify (Add grant description)	-	-	-	-	-	-	-		-
Specify (Add grant description)	-	-	-	-	-	-	-		-
Specify (Add grant description)	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	-	97,486	97,287	10,615	61,194	61,194	-		97,287
Capital expenditure of Transfers and Grants									
National Government:	-	54,293	50,703	9,933	20,276	20,276	-		50,703
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		24,380	23,000	4,394	8,117	8,117	-		23,000
Municipal Infrastructure Grant [Schedule 5B]		24,913	23,203	4,882	11,254	11,254	-		23,203
Water Services Infrastructure Grant [Schedule 5B]		5,000	4,500	657	905	905	-		4,500
Provincial Government:	-	41,890	41,890	947	3,814	3,814	-		41,890
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	-	41,890	41,890	947	3,814	3,814	-		41,890
Specify (Add grant description)	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants	-	96,183	92,593	10,879	24,091	24,091	-		92,593
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	193,669	189,880	21,494	85,285	85,285	-		189,880

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 - Budget

Description	Budget Year 2023/24				
	Approved Rollover 2022/23	Monthly Actual	YearTD Actual	YTD Variance	YTD Variance %
R thousands					
EXPENDITURE					
Operating expenditure of Approved Roll-overs					
National Government:	-	-	-	-	-
Operational Revenue: General Revenue: Equitable Share	-	-	-	-	-
Operational Revenue: General Revenue: Fuel Levy	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]	-	-	-	-	-
Mitchell's Plain Urban Renewal	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]	-	-	-	-	-
Municipal Systems Improvement Grant	-	-	-	-	-
Natural Resource Management Project	-	-	-	-	-
Neighbourhood Development Partnership Grant	-	-	-	-	-
Operation Clean Audit	-	-	-	-	-
Municipal Disaster Recovery Grant	-	-	-	-	-
Public Service Improvement Facility	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]	-	-	-	-	-
Restructuring - Seed Funding	-	-	-	-	-
Revenue Enhancement Grant Debtors Book	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-
Sport and Recreation	-	-	-	-	-
Terrestrial Invasive Alien Plants	-	-	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]	-	-	-	-	-
Health Hygiene in Informal Settlements	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]	-	-	-	-	-
Water Services Infrastructure Grant	-	-	-	-	-
Provincial Government:	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
District Municipality:	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Other grant providers:	-	-	-	-	-
Departmental Agencies and Accounts	-	-	-	-	-
Foreign Government and International Organisations	-	-	-	-	-
Households	-	-	-	-	-
Non-profit Institutions	-	-	-	-	-
Private Enterprises	-	-	-	-	-
Public Corporations	-	-	-	-	-
Higher Educational Institutions	-	-	-	-	-
Parent Municipality / Entity	-	-	-	-	-
Total operating expenditure of Approved Roll-overs	-	-	-	-	-
Capital expenditure of Approved Roll-overs					
National Government:	-	-	-	-	-
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]	-	-	-	-	-
Municipal Water Infrastructure Grant [Schedule 5B]	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]	-	-	-	-	-
Urban Settlement Development Grant [Schedule 4B]	-	-	-	-	-
Municipal Human Settlement	-	-	-	-	-
Community Library	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-
Khayelitsha Urban Renewal	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]	-	-	-	-	-
Provincial Government:	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
District Municipality:	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-
Other grant providers:	-	-	-	-	-
Departmental Agencies and Accounts	-	-	-	-	-
Foreign Government and International Organisations	-	-	-	-	-
Households	-	-	-	-	-
Non-Profit Institutions	-	-	-	-	-
Private Enterprises	-	-	-	-	-
Public Corporations	-	-	-	-	-
Higher Educational Institutions	-	-	-	-	-
Parent Municipality / Entity	-	-	-	-	-
Transfer from Operational Revenue	-	-	-	-	-
Total capital expenditure of Approved Roll-overs	-	-	-	-	-
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	-

A roll-over application was submitted to Provincial and National Treasury in August 2023 for unspent grant funds. All unspent grants relating to the 2022/2023 financial year were granted. Unspent grants from previous financial years relating to the Resource Funding for the establishment of Law Enforcement Reaction Unit Grant was paid back in November 2023.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

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

Summary of Employee and Councillor remuneration R thousands	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
	A	B	C						D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		11,360	11,360	955	6,133	5,680	454	8%	11,360
Pension and UIF Contributions		-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-
Cellphone Allowance		1,154	1,154	106	704	577	127	22%	1,154
Housing Allowances		-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-
Sub Total - Councillors		12,514	12,514	1,061	6,838	6,257	581	9%	12,514
Senior Managers of the Municipality									
Basic Salaries and Wages		13,498	13,498	1,135	5,935	6,749	(814)	-12%	13,498
Pension and UIF Contributions		-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-
Performance Bonus		101	101	-	-	51	(51)	-100%	101
Motor Vehicle Allowance		-	-	-	-	-	-	-	-
Cellphone Allowance		194	194	15	101	97	4	4%	194
Housing Allowances		-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		13,793	13,793	1,150	6,036	6,897	(861)	-12%	13,793
Other Municipal Staff									
Basic Salaries and Wages		318,415	327,941	25,181	151,133	154,022	(2,888)	-2%	327,941
Pension and UIF Contributions		55,933	56,405	4,244	25,360	26,202	(843)	-3%	56,405
Medical Aid Contributions		18,074	18,197	1,321	8,179	9,048	(869)	-10%	18,197
Overtime		47,990	48,005	5,425	29,414	27,002	2,412	9%	48,005
Performance Bonus		520	520	43	260	260	0	0%	520
Motor Vehicle Allowance		8,869	8,939	651	3,940	4,469	(529)	-12%	8,939
Cellphone Allowance		2,299	2,370	186	1,181	1,185	(4)	0%	2,370
Housing Allowances		1,985	1,994	151	913	997	(84)	-8%	1,994
Other benefits and allowances		44,226	44,653	1,607	31,220	31,326	(107)	0%	44,653
Payments in lieu of leave		-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-
Post-retirement benefit obligations		25,807	25,807	2,151	12,903	12,903	0	0%	25,807
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		524,118	534,830	40,960	264,503	267,415	(2,912)	-1%	534,830
Total Parent Municipality		550,425	561,138	43,171	277,376	280,569	(3,192)	-1%	561,138
TOTAL SALARY, ALLOWANCES & BENEFITS		550,425	561,138	43,171	277,376	280,569	(3,192)	-1%	561,138
TOTAL MANAGERS AND STAFF		537,911	548,624	42,110	270,539	274,312	(3,773)	-1%	548,624

SDBIP

The results of the SDBIP for the second quarter ended 31 December 2023 is included as Appendix 1 to this report.

Financial Performance

Supporting Table SC2

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

Description of financial indicator	Basis of calculation	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	11.4%	11.4%	2.8%	3.6%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	45.5%	46.3%	45.6%	46.3%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	17.2%	17.2%	12.8%	17.2%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	3333.9%	13028.5%	12122.5%	13028.5%
Liquidity						
Current Ratio	Current assets/current liabilities	0.0%	195.6%	195.6%	338.9%	195.6%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue Management						
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%	7.3%	7.3%	22.2%	7.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	Annual Indicator	100.0%
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		6.0%	6.0%	Annual Indicator	6.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		24.0%	24.0%	Annual Indicator	24.0%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	32.1%	32.7%	29.9%	32.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	0.0%	11.9%	11.9%	2.6%	3.7%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		1.4	1.4	Annual Indicator	1.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		4.3%	4.3%	Annual Indicator	4.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		3.7	3.7	Annual Indicator	3.7

Capital programme performance

Supporting Table SC12

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

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		740	740	519	519	740	221	29.8%	0%
August		640	640	9,034	9,553	1,381	(8,172)	-591.9%	5%
September		27,572	27,572	5,754	15,307	28,953	13,646	47.1%	7%
October		4,445	4,445	10,930	26,237	33,398	7,161	21.4%	13%
November		5,190	5,190	8,019	34,257	38,589	4,332	11.2%	16%
December		48,144	48,144	21,798	56,055	86,733	30,678	35.4%	27%
January		4,160	4,160	-					
February		15,640	15,640	-					
March		30,627	30,627	-					
April		12,360	12,360	-					
May		9,585	9,585	-					
June		50,303	46,713	-					
Total Capital expenditure	-	209,409	205,819	56,055					

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	LCH SERVICES CONSTRUCTION CONTRACTS	41,890,000	41,890,000	3,814,432	Kleinmond IRDP - Planning in Progress; Overhills UISP - Planning in Progress, Schulphoek UISP - IA appointed, Masakhane UISP (Services) - 20% & Masakhane UISP (Wetcores) - 100%	Kleinmond IRDP - Planning Phase; Overhills UISP - Planning Phase, Schulphoek UISP - Planning Phase, Masakhane UISP (Services) - Construction Phase, Masakhane UISP (Wetcores) - Completed	Not Applicable.	Not Applicable.
2	Kleinmond	Multi-ward Kleinmond Area	KLEINMOND WWTW REFURBISH UPGRADE	32,086,958	37,548,275	13,378,298	Under construction.	Construction stage. (Contract SC 2318/2022)	Wet site conditions and high water table. Severe flooding in the area by the end of September caused damage to the existing reactor, and overflowed into the new reactor still under construction.	The contractor was instructed to immediately implement an emergency repair plan, which will result in additional time and costs to be incurred on the
3	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS	27,380,000	26,000,000	8,181,350	Work in progress.	Construction.	Not Applicable.	Not Applicable.
4	Gansbaai	Multi-ward Gb Area	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION	21,415,289	21,415,289	5,737,791	Work in progress.	Construction.	Not Applicable.	Not Applicable.
5	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES	11,450,000	14,065,120	9,402,376	(1) Under construction. (2) Planning of next phase.	(1) Construction (Contract SC 2319/2022) (2) Planning stage for next phase.	None to date, except that a large amount of this project's budget is being utilized for unplanned flood related projects.	Not Applicable.
6	Proteadorp	Ward 09	UPGRADE STORMWATER INFRASTRUCTURE-PROTEADORP, MOUNTAIN VIEW, EXT 6 & OVERHILLS	10,458,390	6,897,073	606,121	Under construction.	Under construction.	Not Applicable.	Not Applicable.
7	Overstrand	Overstrand	NEW DISINFECTION SYSTEMS AT WASTEWATER TREATMENT	7,000,000	465,698	465,698	Planning phase commenced.	Planning commenced.	Delayed award of Contract SC2296/2023. Following the flood damage in September 2023, a large amount of this project's budget was transferred to flood related projects.	Consulting engineer was appointed and initial planning meeting and site visits were done. Planning to continue with remaining funds.
8	Hermanus	Multi-ward Hermanus Area	UPGRADE HERMANUS WELL	7,000,000	6,500,000	905,304	Planning phase.	Planning stage.	(1) An appeal was submitted on the environmental authorization issued by DEADP in July 2023. DEADP dismissed the appeal in Nov. 2023. (2) Water Use License was eventually issued by BOCMA	(1) Appeal was dismissed.. (2) BOCMA was requested for permission to commence while water use license is being awaited. Permission received early in December 2023. Project commenced.
9	Hermanus	Ward 03	HERMANUS MV LV UPGRADE REPLACEMENT	5,200,000	5,200,000	-	Tender advertisement for this project closed on 08 December 2023.	Tender is at Technical evaluation process.	Not Applicable.	Not Applicable.
10	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS & RISING MAINS	4,800,000	11,334,302	2,588,398	Planning phase.	Planning stage. Tenders to be advertised in January 2024.	None to date	Not Applicable.
Totals				168,680,637	171,315,757	45,079,769				

Low costing housing services:
Construction Contracts & Land

Due to change in accounting treatment of construction contracts relating to housing.

Supporting Table SC13a

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	-	85,007	69,266	7,960	18,505	27,291	(8,786)	-32.2%	69,266
Roads Infrastructure	-	4,640	4,640	496	1,296	2,320	(1,024)	-44.2%	4,640
Roads	-	4,640	4,640	496	1,296	2,320	(1,024)	-44.2%	4,640
Storm water Infrastructure	-	12,358	6,897	304	606	3,449	(2,842)	-82.4%	6,897
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	12,358	6,897	304	606	3,449	(2,842)	-82.4%	6,897
Attenuation	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	48,795	47,415	4,723	13,919	17,093	(3,173)	-18.6%	47,415
MV Substations	-	21,415	21,415	329	5,738	7,593	(1,855)	-24.4%	21,415
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	27,380	26,000	4,394	8,181	9,500	(1,319)	-13.9%	26,000
Water Supply Infrastructure	-	11,313	8,948	1,971	2,219	3,997	(1,779)	-44.5%	8,948
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	7,000	6,500	657	905	3,250	(2,345)	-72.1%	6,500
Reservoirs	-	360	360	360	360	180	180	100.0%	360
Pump Stations	-	-	-	-	-	-	-	-	-
Water Treatment Works	-	3,000	1,135	-	-	567	(567)	-100.0%	1,135
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	-	953	953	953	953	-	953	#DIV/0!	953
Sanitation Infrastructure	-	7,500	966	466	466	233	233	100.0%	966
Waste Water Treatment Works	-	7,500	966	466	466	233	233	100.0%	966
Solid Waste Infrastructure	-	400	400	-	-	200	(200)	-100.0%	400
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	400	400	-	-	200	(200)	-100.0%	400
Community Assets	-	7,352	7,352	254	539	2,476	(1,937)	-78.2%	7,352
Community Facilities	-	6,213	6,213	254	539	1,907	(1,367)	-71.7%	6,213
Public Open Space	-	5,618	5,618	88	88	1,609	(1,521)	-94.5%	5,618
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	595	595	166	451	297	153	51.6%	595
Sport and Recreation Facilities	-	1,139	1,139	-	-	569	(569)	-100.0%	1,139
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	1,139	1,139	-	-	569	(569)	-100.0%	1,139
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	41,990	41,990	947	3,814	15,995	(12,181)	-76.2%	41,990
Operational Buildings	-	100	100	-	-	50	(50)	-100.0%	100
Municipal Offices	-	100	100	-	-	50	(50)	-100.0%	100
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	41,890	41,890	947	3,814	15,945	(12,131)	-76.1%	41,890
Social Housing	-	41,890	41,890	947	3,814	15,945	(12,131)	-76.1%	41,890
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	4,000	4,050	77	3,911	2,025	1,886	93.2%	4,050
Computer Equipment	-	4,000	4,050	77	3,911	2,025	1,886	93.2%	4,050
Furniture and Office Equipment	-	765	715	36	231	273	(42)	-15.4%	715
Furniture and Office Equipment	-	765	715	36	231	273	(42)	-15.4%	715
Machinery and Equipment	-	1,335	1,335	165	765	668	98	14.6%	1,335
Machinery and Equipment	-	1,335	1,335	165	765	668	98	14.6%	1,335
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	-	140,449	124,708	9,437	27,766	48,727	20,962	43.0%	124,708

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Budget									
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	-	16,300	18,165	5,559	11,319	9,133	2,186	23.9%	18,165
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	1,500	1,500	-	519	1,000	(481)	-48.1%	1,500
<i>MV Switching Stations</i>	-	1,500	1,500	-	519	1,000	(481)	-48.1%	1,500
Water Supply Infrastructure	-	14,100	15,965	5,093	10,332	7,883	2,450	31.1%	15,965
<i>Pump Stations</i>	-	500	500	-	331	250	81	32.5%	500
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Bulk Mains</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	13,600	15,465	5,093	10,001	7,633	2,368	31.0%	15,465
Sanitation Infrastructure	-	700	700	467	467	250	217	86.8%	700
<i>Pump Station</i>	-	700	700	467	467	250	217	86.8%	700
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
<i>Halls</i>	-	-	-	-	-	-	-	-	-
<i>Centres</i>	-	-	-	-	-	-	-	-	-
<i>Crèches</i>	-	-	-	-	-	-	-	-	-
<i>Clinics/Care Centres</i>	-	-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>	-	-	-	-	-	-	-	-	-
<i>Testing Stations</i>	-	-	-	-	-	-	-	-	-
<i>Museums</i>	-	-	-	-	-	-	-	-	-
<i>Galleries</i>	-	-	-	-	-	-	-	-	-
<i>Theatres</i>	-	-	-	-	-	-	-	-	-
<i>Libraries</i>	-	-	-	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>	-	-	-	-	-	-	-	-	-
<i>Police</i>	-	-	-	-	-	-	-	-	-
<i>Parks</i>	-	-	-	-	-	-	-	-	-
<i>Public Open Space</i>	-	-	-	-	-	-	-	-	-
<i>Nature Reserves</i>	-	-	-	-	-	-	-	-	-
<i>Public Ablution Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Markets</i>	-	-	-	-	-	-	-	-	-
<i>Stalls</i>	-	-	-	-	-	-	-	-	-
<i>Abattoirs</i>	-	-	-	-	-	-	-	-	-
<i>Airports</i>	-	-	-	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	-	16,300	18,165	5,559	11,319	9,133	(2,186)	-23.9%	18,165

Supporting Table SC13c

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	-	168,080	168,185	17,640	69,081	84,092	(15,012)	-17.9%	168,185
Roads Infrastructure	-	75,266	76,079	11,498	31,939	38,040	(6,101)	-16.0%	76,079
Roads		75,266	76,079	11,498	31,939	38,040	(6,101)	-16.0%	76,079
Storm water Infrastructure	-	6,469	5,791	845	2,956	2,896	60	2.1%	5,791
Storm water Conveyance		6,469	5,791	845	2,956	2,896	60	2.1%	5,791
Electrical Infrastructure	-	41,404	41,388	2,319	14,998	20,694	(5,695)	-27.5%	41,388
LV Networks		41,404	41,388	2,319	14,998	20,694	(5,695)	-27.5%	41,388
Water Supply Infrastructure	-	23,527	23,527	1,373	8,760	11,763	(3,003)	-25.5%	23,527
Water Treatment Works		312	312	-	-	156	(156)	-100.0%	312
Distribution		20,317	20,317	1,263	8,090	10,158	(2,068)	-20.4%	20,317
Distribution Points		2,898	2,898	111	670	1,449	(779)	-53.8%	2,898
Sanitation Infrastructure	-	13,718	13,718	910	6,461	6,859	(398)	-5.8%	13,718
Reticulation		7,815	7,815	524	3,393	3,908	(514)	-13.2%	7,815
Waste Water Treatment Works		5,903	5,903	386	3,068	2,951	117	3.9%	5,903
Solid Waste Infrastructure	-	7,697	7,682	695	3,966	3,841	126	3.3%	7,682
Waste Processing Facilities		2,517	2,517	246	1,158	1,259	(100)	-8.0%	2,517
Waste Drop-off Points		5,180	5,165	450	2,808	2,582	226	8.8%	5,165
Community Assets		62,076	61,660	5,081	26,580	30,830	(4,249)	-13.8%	61,660
Community Facilities	-	47,427	46,991	4,003	21,487	23,495	(2,008)	-8.5%	46,991
Halls		7,463	7,438	408	2,804	3,719	(915)	-24.6%	7,438
Libraries		1,785	1,785	-	48	893	(844)	-94.6%	1,785
Cemeteries/Crematoria		948	902	92	562	451	111	24.7%	902
Parks		32,063	31,838	2,927	15,668	15,919	(251)	-1.6%	31,838
Public Open Space		4,187	4,046	538	2,106	2,023	83	4.1%	4,046
Public Ablution Facilities		982	982	37	299	491	(192)	-39.1%	982
Sport and Recreation Facilities		14,649	14,669	1,077	5,093	7,334	(2,241)	-30.6%	14,669
Outdoor Facilities		14,649	14,669	1,077	5,093	7,334	(2,241)	-30.6%	14,669
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets		18,438	15,548	888	5,401	7,774	(2,373)	-30.5%	15,548
Operational Buildings		18,438	15,548	888	5,401	7,774	(2,373)	-30.5%	15,548
Municipal Offices		18,400	15,510	888	5,397	7,755	(2,358)	-30.4%	15,510
Depots		38	38	-	5	19	(14)	-75.6%	38
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets		8,331	8,331	4	3,214	4,165	(951)	-22.8%	8,331
Licences and Rights		8,331	8,331	4	3,214	4,165	(951)	-22.8%	8,331
Computer Software and Applications		8,331	8,331	4	3,214	4,165	(951)	-22.8%	8,331
Computer Equipment		2,423	2,423	91	760	1,212	(452)	-37.3%	2,423
Computer Equipment		2,423	2,423	91	760	1,212	(452)	-37.3%	2,423
Furniture and Office Equipment		11,697	13,556	508	5,593	6,778	(1,184)	-17.5%	13,556
Furniture and Office Equipment		11,697	13,556	508	5,593	6,778	(1,184)	-17.5%	13,556
Machinery and Equipment		6,036	6,131	314	4,030	3,065	964	31.5%	6,131
Machinery and Equipment		6,036	6,131	314	4,030	3,065	964	31.5%	6,131
Transport Assets		16,214	14,614	3,474	8,347	7,307	1,039	14.2%	14,614
Transport Assets		16,214	14,614	3,474	8,347	7,307	1,039	14.2%	14,614
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure		293,296	290,449	28,000	123,006	145,223	22,217	15.3%	290,449

Supporting Table SC13d

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Depreciation by Asset Class/Sub-class									
Infrastructure	-	123,442	123,442	10,287	61,721	61,721	0	0.0%	123,442
Roads Infrastructure	-	39,180	39,180	3,265	19,590	19,590	0	0.0%	39,180
Roads		39,180	39,180	3,265	19,590	19,590	0	0.0%	39,180
Storm water Infrastructure	-	8,480	8,480	707	4,240	4,240	0	0.0%	8,480
Drainage Collection		8,480	8,480	707	4,240	4,240	0	0.0%	8,480
Electrical Infrastructure	-	27,408	27,408	2,284	13,704	13,704	0	0.0%	27,408
LV Networks		27,408	27,408	2,284	13,704	13,704	0	0.0%	27,408
Capital Spares	-	-	-	-	-	-	-		-
Water Supply Infrastructure	-	24,455	24,455	2,038	12,228	12,228	0	0.0%	24,455
Distribution		24,455	24,455	2,038	12,228	12,228	0	0.0%	24,455
Sanitation Infrastructure	-	20,619	20,619	1,718	10,309	10,309	0	0.0%	20,619
Waste Water Treatment Works		20,619	20,619	1,718	10,309	10,309	0	0.0%	20,619
Solid Waste Infrastructure	-	3,301	3,301	275	1,650	1,650	0	0.0%	3,301
Landfill Sites		3,301	3,301	275	1,650	1,650	0	0.0%	3,301
Community Assets	-	-	-	-	-	-	-		-
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	16,874	16,874	1,406	8,437	8,437	0	0.0%	16,874
Operational Buildings	-	16,874	16,874	1,406	8,437	8,437	0	0.0%	16,874
Municipal Offices		16,874	16,874	1,406	8,437	8,437	0	0.0%	16,874
Housing	-	-	-	-	-	-	-		-
Biological or Cultivated Assets	-	-	-	-	-	-	-		-
Intangible Assets	-	294	294	25	147	147	0	0.0%	294
Servitudes	-	-	-	-	-	-	-		-
Licences and Rights	-	294	294	25	147	147	0	0.0%	294
Computer Software and Applications		294	294	25	147	147	0	0.0%	294
Computer Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment	-	2,610	2,610	218	1,305	1,305	0	0.0%	2,610
Furniture and Office Equipment		2,610	2,610	218	1,305	1,305	0	0.0%	2,610
Machinery and Equipment	-	1,188	1,188	99	594	594	0	0.0%	1,188
Machinery and Equipment		1,188	1,188	99	594	594	0	0.0%	1,188
Transport Assets	-	4,679	4,679	392	2,341	2,341	-		4,679
Transport Assets		4,679	4,679	392	2,341	2,341	-		4,679
Land	-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals	-	68	68	6	34	34	0	0.0%	68
Zoo's, Marine and Non-biological Animals		68	68	6	34	34	0	0.0%	68
Living resources	-	-	-	-	-	-	-		-
Total Depreciation	-	149,154	149,154	12,431	74,579	74,579	(0)	0.0%	149,154

Supporting Table SC13e

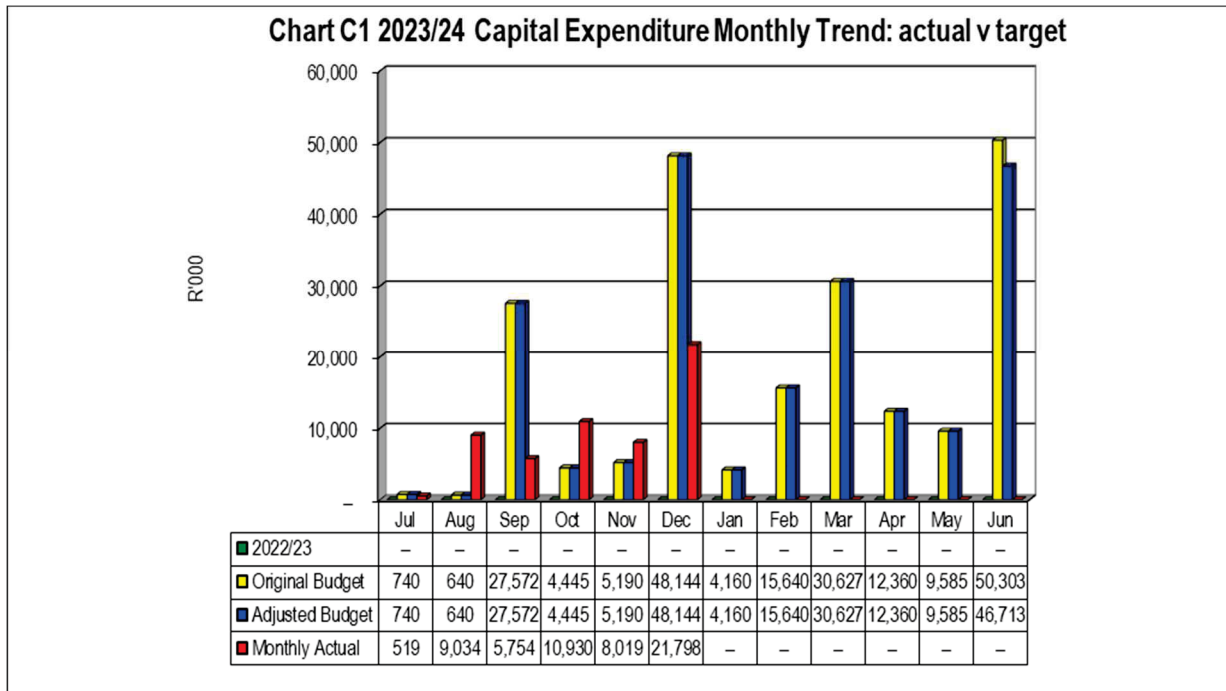
WC032 Overstrand - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	-	48,758	60,754	6,801	16,516	27,777	(11,261)	-40.5%	60,754
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	9,231	9,231	-	-	2,216	(2,216)	-100.0%	9,231
<i>MV Networks</i>	-	9,231	9,231	-	-	2,216	(2,216)	-100.0%	9,231
Water Supply Infrastructure	-	550	550	-	181	275	(94)	-34.1%	550
<i>Distribution</i>	-	550	550	-	181	275	(94)	-34.1%	550
Sanitation Infrastructure	-	38,887	50,883	6,801	16,335	25,241	(8,907)	-35.3%	50,883
<i>Pump Station</i>	-	4,800	11,334	2,588	2,588	5,667	(3,079)	-54.3%	11,334
<i>Reticulation</i>	-	800	800	-	86	200	(114)	-57.2%	800
<i>Waste Water Treatment Works</i>	-	33,287	38,748	4,213	13,661	19,374	(5,713)	-29.5%	38,748
Solid Waste Infrastructure	-	90	90	-	-	45	(45)	-100.0%	90
<i>Waste Drop-off Points</i>	-	90	90	-	-	45	(45)	-100.0%	90
Community Assets	-	3,902	2,192	-	454	1,096	(642)	-58.6%	2,192
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	3,902	2,192	-	454	1,096	(642)	-58.6%	2,192
<i>Indoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>	-	3,902	2,192	-	454	1,096	(642)	-58.6%	2,192
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	-	52,660	62,946	6,801	16,970	28,873	11,903	41.2%	62,946

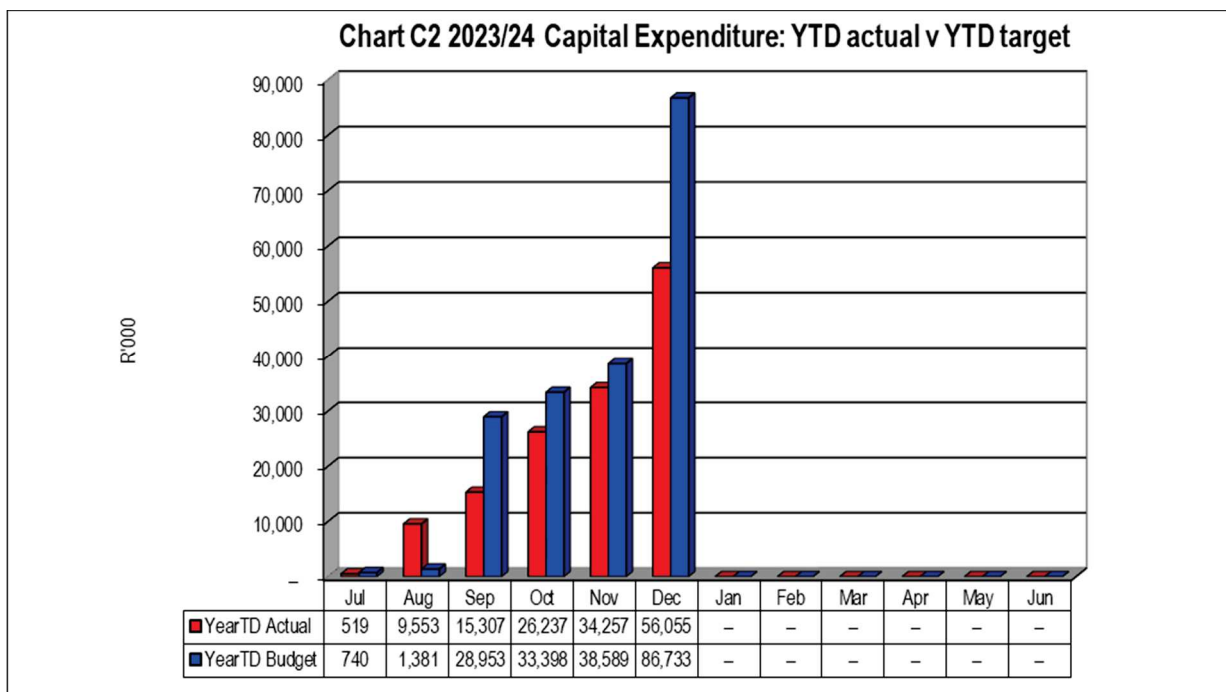
Other supporting documentation

Section 71 charts

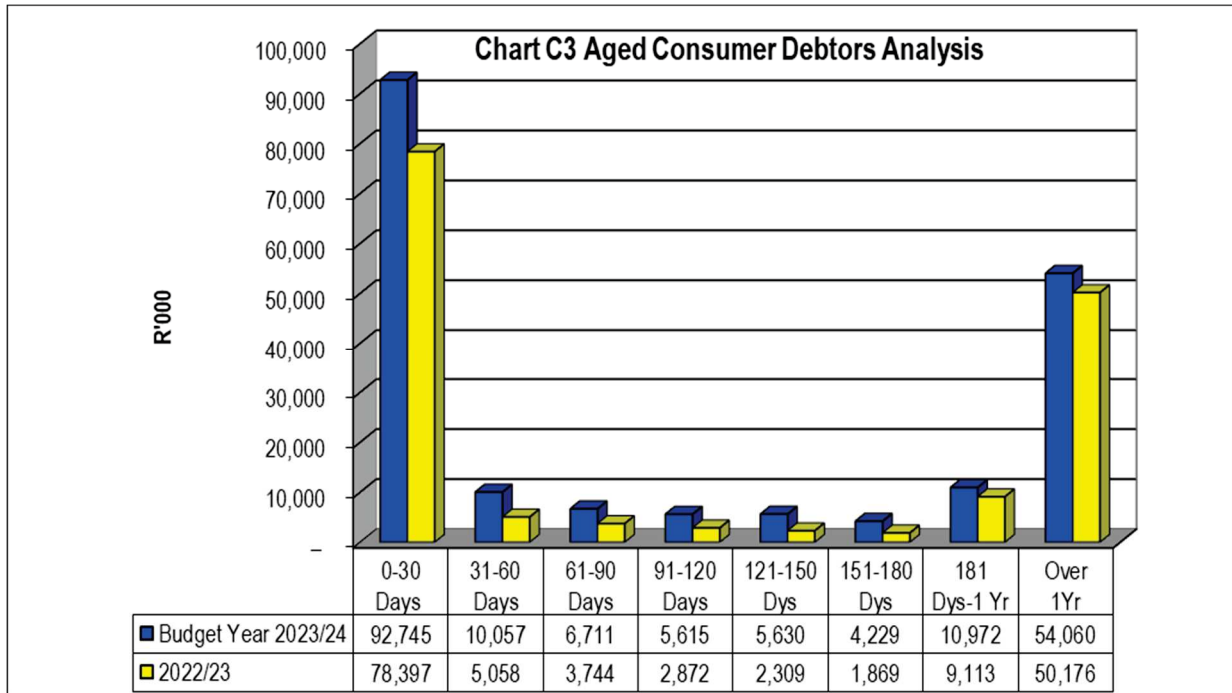
Capital expenditure monthly trend - actual vs target



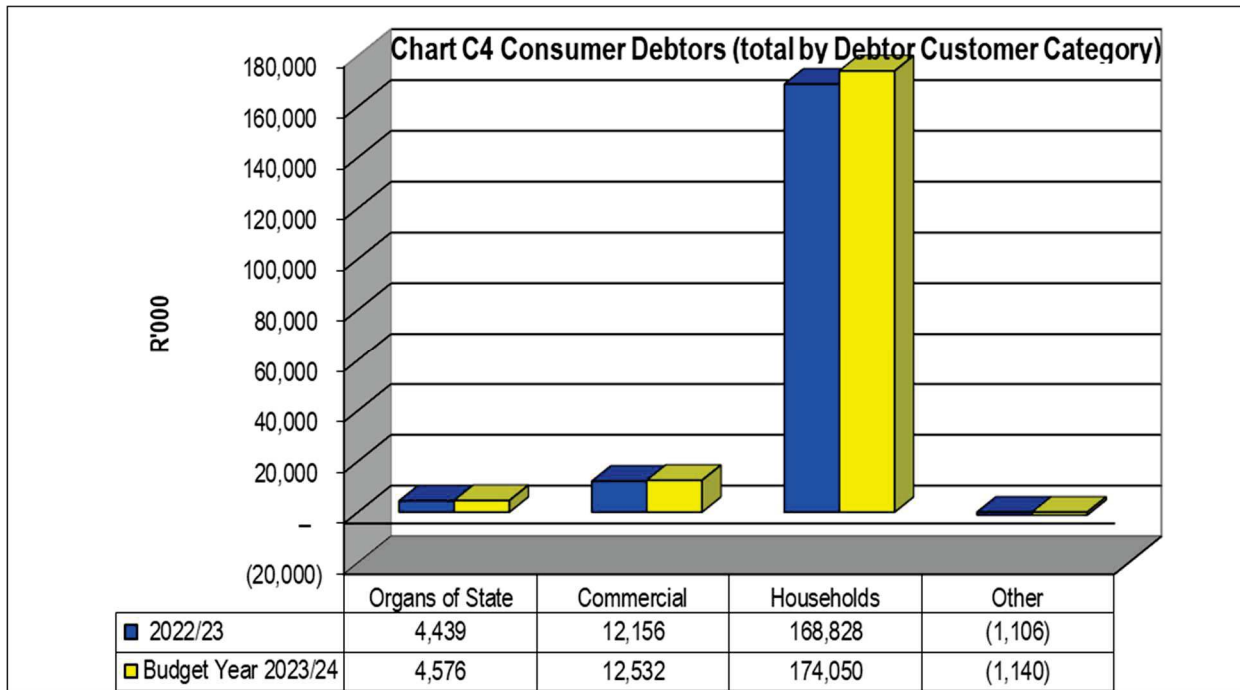
Capital expenditure – YTD actual vs YTD trend



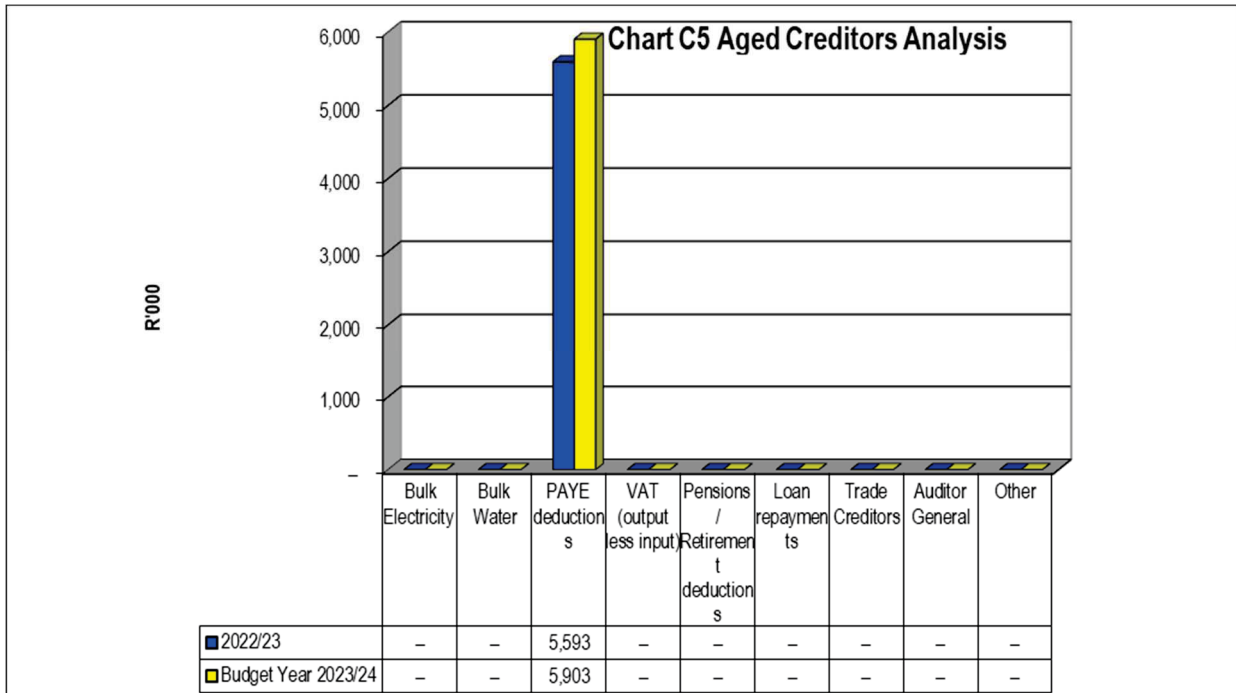
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager’s quality certification


I, DGI O’Neill, the Municipal Manager of Overstrand Municipality, hereby certify that the –

- **Quarterly Budget Report**

for the period ending December 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: DGI O’Neill

Municipal Manager of Overstrand Municipality (WC032)

Signature: 

Date: 24 January 2024



*Service Delivery and Budget
Implementation Plan (SDBIP)*

*2nd Quarterly report:
1 October – 31 December 2023*

The sections below provide an executive summary of service delivery performance in terms of the top level SDBIP for the **second quarter of the 2023/24 financial year**, 1 October 2023 to 31 December 2023.

KPI Result Categories

Category	Colour	Explanation
KPI's Not Yet Measured	N/A	KPIs with no targets or actuals in the selected period.
KPI's Not Met	R	0% >= Actual/Target < 75%
KPI's Almost Met	O	75% >= Actual/Target < 100%
KPI's Met	G	Actual/Target = 100%
KPI's Well Met	G2	100% > Actual/Target < 150%
KPI's Extremely Well Met	B	Actual/Target >= 150%

1.1 STRATEGIC / TOP LAYER SDBIP PERFORMANCE GRAPH FOR SECOND (2nd) QUARTER

The graph below displays the overall strategic (top layer SDBIP) per Directorate for the second quarter. (October -December 2023).

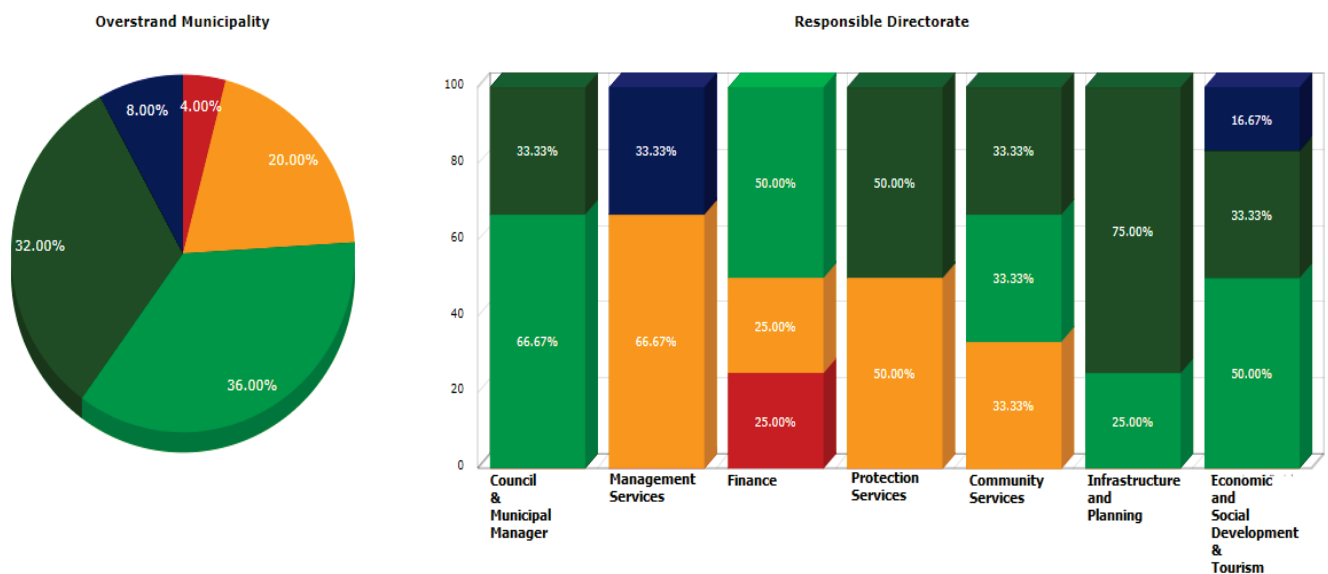


Figure 1: Top layer SDBIP performance for 2nd quarter (1 October - 31 December 2023)

Overstrand Municipality		Responsible Directorate						
		Council & Municipal Manager	Management Services	Finance	Protection Services	Community Services	Infrastructure and Planning	Economic and Social Development & Tourism
Not Met	1 (4.00%)	-	-	1 (25.00%)	-	-	-	-
Almost Met	5 (20.00%)	-	2 (66.67%)	1 (25.00%)	1 (50.00%)	1 (33.33%)	-	-
Met	9 (36.00%)	2 (66.67%)	-	2 (50.00%)	-	1 (33.33%)	1 (25.00%)	3 (50.00%)
Well Met	8 (32.00%)	1 (33.33%)	-	-	1 (50.00%)	1 (33.33%)	3 (75.00%)	2 (33.33%)
Extremely Well Met	2 (8.00%)	-	1 (33.33%)	-	-	-	-	1 (16.67%)
Total:	25*	3	3	4	2	3	4	6
	100%	12.00%	12.00%	16.00%	8.00%	12.00%	16.00%	24.00%

* Excludes 22 KPIs which had no targets/actuals for the period selected.

Overall, the municipality met **19 (76%)** of a total number of 25 Top Layer key performance indicators (KPI's) that were measured for the period, 01 October 2023 – 31 December 2023. 5 (20%) of KPI's were almost met and 1 (4%) of the indicators were not met. 22 KPI's had no targets or actuals in the reporting period.

1.2 TOP LAYER SDBIP REPORT: 1 OCTOBER – 31 DECEMBER 2023 (2nd Quarter of 2023/24)

Council & Municipal Manager

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL7	The provision of democratic, accountable and ethical governance	Submit 4 progress reports on the revision of the top 10 risks as a corrective action to the Top Management Team (1 previous financial year & 3 current financial year)	Number of progress reports submitted	Municipal Manager	4	TMT minutes where item served	4	1	1	G	[D24] Chief Risk Officer: The target for the reporting period was met. (October 2023)	[D24] Chief Risk Officer: N/A (October 2023)	1	1	G
TL34	The provision and maintenance of municipal services	Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP {(Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100} (MPPMR Reg 10 (c))	% of the capital budget spent	Municipal Manager	80.89%	Expenditure report from SAMRAS	95%	20%	27.23%	G2	[D27] Municipal Manager: Target well met. (December 2023)		20%	27.23%	G2

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TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL40	The provision of democratic, accountable and ethical governance	Sign section 56 performance agreements with all directors by the end of July 2023	Number of agreements signed	Municipal Manager	6	Cover page and signature section of the performance agreements.	5	0	0	N/A			0	0	N/A
TL41	The provision of democratic, accountable and ethical governance	Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit 4 progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	Municipal Manager	4	Copy of e-mail and report submitted to the Executive Mayor by the Municipal Manager	4	1	1	G	[D8] Municipal Manager: Target met. (December 2023)		1	1	G
TL42	The provision of democratic, accountable and ethical governance	Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2023 to be completed by Sept 2023 and the current period -October - December 2023 to be completed by February 2024	Number of appraisals	Municipal Manager	12	Signed appraisals	10	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL43	The provision of democratic, accountable and ethical governance	Draft the annual report and submit to the Auditor-General by end August 2023	Draft Annual report submitted	Municipal Manager	1	Confirmation of receipt of the report	1	0	0	N/A			0	0	N/A
TL46	The provision of democratic, accountable and ethical governance	Prepare the final IDP for submission to Council by the end of May 2024	Final IDP submitted	Municipal Manager	0	Council resolution of the approved IDP	1	0	0	N/A			0	0	N/A
TL47	The provision of democratic, accountable and ethical governance	Submit the Final MTREF Budget by the end of May 2024	Final Budget submitted	Municipal Manager	0	Agenda of the Council meeting	1	0	0	N/A			0	0	N/A

Management Services

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TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL21	The provision of democratic, accountable and ethical governance	The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan (Actual expenditure divided by the budget allocated) (MPPMR Reg 10 (f))	% of the training budget spent on implementation of the WSP	Director: Management Services	99.60%	Expenditure reports from SAMRAS system	100%	40%	93.14%	B	[D138] Director: Management Services: Target extremely well met. (December 2023)		40%	93.14%	B
TL22	The provision of democratic, accountable and ethical governance	Review the Municipal Organisational Staff Structure by the end of June 2024	Structure reviewed	Director: Management Services	1	LLF minutes (restructuring) and updated organogram	1	0	0	N/A			0	0	N/A
TL23	The provision of democratic, accountable and ethical governance	92% of the approved and funded organogram filled {(actual number of posts filled divided by the funded posts budgeted) x100}	% filled	Director: Management Services	91.38%	HR statistics on filled and vacant posts	92%	92%	91.60%	O	[D140] Director: Management Services: Target almost met. (December 2023)	[D140] Director: Management Services: This figure cannot be controlled as it is affected either by resignations, pension, disability, death etc. If Managers do	92%	91.60%	O

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
												not motivate vacancies, vacant posts cannot be filled. Vacant posts will be advertised and filled in the coming months. (December 2023)			
TL24	The provision of democratic, accountable and ethical governance	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg 10 (e))	The number of people from EE target groups employed based on staff mobility	Director: Management Services	70	Monthly report to respective Directors. Extract from Payday	75	75	67	○	KPI almost met. [D82] Senior Manager: Human Resources: 68 people from employment equity target groups employed in the three highest levels of management (October 2023) [D82] Senior Manager: Human Resources: 68 People from employment equity target groups employed in the	[D82] Senior Manager: Human Resources: 5 x positions within in higher level vacant. Organisation currently in process of organisational review/ redesign. (October 2023) [D82] Senior Manager: Human Resources: 5 x positions within in higher level	75	67	○

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2			
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
												three highest levels of management. (November 2023) [D82] Senior Manager: Human Resources: 67 people from employment equity target groups employed in the three highest levels of management (December 2023)	vacant. Organisation currently in process of organisational review/ redesign (November 2023) [D82] Senior Manager: Human Resources: 5 x positions within in higher level vacant. Organisation currently in process of organisational review/ redesign. (December 2023)			

Finance

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL13	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g))	Ratio achieved	Director: Finance	5.73	Section 71 reports	4.60	0	0	N/A			0	0	N/A
TL14	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue- operating grants received)/debt service payments due within the year) (MPPMR Reg 10 (g))	Ratio achieved	Director: Finance	27.78	Section 71 reports	16	0	0	N/A			0	0	N/A
TL15	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPMR Reg 10 (g))	% achieved	Director: Finance	11.39%	Section 71 reports	11%	0%	0%	N/A			0%	0%	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL16	The provision of democratic, accountable and ethical governance	Financial statements submitted to the Auditor-General by end August 2023	Financial statements submitted	Director: Finance	1	AFS submitted to the AG	1	0	0	N/A	[D177] Deputy Director: Finance & SCM: Not applicable for the period. (October 2023) [D177] Deputy Director: Finance & SCM: Not applicable for the period. (November 2023) [D177] Deputy Director: Finance & SCM: Not applicable for the period. (December 2023)		0	0	N/A
TL17	The provision of democratic, accountable and ethical governance	Submit a reviewed long term financial plan to the CFO by end of October 2023	Reviewed long term financial plan submitted	Director: Finance	1	Reviewed long term financial plan	1	1	1	G	[D246] Senior Manager: Financial Services: SUBMITTED TO CFO (October 2023)		1	1	G

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL18	The provision of democratic, accountable and ethical governance	Report monthly to the MM on the status of 30/60/90 days debtor payments	Number of reports submitted	Director: Finance	0	30/60/90 days Report	12	3	3	G	[D202] Senior Manager: Revenue: Email sent to Director Finance and Municipal Manager on 02/11/2023 (October 2023) [D202] Senior Manager: Revenue: Report submitted to the CFO (November 2023) [D202] Senior Manager: Revenue: Report submitted to CFO on 12/01/2023 (December 2023)	[D202] Senior Manager: Revenue: n/a (October 2023) [D202] Senior Manager: Revenue: n/a (November 2023) [D202] Senior Manager: Revenue: n/a (December 2023)	3	3	G

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL33	The provision and maintenance of municipal services	Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements (MPPMR Reg 10 (b))	Number of Indigent households	Director: Finance	7 367	Monthly summary from the indigent register	7 000	7 000	4 354	R	KPI not met. [D204] Senior Manager: Revenue: 3782 Indigent Households out of 36 815 households (October 2023) [D204] Senior Manager: Revenue: 4119 Indigent Households out of 36 920 households (November 2023) [D204] Senior Manager: Revenue: 4 354 Indigent Households out of 36 968 households (December 2023)	[D204] Senior Manager: Revenue: Busy with rollout of an Indigent Project to register Indigent households asap. 01 July 2023 = 1 491 Indigent households. Add 2 291 Indigent Households (October 2023) [D204] Senior Manager: Revenue: Due to Indigent Project, there was an increase from 1491 households on 01/07/2023 to 4119 households on 30/11/2023. An increase of 176.26%. An Indigent project to register the people who are in need of help and are not yet registered has been put in place. (November 2023) [D204] Senior Manager:			R

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2					
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R			
TL38	The provision of democratic, accountable and ethical governance	Achieve a debt recovery rate not less than 98% (Receipts/total billed for the 12 month period x 100)	% Recovered	Director: Finance	98.98%	Calculation of 12 month rolling average	98%	98%	97.74%	○	[D245] Director: Finance: KPI not met for October 2023. (October 2023) [D245] Director: Finance: KPI not met for November 2023. (November 2023) [D245]	[D245] Director: Finance: The drop in the collection rate is largely due to the change in the Indigent policy. An Indigent project to register the people who are in need of help and are not yet registered has been put in place. (October 2023) [D245] Director:	98%	97.74%	○			

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
											Director: Finance: KPI not met for December 2023. (December 2023)	Finance: The drop in the collection rate is largely due to the change in the Indigent policy. An Indigent project to register the people who are in need of help and are not yet registered has been put in place. (November 2023) [D245] Director: Finance: The drop in the collection rate is largely due to the change in the Indigent policy. An Indigent project to register the people who are in need of help and are not yet registered has been put in place. (December 2023)			

Protection Services

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL25	The creation and maintenance of a safe and healthy environment	Annually review and submit the draft Disaster Management Plan to Council by the end of March	Reviewed plan submitted	Director: Protection Services	1	Council minutes noting the draft Reviewed Disaster Management Plan	1	0	0	N/A			0	0	N/A
TL26	The creation and maintenance of a safe and healthy environment	Annually arrange public awareness sessions on Protection Services by 30 June	Number of sessions held	Director: Protection Services	123	Quarterly statistical report	120	22	27	G2	KPI well met. [D299] Director: Protection Services: Awareness's conducted: 27 (Period: October - December 2023) (December 2023)		22	27	G2
TL27	The creation and maintenance of a safe and healthy environment	Collect R25,000,000 Public Safety Income by 30 June 2024 (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income	Director: Protection Services	R0.00	SAMRAS report and Journal for fines impairment	R25 000 000.00	R6 250 000.00	R5 811 253.00	O	[D300] Director: Protection Services: Target almost met. (December 2023)	[D300] Director: Protection Services: Collection of income to improve in 3rd quarter. (December 2023)	R6 250 000.00	R5 811 253.00	O

Community Services

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL1	The provision of democratic, accountable and ethical governance	100% of the operational conditional grant (Libraries & CDW's) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries & CDW's)	Director: Community Services	100%	Year to date expenses (SAMRAS report)	100%	50%	50.92%	G2	[D436] Director: Community Services (Vacant): KPI Well Met (December 2023)		50%	50.92%	G2
TL2	The provision and maintenance of municipal services	m ² of roads patched and resealed according to Pavement Management System within available budget	m ² of roads patched and resealed	Director: Community Services	94 665	Consultants reseal statistical report	110 000	15 000	14 499	O	[D437] Deputy Director: Operational Services: KPI Almost Met (December 2023)	[D437] Deputy Director: Operational Services: The floods that occurred in September 2023 resulted in various structural damage to our road infrastructure. The contractor had to focus on the initial patchwork before the reseal of the	15 000	14 499	O

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
												road could start. The reseal program is still ongoing in the current financial year and the focus will be on the resealing activities and will increase to ensure that the target is met by June 2023 (December 2023)			
TL5	The provision and maintenance of municipal services	Limit unaccounted water to less than 26% {(Number of kilolitre water purified - Number of kilolitre water sold)/Number of kilolitre purified x 100)}	% of water unaccounted for	Director: Community Services	24.04%	Consolidated report_ SAMRAS (DB4) GFS and Infrastructure (water purified)	25%	0%	0%	N/A			0%	0%	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL6	The encouragement of structured community participation in the matters of the municipality	Ward committee meetings held to facilitate consistent and regular communication with residents	Number of ward committee meetings per annum	Director: Community Services	83	Minutes of the ward committee meetings held	56	14	14	G	[D439] Director: Community Services (Vacant): KPI Extremely Well Met (November 2023) [D439] Director: Community Services (Vacant): No Ward Committee meeting Cycle for the month of December 2023. (December 2023)	[D439] Director: Community Services (Vacant): Council in recess till 21 January 2024, meetings to commence in February 2024. (December 2023)	14	14	G

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL28	The provision and maintenance of municipal services	Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded land unsuitable for housing and private land)	Director: Community Services	464	Annual report from Housing Department indicating the number of informal households (excluding invaded land unsuitable for housing and private land). Report on the GPS coordinates on the number of taps to informal households (excluding invaded land unsuitable for housing and private land)	328	0	0	N/A			0	0	N/A
TL29	The provision and maintenance of municipal services	Provision of cleaned piped water to all formal households within 200 m from households (MPPMR Reg 10 (a))	No of formal households that meet agreed service standards for piped water	Director: Community Services	30 990	Yearly statistics provided by finance department (SAMRAS)	31 324	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL30	The provision and maintenance of municipal services	Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg 10 (a))	Number of formal households for which refuse is removed at least once a week	Director: Community Services	34 819	Yearly statistics provided by finance department (SAMRAS)	35 261	0	0	N/A			0	0	N/A
TL31	The provision and maintenance of municipal services	Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg 10 (a))	Number of weekly removal of refuse in informal households (Once per week = 52 weeks per annum)	Director: Community Services	52	Bi- annual eMIS report on the weekly refuse removal.	52	0	0	N/A			0	0	N/A
TL35	The provision and maintenance of	The provision of sanitation services to informal	The number of toilet structures provided in	Director: Community Services	983	Annual report from Housing Department indicating the	785	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
	municipal services	households (excluding invaded state owned land and private land) based on the standard of 1 toilet to 5 households (MPPMR Reg 10 (a))	relation to the number of informal households (excluding invaded land unsuitable for housing and private land)			number of informal households (excluding invaded land unsuitable for housing and private land). Report on the GPS coordinates for the number of the toilets to informal households (excluding invaded land unsuitable for housing and private land)									

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL36	The provision and maintenance of municipal services	Provision of sanitation services to formal residential households (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg 10 (a))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	Director: Community Services	31 394	Yearly statistics provided by the Department of Finance	31 646	0	0	N/A			0	0	N/A
TL44	The provision and maintenance of municipal services	Provision of water to informal households on invaded land with available funding (? "Land Invasion?" refers to the illegal occupation of land, with the intention of establishing dwellings / a	The number of taps installed for informal households on invaded land with available funding	Director: Community Services	82	Report on the GPS coordinates on the number of taps installed for informal households on invaded land	80	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
		settlement upon it. An invasion may be by one individual or by hundreds of households).													
TL45	The provision and maintenance of municipal services	The provision of sanitation services to informal households on invaded land with available funding (?"Land Invasion?" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding	Director: Community Services	143	Report on the GPS coordinates for the number of toilets provided for informal households on invaded land	105	0	0	N/A			0	0	N/A

Infrastructure & Planning

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL3	The provision and maintenance of municipal services	Quality of effluent comply 75% with general or special limit in terms of the Water Act (Act 36 of 1998)	% compliance	Director: Infrastructure & Planning	80.08%	Report from Directorate Infrastructure (WSA) compiled from independent laboratory test results	75%	75%	76.17%	G2	KPI well met. [D525] Deputy Director: Engineering Planning: 76.17% of effluent quality samples complied with the relevant standards. (December 2023)		75%	76.17%	G2
TL4	The provision and maintenance of municipal services	Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	Director: Infrastructure & Planning	97.83%	Independent Laboratory test result	95%	95%	96.46%	G2	KPI well met. [D526] Deputy Director: Engineering Planning: 96.46% of drinking water quality samples taken complied with the SANS0241 standards. (December 2023)		95%	96.46%	G2

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL19	The provision and maintenance of municipal services	Limit electricity losses to 7.5% or less {(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100}	% of electricity unaccounted for	Director: Infrastructure & Planning	7.20%	Electricity losses Excel spreadsheet from Manager: Costing and Reports in Finance Directorate	7.50%	0%	0%	N/A			0%	0%	N/A
TL20	The provision and maintenance of municipal services	Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	Director: Infrastructure & Planning	1	Letter of submission of Water Services Audit to DWS	1	1	1	G	KPI met. [D529] Deputy Director: Engineering Planning: The 2022/23 Water Services Audit Report was submitted to DWS on 31 October 2023. (October 2023)		1	1	G
TL32	The provision and maintenance of municipal services	Provision of Electricity: Number of metered electrical connections in formal areas (Eskom Areas excluded) (Definition: Refers to residential households (RE) and pensioners (PR) as per Finance departments billed households) (MPPMR Reg 10 (a))	Number of formal households that meet agreed service standards	Director: Infrastructure & Planning	22 475	Based on number of households billed by department of finance	22 500	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL37	The provision and maintenance of municipal services	100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2024 (Actual MIG expenditure/Allocation received)	% expenditure of allocated MIG funds	Director: Infrastructure & Planning	100%	Monthly MIG report	100%	40%	46.30%	G2	[D530] Director: Infrastructure & Planning: Target well met (December 2023)		40%	46.30%	G2

Economic & Social Development & Tourism

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL8	The promotion of tourism, economic and social development	Submit three progress reports on LED, Social Development and Tourism initiatives to Portfolio Committee	Number of progress reports on LED, Social Development and Tourism initiatives submitted	Director: Economic and Social Development	3	Portfolio meeting agenda on the progress reports on LED, Social Development and Tourism initiatives	3	1	1	G	[D543] Director: Economic and Social Development: Target Met (October 2023)		1	1	G

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL9	The promotion of tourism, economic and social development	Managers LED, Social Development and Tourism report on the hosting of at least two joint mobile Thusong outreaches during the financial year to the Director Economic and Social Development and Tourism by 30 June 2024	Report on the mobile Thusong outreach programme	Director: Economic and Social Development	1	Report on the mobile Thusong outreach programme	2	1	1	G	Target met. [D574] Director: Economic and Social Development: Local Economic and Social Development & Tourism Directorate Outreach: Thursday 17 November 2023 10:00 - 15:00 Eluxolweni, Pearly Beach GANSBAAI (November 2023)		1	1	G
TL10	The promotion of tourism, economic and social development	Support 180 SMME's in terms of the SMME Development Programme by 30 June 2024	Number of SMME's supported	Director: Economic and Social Development	134	Internally verified list of SMME'S supported	180	90	90	G	[D557] Director: Economic and Social Development: KPI Met (December 2023)		90	90	G

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL11	The promotion of tourism, economic and social development	Report bi-annually on stakeholder ecosystems (collaborations) for local economic development, social development and tourism	Number of reports	Director: Economic and Social Development	0	Bi-annual reports on stakeholder ecosystems for LED, Social Development and Tourism	6	3	4	G2	[D558] Manager: LED: Three Stakeholder Databases are submitted in fulfilment of the requirements of this KPI (December 2023) [D559] Manager: Social Development: Report submitted. (December 2023) [D587] Manager: Tourism: Stakeholder eco system report as from Tourism Indaba September 2023 and updated Overstrand Tourism Strategy as amended in December 2023.		3	4	G2

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
											(December 2023)				
TL12	The promotion of tourism, economic and social development	The number of job opportunities created through the EPWP programme and as per set targets (as per grant agreement - FTE's, translates to 1079 work opportunities) (MPPMR Reg 10 (d))	Number of temporary jobs created	Director: Economic and Social Development	837	Internally verified list of beneficiaries appointed	1 079	300	365	G2	[D560] Director: Economic and Social Development: Target Well Met (October 2023)		300	365	G2

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Baseline	Source of Evidence	Annual Target	Quarter 2 (1 October to 31 December 2023)					Overall Performance for Quarter 2		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL39	The promotion of tourism, economic and social development	Support 70 SMME's in terms of the Emerging Contractor Development Programme by 30 June 2024	Number of Emerging Contractors supported	Director: Economic and Social Development	72	Internally verified list of small contractors supported/ Letters of engagement	70	35	59	B	KPI extremely well met. [D562] Manager: LED: Report attached (December 2023)		35	59	B

RECOMMENDATION TO THE COUNCIL:

that the content of the report for the second quarter of the 2023/24 financial year on the top-level Service Delivery and Budget Implementation Plan **be noted**.

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.

Opening Balance 01/07/2023			R235 451.78
Add: Overstrand Budget Allocation 2023/2024			R1 400 000.00
Donations received:			
Quarter 1	Donations received	100.00	
Quarter 2	Donations received	150.00	
Quarter 3	Donations received		
Quarter 4	Donations received		
			R250.00
Amounts withdrawn:			
Quarter 1	12 APPL PASSED LEARNERS LICENCE	-816.00	
	9 APPL PASSED LEARNERS LICENCE	-612.00	
	5 APPL PASSED LEARNERS LICENCE	-165.00	
	BIERMAN MALAN OPTOMETRISTS-SINDI SEPTEMBER GLASSES	-1 200.00	
	2 APPL PASSED LEARNERS LICENCE	-66.00	
		-2 859.00	
Quarter 2	OVERBERG KARATE FEDERATION 20230814	-3 000.00	
	HERMANUS CHILD & FAMILY SERVICES 20231107	-25 000.00	
	FYNBOS SENIOR SENTRUM 20231107	-24 000.00	
	LAKESIDE CHAPEL 20231107	-15 000.00	
	VOS COASTAL PATH 20231107	-20 000.00	
	0 PEARLY SHELL SERVICE CENTRE- COUNC CARE PROJECT	-5 000.00	
	HAWSTON HEALTH AND WELFARE - COUNC CARE PROJECT	-6 000.00	
	HAWSTON FOOTBALL CLUB - COUNC CARE PROJECT	-15 000.00	
	HAWSTON FOOTBALL CLUB - COUNC CARE PROJECT	-5 000.00	
	PEARLY SHELL SERVICE CENTRE-COUNCIL CARE PROJ FU	5 000.00	
	BLOMMELAND DAYCARE-COUNCIL CARE PROJ FUNDS	-2 600.00	
	RIVER MOUNT HOPE-COUNCIL CARE PROJ FUNDS	-2 000.00	
	NEO LIFE NPO-COUNCIL CARE PROJ FUNDS	-2 000.00	
	SALIM UNITED FC-COUNCIL CARE PROJ FUNDS	-25 000.00	
	PEARLY SHELL SERVICE CENTRE-COUNCIL CARE PROJ FU	-5 000.00	
	SHILOAH EDUCARE-COUNCIL CARE PROJ FUNDS	-3 500.00	
		-153 100.00	
Quarter 3			
Quarter 4			
			-R155 959.00
Closing Balance 31 December 2023			<u>R1 479 742.78</u>

<p><u>OVERSTRAND MUNICIPALITY - REPORTING ON THE MUNICIPAL COST CONTAINMENT REGULATIONS, 2019</u> <u>DECEMBER 2023</u></p>
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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.

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”)

	Budget	Q1 (Actual)	Q2 (Actual)	Q3 (Actual)	Q4 (Actual)	Savings
Measures	<u>R</u>	<u>R</u>	<u>R</u>	<u>R</u>	<u>R</u>	<u>R</u>
Use of Consultants	38 920 480	3 800 974	8 375 220			
Vehicles used for political office-bearers	0	0	0	0	0	0
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.)	875 069	202 879	236 648			
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.)	358 367	105 871	48 069			

ANNEXURE C 3/3

Sponsorships, events and catering	1 656 581	133 807	261 227			
Communication	7 350 131	640 681	1 322 517			
Other related expenditure items	0	0	0	0	0	0
Total	49 411 482	4 884 212	10 243 681			

MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA): POST IMPLEMENTATION STATUS OF mSCOA PROJECT – DECEMBER 2023

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 Samras Classic, 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 previously (up to 31 December 2019), as part of the reporting to Council.

2. Updated status 2023/2024: December 2023

The Usergroup meeting was held on 13 December 2023 via the Teams platform. The status quo is still maintained regarding further considerations with regard to system implementation, pending the outcome of successful implementation of the organogram and SCM module at other comparable user sites.

At these Usergroup meetings feedback is shared by the service provider with regard to progress made with development of the respective Web Modules, as well as the updated status of these municipal sites where specific web module implementation/testing are in process. The most recent usergroup meeting did not provide any meaningful progress at high capacity sites selected by the municipality for monitoring.

The municipality furthermore experienced major challenges with incorrect regulatory reports from the system on a monthly basis since 1 July 2023, with seemingly no permanent solution to resolve, and prevent this from occurring again. This matter was escalated to senior management and continuous monitoring by the municipality is taking place.

The mSCOA chart is reviewed on an annual basis to address implementation challenges and correct chart related errors. Towards this end, Version 6.8 is released with MFMA Budget Circular no 126 on 7 December 2023. Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF.

Status 2023/2024: Sept 2023 (Quarter 1)

No further consideration is currently being given by Overstrand Municipality for the implementation of further web modules, pending the planned visit to Stellenbosch Municipality by a number of municipalities, in order to determine the progress with implementation of the SCM module, for any further consideration. This visit will take place during the first week of October 2023 and will subsequently be included in the next reporting to the council.

Status 2022/2023: June 2023 (Combined quarter 1-4)

Overstrand municipality has arranged site visits to Stellenbosch and Breede Valley municipality's to observe the implementation of the Web-based SCM Module. The dates has still to be confirmed by the respective municipalities.

During the 3rd & 4th quarters, Solvem implemented the latest version 6.7 of the mSCOA chart on the web-based budget module. The budget for the 2023/2024 MTREF was captured and successfully implemented on the web module by 2 July 2023.

MFMA Budget Circular No. 122 (9 Dec 2022) guided as follows:

“Regulation of Minimum Business Processes and System Specifications

National Treasury will review and regulate minimum business processes and system specifications for mSCOA by the end of 2024/25. In preparation for the regulation of the minimum requirements, municipalities should ensure that they comply fully with the current minimum business processes and system specifications articulated in MFMA Circular No. 80 (dated 08 March 2016).

Where a municipality is not fully compliant with the mSCOA requirements, a mSCOA Road Map must be in place to drive and fast track the mSCOA implementation in the municipality. The mSCOA Steering Committee, chaired by the Accounting Officer or his/her delegate, must use the mSCOA Road Map to track progress and take correction actions where required.

Road Maps must be reviewed and updated annually as part of the budget process is update and submitted to Council for approval together with their 2023/24 MTREF budget. Municipalities will be required to upload their updated mSCOA Road Maps in a PDF format on the GoMuni Upload portal as part of their 2023/24 MTREF tabled and adopted budget submission and thereafter on a quarterly basis as part of their in-year reporting.

Municipalities should ensure that they budget sufficiently to become and remain mSCOA compliant.”

Communication with the service provider is taking place on a regular basis with the attendance of all SAMRAS Usergroup workshops and meetings by senior Finance Directorate - and ICT Department staff in this regard. In providing insight regarding monitoring of progress with the development and implementation of web-based modules, the following background –

A senior delegation from the service provider (SOLVEM) made an on-site courtesy visit on 12 September 2022 and general systems information and incidents logs status were discussed and reviewed. Overstrand will continue to monitor progress with reference to implementation, especially relating to the client-wide implementation of the Expenditure/SCM module.

Challenges were experienced with the August 2022 reporting cycle system information extracts and reports, and although the incidents were logged timeously with the service provider, the issues were only resolved after the reporting due dates. A report on the system failure was requested from the service provider, and submitted to Provincial Treasury in response to an official enquiry by them.

The next Usergroup meeting was held on 20 October 2022 via the Teams platform. For Overstrand, the status quo is maintained regarding further considerations with regard to system implementation, pending the outcome of successful implementation of the organogram and SCM module at other comparable user sites.

Usergroup meetings allow 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 was in process. Confirmation of the dates for the next workshop and meeting are awaited.

The mSCOA committee currently follows a process of monthly monitoring with regard to before-mentioned development and implementation of web-based modules at sites as we become aware of information. Assurance of successful implementation of web-based modules and the organogram are regarded as a pre-requisite for embarking on implementation of these modules.

The Action Plan of the municipality is based on the communication received from Solvem, containing the high level information of the modules required (migration to the web) to ensure integration with 3rd party systems and implementation of functionality with regard to workflow and document management. It is however important to note that the following status update for March 2022, is still relevant to the extent that none of those implementations could be confirmed as completed and successfully implemented in the respective municipal environments.

The most recent Usergroup meeting was held on 6 April 2023 in hybrid format, in person and via the Teams platform. For Overstrand, the status quo remains the same as at the end of March 2023 regarding further considerations with regard to system implementation. The municipality follows up regarding the outcome of successful implementation of the organogram and SCM module at other comparable user sites. This development will be closely monitored and any important matters impacting on the Overstrand contract, service rendering levels, etc will be reported to Council, as well as the relevant spheres of government as might be applicable, inclusive of any assessment outcome. The administration will maintain continuation of quarterly reports as part of Budget Reports, due to the process currently still not leading to a close-out report in the current financial period.

A two-person delegation from the service provider (Solvem) made an on-site courtesy visit on 12 September 2022 and general systems information and incidents logs status

were discussed and reviewed. Overstrand will continue to monitor progress with reference to implementation, especially relating to the client-wide implementation of the Expenditure/SCM module.

Challenges were experienced with the August 2022 reporting cycle system information extracts and reports, and although the incidents were logged timeously with the service provider, the issues were only resolved after the reporting due dates. A report on the system failure was requested from the service provider, and submitted to Provincial Treasury in response to an official enquiry by them.

3. National Treasury budgetary mSCOA guidance / communications:

The absence of any clear direction from National Treasury in terms of the anticipated outcome of the mSCOA systems audits as previously communicated, inclusive of National Treasury's envisaged transversal tender process and specifications, compounded challenges for municipalities. NT did not share any further information regarding the mentioned audits and confirmed in MFMA Budget Circular No. 112 (6 Dec 2021) the following: "However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and mSCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are."

The following was furthermore stated: "Municipalities that procured systems through the RT25-2016 transversal tender must approach the market to procure a new service provider for system support and maintenance. Due to the high financial investment in procuring financial systems, it is not cost effective to change financial systems every 3 to 5 years. Also, the expiry of the SLA does not necessitate the procurement of a new financial system - unless the system that is being used is not complying with the required business processes and system specifications." From before-mentioned it can be derived that NT will not provide for any further communication to Local Government with regard to the before-mentioned release of audit results to assist municipalities with the outcome of their process in this regard. It is rather stated in the circular again that "It should be emphasised that the onus to ensure compliance with the mSCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities should ensure that they budget sufficiently to become and remain mSCOA compliant."

National Treasury issued the following Circulars and guidance relating to mSCOA from December 2021 to March 2022:

- i. Municipal Budget Circular (No 112) for the 2022/23 MTREF - 04 December 2021;
- ii. Municipal Budget Circular (No 115) for the 2022/23 MTREF - 04 March 2022;

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

- mSCOA Segment Detail – (Final Version 6.6 – 6 Dec 2021) for implementation 2022/22
- mSCOA Segment Detail – (6.6.1. Patch to Version 6.6 – 4 Mar 2022) for implementation 2022/23

It was furthermore now advised in the Budget Circular for this draft budget cycle (No 112): “That the credibility of the mSCOA data strings remains a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the mSCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/ from their core financial systems; have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (mSCOA enabling) version of their financial systems;
- A number of municipalities are still transacting on their legacy systems that are not the functionality of their financial systems, while they are paying for maintenance and support for the mSCOA enabling system that was procured. This constitute fruitless and wasteful expenditure; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2022/23, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

Municipalities should refer to the guidance provided in the mSCOA circulars issued by the National Treasury to classify their transactions correctly.”

Section 5.3 of the circular also addresses the Regulation of Minimum Business Processes and System Specifications as follows:

“One of the key objectives of the mSCOA reform is to ensure that municipalities are planning, budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the mSCOA Regulations.

All municipalities and municipal entities had to comply with the mSCOA Regulations by 1 July 2017. MFMA Circular No. 80 (Annexure B) provided guidance on the minimum business processes and system specifications for all categories of municipalities (A, B

and C). A number of Regulations and best practices as per the MFMA Circulars have been introduced since the issuing of MFMA Circular No. 80 in 2016.

The National Treasury will expand and regulate the business processes and system specifications in 2022/23 to these new developments. If your municipality has not yet achieved the minimum required level of mSCOA implementation, then a detailed action plan (road map) must be developed to indicate how the municipality will fast track the implementation of mSCOA.”

The Overstrand mSCOA Committee will at all times consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monetary perspective in this regard, this also in accordance with previous confirmations in this regard.

4. SAMRAS Usergroup Workshops & Meetings:

The following status reported on for Quarter 4 thus still applies –

“The service provider is still in process of continuous development of the Web system modules, with ongoing efforts to migrate West Coast District Municipality, Stellenbosch Municipality, George Municipality, Breede Valley Municipality and Bitou Municipality among other, starting with the initial steps (organogram, commodity codes, contract management data), in preparing (municipalities at various stages currently) for the roll-out of primarily the SCM web module, as the new version to replace the current classic version of the system ultimately.”

The municipality is awaiting feedback from the service provider with regard to the testing of the Organogram functionality, a prerequisite for any other modules to be implemented in the web.

The service provider of the SAMRAS system (Solvem) arranged for 2 day-sessions Tuesday 7 June 2022 to Wednesday 8 June 2022 to assist them in testing the development of modules up to date, indicating that they are looking forward to getting the best out of the training and workshop sessions to improve their product and user experience.

The two days were followed by the quarterly Usergroup meeting on 9 June 2022.

Previous SOLVEM SAMRAS Usergroup workshop and Usergroup meeting took place as a hybrid virtual/physical sessions on 3 - 4 November 2021.

The service provider is still in process of continuous development of the Web system modules, with ongoing efforts to migrate West Coast District Municipality, Stellenbosch Municipality, George Municipality, Breede Valley Municipality and Bitou Municipality among other, starting with the initial steps (organogram, commodity codes, contract management data), in preparing (municipalities at various stages currently) for the roll-out of primarily the SCM web module, as the new version to replace the current classic version of the system ultimately. On request of Overstrand Municipality to view a demo of the Asset Register, the municipality was advised that the web version is not ready yet.

This is regarded as one of the critical considerations of a desirable The next SAMRAS Usergroup workshop and Usergroup meetings scheduled for March 2022 were postponed on request of the service provider, to April 2022.

The necessary evidence and confirmation required, confirming that the service provider is in a position to provide the required resources is currently considered by the Overstrand mSCOA / conversion committee. Before-mentioned, inclusive of an updated and detailed project plan for a viable migration process, with regard to the SCM module to the web-based platform identified by SAMRAS as a critical priority, and during 2021 listed for actioning in the third quarter of the 2021/2022 financial year. The municipality is however currently aware of one municipality where this module has been implemented and functional, though not representing the complete supply chain management functionality and workflow areas representative of formal procurement processes. During the next quarter (Apr 2022 onwards) a site visit to a municipality, who will be able to demonstrate the functionality of the implementation in the production environment, is envisaged.

It is again confirmed that the administration will consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational-and/or monetary perspective in this regard. As stated in previous reporting, the status as at 31 December 2021 remains the same with regard to the absence of any clear direction from National Treasury in terms of the outcome of systems audits.

The mSCOA committee currently follows a process of monitoring progress with regard to before-mentioned development and implementation of web-based modules at sites as we become aware of information. Assurance of successful implementation of web-based modules is regarded as a pre-requisite for embarking on implementation of these modules.

Matters regarded of importance and impacting on the Overstrand contract, service rendering levels, etc will be reported to Council, with the continuation of quarterly reports as part of the Budget Report, due to the process currently still not leading to a close-out report in the current financial period.

5. Previous quarter/historic status up to December 2021

mSCOA Project Governance and Management: Solvem (previously Bytes Systems Integration) and engagements with regard to the Samras Financial System)

It was reported to Council (Dec 2020, Quarter 2) that Overstrand Municipality received correspondence on 31 December 2020 from the service provider (Bytes Systems Integration) for the financial system currently in use (SAMRAS), inclusive of the following notification as corresponded to National Treasury:

“this letter serves to advise that the service provider for the SAMRAS system has changed from Altron TMT (Pty) Ltd to Solvem Consulting (Pty) Ltd. The effective date of the business transfer is the 1 December 2020. The transfer of the resources will be the 1 January 2021. The SAMRAS product and service offerings remain the same. The full

resource team transfers in a section 197 process and hence continuity of service will be uninterrupted to our current clients.”

It was also confirmed that this development will be closely monitored and any important matters impacting on the Overstrand contract, service rendering levels, etc. will be reported to Council, with the continuation of this quarterly report, due to the process still not leading to a close-out report in the near future.

The feedback provided to municipalities a year ago (March 2021) focused on the continuous development of the Web system modules and importantly, efforts currently with regard to the gradual migration of West Coast District Municipality, Stellenbosch Municipality, and lately George Municipality, in particular to the web modules. Progress with these efforts are currently at various stages, which could not be established as completed migration processes from the classic environment to the web. Other instances of municipalities involved and the extent of these municipal sites where specific web module testing is currently underway, or planning processes could not be established during these workshops and the usergroup meeting on the 4th of March 2021, to provide the necessary evidence and confirmation that the service provider is currently in a position to provide the required resources and detailed project plan for a viable migration process with regard to any substantial module or section of a module, to the web-based platform.

The service provider provided the following feedback in terms of further development of web modules attended to, since the previous usergroup meeting towards the end of 2020, up to the end of February 2021:



The Overstrand mSCOA Committee awaited detailed information requested from the service provider, in order to consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monetary perspective.

mSCOA Circulars

The inclusion of the following reference with regard to most recent mSCOA circulars in the past 2 years aims to provide Council with an overview of progress made by National Treasury in the roll-out of the mSCOA Regulation thus far -

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 in June 2020, notwithstanding that this circular was issued on the same day that the Special Adjustments Budget was submitted to be tabled in Council.

Municipal SCOA Circular No. 10 – 14 October 2020: Cash Flow Guidance

This circular is to provide further guidance to municipalities on the correct use of the municipal standard chart of accounts (mSCOA) data strings to populate the cash flows tables in Schedules A, B and C of the Municipal Budget Reporting Regulations (MBRR). To ensure that the MBRR cash flow tables (A7, SA30, B7 and C7) are linked correctly to the mSCOA data strings.

National Treasury corrected the linkages in the segment item: asset and liabilities.

Municipal SCOA Circular No. 11 – 4 December 2020: Guidance on the use of the Fund Segment

The purpose of this circular is to provide guidance to municipalities on the use of the Fund segment.

Following the guidance provided in Circular 10, the following cash flow issues still had to be corrected and/or clarified:

- The recording of unallocated deposits;
- The duplication of capital assets other expenditure (trade and other payables – payables and accruals);
- The linking of construction Work-In-Progress (CWIP) to capital assets in Table A9 of the A1 Schedule;
- The linking of advance payments and retentions to the cash flow tables;
- The distinction of and payment between Inventory, Contracted Services and Other Expenditure line items not specifically listed under Liabilities in the mSCOA chart; and
- The linking of Income tax receivable, Income tax payables, Value Added Tax (VAT) receivable, VAT payable, Accrued interest on receivables to cash flow/payments.

Municipal SCOA Circular No. 12 – 01 October 2021: Guidance on Value Added Tax (VAT)

The purpose of this circular is to provide guidance to municipalities on how to budget, transact and report for Value Added Tax (VAT) using the Municipal Standard Chart of Accounts (mSCOA) chart.

The following guidance is provided in Circular 12:

- When municipalities prepare their MTREF budgets, it must be exclusive of VAT and therefore the regulated budget Tables A4 and A5 must be VAT exclusive.
 - It should also be noted that the accounts for Input and Output Tax on the mSCOA chart is named Input and Output VAT and irrecoverable debt is referred to as bad debt. Therefore, where reference is made to the VAT accounts in the chart in the examples used to explain the VAT transactions, Input and Output VAT and bad debt is used as per the mSCOA chart.
 - These discrepancies in the terminology will be corrected in version 6.6 of the chart.
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