

**AGENDA of the
Portfolio Committee: Finance & Tourism
24 April 2023
(Also the agenda for the Mayoral Committee Meeting: 24 April 2023)**

**5.
BUDGET REPORT AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION
PLAN (SDBIP) FOR THE QUARTER ENDED MARCH 2023**

**BA King
15 March 2023**

Senior Manager: Financial Services

(028) 313 8154

1. Executive Summary

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

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Finance
Financial Services

Directorate: Management Services
Strategic Services

3. Compliance with Strategic Priority

Promotion of tourism, economic and social development
Provision and maintenance of municipal services
Provision of democratic, accountable and ethical governance
Encouragement of structured community participation in the affairs of the municipality
Creation and maintenance of a safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

Section 52(d) of the Local Government: Municipal Finance Management Act, (Act 56 of 2003) [MFMA]

6. Background/Discussion/Evaluation/Conclusion

Background

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

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Discussion

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

The SDBIP report, included as Appendix 1 of the quarterly budget report, is a layered plan comprising the Top Level SDBIP.

The top level SDBIP measures the achievement of the strategic performance indicators of the municipality. These include the prescriptive performance indicators prescribed by Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001.

The following additional reporting information is also included:
The Executive Mayor's special fund report is attached as Annexure B.

The Cost Containment Regulations, 2019 report, attached as Annexure C, represents the status up to the end of March 2023 (Quarter 3).

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

7. Financial Implications

None

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

The contents of the SDBIP reflects the information submissions from the relevant affected officials.

10. Annexures

- Annexure A: Budget Report and SDBIP for the quarter ended March 2023
- Annexure B: Executive Mayor's special fund – March 2023
- Annexure C: Status report on the Cost Containment Regulations, 2019 – March 2023
- Annexure D: Municipal Regulations on the Standard Chart of Accounts (mSCOA): Post Implementation Status of the mSCOA Project – March 2023

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RECOMMENDATION TO THE COUNCIL:

1. that the budget report and service delivery and budget implementation plan for the quarter ended March 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 third quarter of the 2022/2023 financial year, on the top level Service Delivery and Budget Implementation Plan **be noted**.

RESPONSIBLE OFFICIALS :

**BA KING
RG LOUW**

TARGET DATE FOR IMPLEMENTATION :

TO BE NOTED



QUARTERLY BUDGET REPORT AND SDBIP MARCH 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 third quarter ended 31 March 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 March 2023. It is however important to note that as a country we are faced with the following major challenges. Inflation is above the Reserve Bank's 3 – 6% target range, interest rates are on the rise, as demonstrated by the latest Repo Rate increase and the current energy crisis is a major stumbling block in 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 third quarter's financial position.

YTD Actual operating revenue at the end of the third quarter for 2022/2023 is at 77.13% of the budgeted revenue of R1.511bn. The expenditure reflects spending of 66.84% against the budgeted expenditure of R1.610bn.

YTD Capital expenditure at the end of March 2023 amounts to R81.1m, or 39.32% of the amended budget of R206.2m. Refer to the table on page 28 for the implementation status of the Top 10 Capital Projects.

Two Adjustments Budget was tabled during this quarter.

The collection rate gained traction during the 2022/2023 financial year and at the end of March 2023 this stood at 99,93%.

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

Resolutions

IN-YEAR REPORTS 2022/2023

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

RECOMMENDATION TO THE COUNCIL:

that the budget report and service delivery and budget implementation plan for the quarter ended March 2023, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003 and additional information, **be noted**.

Executive Summary

COVID-19

The National State of Disaster was terminated as from 5 April 2022. The overall impact of COVID-19, relating to the municipality's finances, is still being closely monitored.

The current prolonged load-shedding is having a notable negative impact on electricity revenue, which is largely being mitigated by reduced bulk electricity purchases. This will however still impact 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, and especially over the peak holiday season did not meet expected electricity sales.

Revenue by Source

The Year-to-Date actual revenue is 0.66% above the YTD budget projections at the end of March 2023.

Borrowings

The balance of borrowings amounts to R447.2m at the end of March 2023.

Operating expenditure by vote & type

Current expenditure is 3.35% below YTD budget projections as at March 2023.

Capital expenditure

The YTD Capital expenditure amounts to R81.1m or 39.32% of the amended budget of R206.2m. The current capital commitments of orders in progress amounts to R63.4m or 30.75% of the amended capital budget of R206.2m.

Cash flows

The municipality started the year with a positive cash balance of R616.3 million. The March 2023 closing balance is R758 million. Refer to Supporting Table SC9 for more details on the cash position.

Allocations received (National & Provincial Grants)

Grants totaling R71.9m was received during March 2023.

Spending on Grants

Spending on grants amounts to R10.7m for March 2023 which includes FMG, MIG, EPWP, INEP, WSIG, Resource funding for establishment of Reaction Unit, Municipal Service Delivery & Capacity Building Grant, FMCG, Community Library Grant & Provincial Housing - Construction Contracts.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M09 March			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Total	0.66%		
Expenditure By Type			
Total	-3.36%		
Capital Expenditure			
Total	-40.12%	Capital Commitments = R63.4m	
Financial Position			
In order			
Cash Flow			
In order			

Total Revenue (including capital grants)

R thousand	Amended Budget	YearTD actual	% of Budget Received/Spent
Revenue	1,607,226	1,203,220	74.86%
Expenditure	1,610,448	1,076,509	66.85%
Surplus / (Deficit)	(3,222)	126,711	
Capital	206,216	81,094	39.32%

Total Revenue (excluding capital grants)

R thousand	Amended Budget	YearTD actual	% of Budget Received/Spent
Revenue	1,511,017	1,165,385	77.13%
Expenditure	1,610,448	1,076,509	66.85%
Surplus / (Deficit)	(99,431)	88,876	
Capital	206,216	81,094	39.32%

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.

In-year budget statement tables / ...

Table C1: s71 Monthly Budget Statement Summary

WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M09 March

Description	2021/22	Budget Year 2022/23							
	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	278,154	287,941	287,941	24,308	221,627	219,675	1,953	1%	287,941
Service charges	825,796	849,642	835,994	68,948	635,475	630,518	4,957	1%	835,994
Investment revenue	31,908	24,871	34,671	1,710	28,268	28,268	-		34,671
Transfers and subsidies	151,903	166,184	179,496	41,177	156,145	156,145	-		179,496
Other own revenue	185,952	169,515	172,915	12,247	123,869	123,153	716	1%	172,915
Total Revenue (excluding capital transfers and contributions)	1,473,713	1,498,153	1,511,017	148,389	1,165,385	1,157,759	7,626	1%	1,511,017
Employee costs	454,614	504,478	505,797	39,138	366,756	368,252	(1,497)	-0%	505,797
Remuneration of Councillors	11,538	12,335	12,335	961	8,947	9,252	(305)	-3%	12,335
Depreciation & asset impairment	147,004	146,596	146,596	12,216	109,947	109,947	-		146,596
Finance charges	47,584	48,056	48,056	2,210	25,816	25,816	-		48,056
Materials and bulk purchases	404,258	436,298	436,289	24,138	272,475	290,488	(18,013)	-6%	436,289
Transfers and subsidies	12,813	13,057	14,786	1,266	10,372	10,372	-		14,786
Other expenditure	417,989	434,152	446,588	32,445	282,197	299,732	(17,535)	-6%	446,588
Total Expenditure	1,495,800	1,594,971	1,610,448	112,374	1,076,509	1,113,859	(37,349)	-3%	1,610,448
Surplus/(Deficit)	(22,087)	(96,819)	(99,431)	36,015	88,876	43,900	44,976	102%	(99,431)
Transfers and subsidies - capital (monetary allocations)	37,978	72,254	81,141	3,802	29,838	29,838	-		81,141
Contributions & Contributed assets	4,499	12,662	15,068	75	7,997	7,997	-		15,068
Surplus/(Deficit) after capital transfers & contributions	20,390	(11,902)	(3,222)	39,892	126,711	81,735	44,976	55%	(3,222)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	20,390	(11,902)	(3,222)	39,892	126,711	81,735	44,976	55%	(3,222)
Capital expenditure & funds sources									
Capital expenditure	192,377	236,020	206,216	10,256	81,094	135,433	(54,340)	-40%	206,216
Capital transfers recognised	91,365	123,702	137,994	6,337	57,028	89,109	(32,082)	-36%	137,994
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	65,237	80,175	38,411	2,912	15,160	25,208	(10,048)	-40%	38,411
Internally generated funds	35,775	32,143	29,811	1,006	8,906	21,116	(12,210)	-58%	29,811
Total sources of capital funds	192,377	236,020	206,216	10,256	81,094	135,433	(54,340)	-40%	206,216
Financial position									
Total current assets	784,312	594,291	682,037		914,675				682,037
Total non current assets	3,946,528	4,162,847	4,116,242		3,923,535				4,116,242
Total current liabilities	305,751	346,808	321,025		308,978				321,025
Total non current liabilities	703,137	711,285	713,370		680,805				713,370
Community wealth/Equity	3,721,952	3,699,046	3,763,883		3,848,427				3,763,883
Cash flows									
Net cash from (used) operating	199,993	104,629	118,804	91,750	258,859	258,696	(162)	-0%	118,804
Net cash from (used) investing	(193,544)	(241,000)	(211,196)	(10,671)	(84,829)	(84,829)	-		(211,196)
Net cash from (used) financing	(2,893)	1,377	1,377	(5,062)	(32,306)	(32,306)	-		1,377
Cash/cash equivalents at the month/year end	616,280	431,308	525,264	-	758,003	757,841	(162)	-0%	525,264
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	69,409	4,315	2,766	2,326	2,113	1,772	9,972	48,110	140,783
Creditors Age Analysis									
Total Creditors	5,160	-	-	-	-	-	-	-	5,160

Table C2: Monthly Budget Statement – Financial Performance (standard classification)**WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March**

Description	2021/22	Budget Year 2022/23							
	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>	390,897	384,994	398,420	41,930	318,616	315,406	3,210	1%	398,420
Executive and council	53,624	50,470	50,944	14,290	50,951	50,873	78	0%	50,944
Finance and administration	337,273	334,524	347,476	27,641	267,664	264,533	3,131	1%	347,476
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	164,894	152,578	161,611	10,108	105,914	105,380	534	1%	161,611
Community and social services	9,726	8,776	8,870	960	6,393	6,652	(259)	-4%	8,870
Sport and recreation	15,568	10,972	11,572	1,111	11,959	8,679	3,279	38%	11,572
Public safety	48,216	35,995	41,335	2,630	28,514	31,001	(2,487)	-8%	41,335
Housing	91,383	96,834	99,834	5,407	59,047	59,047	-	-	99,834
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	24,301	24,399	28,378	2,117	19,881	20,211	(330)	-2%	28,378
Planning and development	17,461	13,483	13,783	1,992	13,271	12,464	807	6%	13,783
Road transport	6,342	10,879	14,558	124	6,571	7,718	(1,148)	-15%	14,558
Environmental protection	498	37	37	-	39	28	11	41%	37
<i>Trading services</i>	936,098	1,021,099	1,018,817	98,111	758,809	754,597	4,213	1%	1,018,817
Energy sources	557,894	615,533	610,451	50,037	428,975	438,138	(9,163)	-2%	610,451
Water management	156,426	167,048	169,604	19,294	140,968	134,193	6,775	5%	169,604
Waste water management	123,924	139,720	140,185	16,420	107,390	104,139	3,251	3%	140,185
Waste management	97,854	98,797	98,577	12,360	81,476	78,127	3,349	4%	98,577
<i>Other</i>	-	-	-	-	0	0	-	-	-
Total Revenue - Functional	1,516,190	1,583,069	1,607,226	152,266	1,203,220	1,195,593	7,626	1%	1,607,226
Expenditure - Functional									
<i>Governance and administration</i>	295,156	315,410	316,698	21,409	212,597	219,213	(6,615)	-3%	316,715
Executive and council	65,261	74,067	72,937	5,289	50,177	50,306	(129)	0%	72,952
Finance and administration	226,997	237,178	240,157	15,860	160,016	166,203	(6,188)	-4%	240,158
Internal audit	2,898	4,165	3,604	260	2,405	2,703	(298)	-11%	3,604
<i>Community and public safety</i>	247,198	267,374	276,403	19,452	193,550	197,972	(4,422)	-2%	276,412
Community and social services	20,500	21,751	22,273	1,319	15,006	16,089	(1,084)	-7%	22,293
Sport and recreation	53,049	63,035	62,184	4,196	43,918	45,341	(1,423)	-3%	62,178
Public safety	126,920	118,758	128,863	9,894	91,244	93,228	(1,984)	-2%	128,858
Housing	46,729	63,829	63,084	4,042	43,382	43,313	69	0%	63,082
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	183,133	198,290	189,032	15,959	131,079	133,938	(2,859)	-2%	189,006
Planning and development	47,152	53,256	51,965	3,753	34,510	35,973	(1,463)	-4%	51,980
Road transport	114,891	121,995	111,881	10,228	79,367	80,111	(744)	-1%	111,840
Environmental protection	21,090	23,039	25,186	1,978	17,202	17,854	(652)	-4%	25,186
<i>Trading services</i>	767,390	810,381	823,887	54,898	536,526	559,714	(23,188)	-4%	823,887
Energy sources	438,281	480,315	467,207	28,747	295,829	310,405	(14,576)	-5%	467,207
Water management	131,792	133,992	140,738	10,716	87,386	90,683	(3,297)	-4%	141,838
Waste water management	110,529	103,774	120,359	8,542	85,772	88,969	(3,196)	-4%	119,258
Waste management	86,788	92,299	95,584	6,894	67,538	69,657	(2,119)	-3%	95,584
<i>Other</i>	2,923	3,517	4,429	656	2,757	3,022	(265)	-9%	4,429
Total Expenditure - Functional	1,495,800	1,594,971	1,610,448	112,374	1,076,509	1,113,859	(37,349)	-3%	1,610,448
Surplus/ (Deficit) for the year	20,390	(11,902)	(3,222)	39,892	126,711	81,735	44,976	55%	(3,222)

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) - M09 March

Vote Description	2021/22	Budget Year 2022/23							
	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	53,270	50,312	50,786	14,289	50,759	50,759	-		50,786
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-		-
Vote 3 - Management Services	3,603	869	1,069	37	1,032	801	231	28.8%	1,069
Vote 4 - Finance	323,686	327,436	337,236	27,534	263,056	260,919	2,137	0.8%	337,236
Vote 5 - Infrastructure & Planning	672,305	730,542	739,119	57,245	499,403	506,683	(7,280)	-1.4%	739,119
Vote 6 - Protection Services	48,857	35,995	41,335	2,630	28,514	28,001	513	1.8%	41,335
Vote 7 - Economic and Social Development & Tourism	4,846	2,811	3,111	600	2,282	2,334	(51)	-2.2%	3,111
Vote 8 - Community Services	409,623	435,105	434,571	49,931	358,173	346,096	12,076	3.5%	434,571
Vote 9 - Costing Services	-	-	-	-	-	-	-		-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-		-
Total Revenue by Vote	1,516,190	1,583,069	1,607,226	152,266	1,203,220	1,195,593	7,626	0.6%	1,607,226
Expenditure by Vote									
Vote 1 - Council & Mayor's Office	36,404	44,592	47,361	3,261	33,139	35,521	(2,382)	-6.7%	47,361
Vote 2 - Municipal Manager & Internal Audit	6,042	8,042	7,569	529	4,856	5,477	(621)	-11.3%	7,569
Vote 3 - Management Services	57,226	65,889	65,456	4,698	44,757	47,880	(3,123)	-6.5%	65,456
Vote 4 - Finance	79,557	106,313	102,296	6,177	69,115	70,551	(1,436)	-2.0%	102,296
Vote 5 - Infrastructure & Planning	690,779	734,810	742,136	49,839	478,513	500,505	(21,992)	-4.4%	742,136
Vote 6 - Protection Services	123,167	119,732	127,662	10,185	89,508	90,696	(1,188)	-1.3%	127,662
Vote 7 - Economic and Social Development & Tourism	15,122	17,570	16,794	1,582	10,313	10,995	(683)	-6.2%	16,794
Vote 8 - Community Services	487,502	498,023	501,174	36,103	346,309	352,233	(5,924)	-1.7%	501,174
Vote 9 - Costing Services	-	-	-	-	-	-	-		-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-		-
Total Expenditure by Vote	1,495,800	1,594,971	1,610,448	112,374	1,076,509	1,113,859	(37,349)	-3.4%	1,610,448
Surplus/ (Deficit) for the year	20,390	(11,902)	(3,222)	39,892	126,711	81,735	44,976	55.0%	(3,222)

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) - M09 March

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	278,154	287,941	287,941	24,308	221,627	219,675	1,953	1%	287,941
Service charges - electricity revenue	512,750	541,692	528,044	39,291	377,334	387,233	(9,898)	-3%	528,044
Service charges - water revenue	142,917	138,138	138,138	13,912	119,413	112,237	7,176	6%	138,138
Service charges - sanitation revenue	93,177	90,962	90,962	8,483	75,372	71,254	4,118	6%	90,962
Service charges - refuse revenue	76,951	78,850	78,850	7,261	63,356	59,794	3,562	6%	78,850
Rental of facilities and equipment	6,692	4,573	4,573	403	4,126	3,811	315	8%	4,573
Interest earned - external investments	31,908	24,871	34,671	1,710	28,268	28,268	-	-	34,671
Interest earned - outstanding debtors	4,220	3,982	3,982	610	4,971	4,971	-	-	3,982
Dividends received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	35,124	20,344	20,344	1,809	17,686	16,275	1,411	9%	20,344
Licences and permits	2,780	2,636	2,636	258	2,250	2,076	174	8%	2,636
Agency services	6,858	7,858	7,858	585	5,678	5,730	(52)	-1%	7,858
Transfers and subsidies	151,903	166,184	179,496	41,177	156,145	156,145	-	-	179,496
Other revenue	122,707	121,898	125,298	8,565	87,099	88,231	(1,132)	-1%	125,298
Gains	7,570	8,225	8,225	17	2,059	2,059	-	-	8,225
Total Revenue (excluding capital transfers and contributions)	1,473,713	1,498,153	1,511,017	148,389	1,165,385	1,157,759	7,626	1%	1,511,017
Expenditure By Type									
Employee related costs	454,614	504,478	505,797	39,138	366,756	368,252	(1,497)	0%	505,797
Remuneration of councillors	11,538	12,335	12,335	961	8,947	9,252	(305)	-3%	12,335
Debt impairment	33,506	13,564	19,617	1,635	14,713	14,713	-	-	19,617
Depreciation & asset impairment	147,004	146,596	146,596	12,216	109,947	109,947	-	-	146,596
Finance charges	47,584	48,056	48,056	2,210	25,816	25,816	-	-	48,056
Bulk purchases - electricity	351,600	384,161	371,533	22,017	233,924	247,999	(14,074)	-6%	371,533
Inventory consumed	52,658	52,137	64,756	2,120	38,551	42,490	(3,938)	-9%	64,756
Contracted services	237,081	269,929	271,805	22,629	164,582	175,110	(10,528)	-6%	271,805
Transfers and subsidies	12,813	13,057	14,786	1,266	10,372	10,372	-	-	14,786
Other expenditure	116,230	150,658	155,166	8,181	102,903	109,910	(7,007)	-6%	155,166
Losses	31,171	-	-	-	-	-	-	-	-
Total Expenditure	1,495,800	1,594,971	1,610,448	112,374	1,076,509	1,113,859	(37,349)	-3%	1,610,448
Surplus/(Deficit)									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	37,978	72,254	81,141	3,802	29,838	29,838	-	-	81,141
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)	3,526	12,662	12,442	75	5,371	5,371	-	-	12,442
Transfers and subsidies - capital (in-kind - all)	973	-	2,626	-	2,626	2,626	-	-	2,626
Surplus/(Deficit) after capital transfers & contributions	20,390	(11,902)	(3,222)	39,892	126,711	81,735			(3,222)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	20,390	(11,902)	(3,222)	39,892	126,711	81,735			(3,222)
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	20,390	(11,902)	(3,222)	39,892	126,711	81,735			(3,222)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	20,390	(11,902)	(3,222)	39,892	126,711	81,735			(3,222)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.66% above the YTD budget projections.

Current expenditure is 3.35% below YTD budget projections for March 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) - M09 March

Vote Description	2021/22	Budget Year 2022/23							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	3,250	1,815	1,815	7	774	1,336	(562)	-42%	1,815
Vote 4 - Finance	42	60	60	-	48	45	3	6%	60
Vote 5 - Infrastructure & Planning	146,819	198,128	168,863	7,855	65,271	110,022	(44,752)	-41%	168,863
Vote 6 - Protection Services	2,117	300	600	-	203	375	(172)	-46%	600
Vote 7 - Economic and Social Development & Tourism	100	45	45	-	29	23	6	28%	45
Vote 8 - Community Services	6,417	735	1,385	650	810	784	26	3%	1,385
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	158,744	201,083	172,768	8,512	67,135	112,585	(45,450)	-40%	172,768
Single Year expenditure appropriation									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure & Planning	19,604	17,475	14,740	1,033	7,509	10,208	(2,699)	-26%	14,740
Vote 6 - Protection Services	4,989	2,492	5,442	563	1,211	3,240	(2,029)	-63%	5,442
Vote 7 - Economic and Social Development & Tourism	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services	9,039	14,970	13,267	148	5,238	9,400	(4,163)	-44%	13,267
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	33,633	34,937	33,448	1,744	13,958	22,848	(8,890)	-39%	33,448
Total Capital Expenditure	192,377	236,020	206,216	10,256	81,094	135,433	(54,340)	-40%	206,216
Capital Expenditure - Functional Classification									
Governance and administration	3,761	1,875	1,875	7	822	1,403	(581)	-41%	1,875
Executive and council	3	5	5	-	-	-	-	-	5
Finance and administration	3,759	1,870	1,870	7	822	1,403	(581)	-41%	1,870
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	63,534	53,438	58,181	3,061	23,930	39,943	(16,013)	-40%	58,181
Community and social services	1,458	7,261	4,781	473	777	3,586	(2,809)	-78%	4,781
Sport and recreation	5,047	2,500	3,047	127	1,749	2,285	(536)	-23%	3,047
Public safety	7,998	2,792	6,042	563	1,415	4,532	(3,117)	-69%	6,042
Housing	49,031	40,885	44,311	1,898	19,989	29,541	(9,552)	-32%	44,311
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	11,405	14,068	18,668	461	7,472	12,599	(5,127)	-41%	18,668
Planning and development	2,656	1,478	1,844	52	503	1,383	(880)	-64%	1,844
Road transport	8,748	12,590	16,824	409	6,969	11,216	(4,247)	-38%	16,824
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	113,677	166,639	127,492	6,727	48,869	81,489	(32,619)	-40%	127,492
Energy sources	28,253	65,389	52,907	813	16,810	35,271	(18,462)	-52%	52,907
Water management	36,721	39,970	35,789	3,774	12,219	19,864	(7,645)	-38%	35,789
Waste water management	45,732	57,736	32,921	2,066	15,974	21,947	(5,973)	-27%	32,921
Waste management	2,972	3,544	5,876	75	3,867	4,407	(540)	-12%	5,876
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	192,377	236,020	206,216	10,256	81,094	135,433	(54,340)	-40%	206,216
Funded by:									
National Government	36,688	72,254	75,741	3,475	29,511	47,157	(17,646)	-37%	75,741
Provincial Government	1,290	-	5,400	890	890	4,050	(3,160)	-78%	5,400
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	53,387	51,447	56,853	1,972	26,627	37,902	(11,275)	-30%	56,853
Transfers recognised - capital	91,365	123,702	137,994	6,337	57,028	89,109	(32,082)	-36%	137,994
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	65,237	80,175	38,411	2,912	15,160	25,208	(10,048)	-40%	38,411
Internally generated funds	35,775	32,143	29,811	1,006	8,906	21,116	(12,210)	-58%	29,811
Total Capital Funding	192,377	236,020	206,216	10,256	81,094	135,433	(54,340)	-40%	206,216

Capital expenditure is 40.12% below the Year-to-Date budget projections. Refer to the table on page 28 for the implementation status of the Top 10 Capital Projects.

Table C6: Monthly Budget Statement - Financial Position**WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M09 March**

Description	2021/22	Budget Year 2022/23			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	206,029	31,308	125,264	147,729	125,264
Call investment deposits	410,251	400,000	400,000	610,274	400,000
Consumer debtors	95,513	92,590	92,433	103,295	92,433
Other debtors	61,587	59,486	53,433	41,855	53,433
Current portion of long-term receivables	–	–	–	–	–
Inventory	10,932	10,908	10,908	11,521	10,908
Total current assets	784,312	594,291	682,037	914,675	682,037
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	60,512	70,005	70,005	66,307	70,005
Investment property	127,088	132,846	132,846	127,088	132,846
Investments in Associate	–	–	–	–	–
Property, plant and equipment	3,637,253	3,820,865	3,792,520	3,608,465	3,792,520
Agricultural	–	–	–	–	–
Biological assets	610	–	542	610	542
Intangible assets	8,940	8,203	8,203	8,940	8,203
Other non-current assets	112,126	130,928	112,126	112,126	112,126
Total non current assets	3,946,528	4,162,847	4,116,242	3,923,535	4,116,242
TOTAL ASSETS	4,730,840	4,757,138	4,798,278	4,838,210	4,798,278
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	50,494	58,592	58,592	58,592	58,592
Consumer deposits	43,312	66,074	43,312	65,529	43,312
Trade and other payables	165,088	173,931	170,910	136,647	170,910
Provisions	46,857	48,210	48,210	48,210	48,210
Total current liabilities	305,751	346,808	321,025	308,978	321,025
Non current liabilities					
Borrowing	429,906	421,184	421,184	388,654	421,184
Provisions	273,231	290,101	292,186	292,150	292,186
Total non current liabilities	703,137	711,285	713,370	680,805	713,370
TOTAL LIABILITIES	1,008,888	1,058,092	1,034,395	989,783	1,034,395
NET ASSETS	3,721,952	3,699,046	3,763,883	3,848,427	3,763,883
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	3,718,724	3,695,823	3,760,661	3,845,199	3,760,661
Reserves	3,228	3,223	3,223	3,228	3,223
TOTAL COMMUNITY WEALTH/EQUITY	3,721,952	3,699,046	3,763,883	3,848,427	3,763,883

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 - M09 March

Description	2021/22	Budget Year 2022/23							
	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	278,096	285,907	285,907	28,113	222,588	222,293	295	0%	285,907
Service charges	817,842	843,505	830,014	79,664	626,834	626,661	173	0%	830,014
Other revenue	171,510	146,992	152,798	10,804	136,417	136,245	172	0%	152,798
Transfers and Subsidies - Operational	145,075	166,184	179,496	48,122	169,309	169,309	-		179,496
Transfers and Subsidies - Capital	49,380	72,254	81,141	9,789	69,044	69,044	-		81,141
Interest	36,128	24,871	34,671	2,319	33,239	33,239	-		34,671
Dividends	-	-	-	-	-	-	-		-
Payments									
Suppliers and employees	(1,237,641)	(1,373,971)	(1,382,381)	(83,585)	(962,385)	(961,907)	478	0%	(1,382,381)
Finance charges	(47,584)	(48,056)	(48,056)	(2,210)	(25,816)	(25,816)	-		(48,056)
Transfers and Grants	(12,813)	(13,057)	(14,786)	(1,266)	(10,372)	(10,372)	-		(14,786)
NET CASH FROM/(USED) OPERATING ACTIVITIES	199,993	104,629	118,804	91,750	258,859	258,696	(162)	0%	118,804
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	3,813	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments	(4,980)	(4,980)	(4,980)	(415)	(3,735)	(3,735)	-		(4,980)
Payments									
Capital assets	(192,377)	(236,020)	(206,216)	(10,256)	(81,094)	(81,094)	-		(206,216)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(193,544)	(241,000)	(211,196)	(10,671)	(84,829)	(84,829)	-		(211,196)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-		-
Borrowing long term/refinancing	50,000	50,000	50,000	-	-	-	-		50,000
Increase (decrease) in consumer deposits	1,064	2,000	2,000	98	847	847	-		2,000
Payments									
Repayment of borrowing	(53,957)	(50,623)	(50,623)	(5,160)	(33,154)	(33,154)	-		(50,623)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2,893)	1,377	1,377	(5,062)	(32,306)	(32,306)	-		1,377
NET INCREASE/ (DECREASE) IN CASH HELD	3,557	(134,994)	(91,016)	76,017	141,724	141,562			(91,016)
Cash/cash equivalents at beginning:	612,723	566,302	616,280		616,280	616,280			616,280
Cash/cash equivalents at month/year end:	616,280	431,308	525,264		758,003	757,841			525,264

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R 758 million.

The municipality started the year with a positive cash balance of R616.3 million. The March closing balance is R758 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 - M09 March

Description	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget				
Cash Receipts By Source																
Property rates	24,024	26,537	25,804	25,213	23,679	23,645	24,037	21,536	28,113	-	-	63,319	285,907	298,712	312,089	
Service charges - electricity revenue	41,233	45,358	44,626	43,558	40,015	38,991	41,225	38,301	42,207	-	-	163,572	539,085	579,206	622,318	
Service charges - water revenue	10,948	12,131	10,964	10,941	11,385	12,260	14,290	14,085	18,668	-	-	20,889	136,561	142,706	149,128	
Service charges - sanitation revenue	3,161	8,308	7,602	7,643	7,605	7,808	8,952	7,972	10,551	-	-	20,315	89,916	93,783	97,816	
Service charges - refuse	10,694	7,302	6,974	6,859	6,662	6,545	6,719	6,054	8,238	-	-	11,896	77,943	82,541	87,410	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	347	532	608	513	376	488	284	467	539	-	-	419	4,573	4,778	4,989	
Interest earned - external investments	1,653	1,078	2,549	4,394	1,752	1,576	11,760	1,796	1,710	-	-	(3,397)	24,871	25,991	27,161	
Interest earned - outstanding debtors	414	536	461	520	611	656	458	707	610	-	-	(4,971)	-	-	-	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	1,864	1,878	1,786	1,859	1,806	1,823	2,975	1,886	1,809	-	-	(6,789)	10,897	12,647	13,537	
Licences and permits	279	251	217	262	248	193	229	312	258	-	-	386	2,636	2,750	2,869	
Agency services	473	751	775	688	658	529	609	608	585	-	-	2,180	7,858	8,211	8,580	
Transfer receipts - operating	57,849	7,385	1,550	2,753	1,066	47,075	610	2,979	48,122	-	-	(3,215)	166,184	174,999	192,746	
Other revenue	20,988	5,999	13,256	16,405	18,049	13,196	1,344	9,277	7,614	-	-	14,899	121,028	81,758	45,957	
Cash Receipts by Source	173,928	118,055	117,171	121,609	113,913	154,786	113,492	105,980	168,022	-	-	279,503	1,467,459	1,508,081	1,564,601	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National /	19,763	(1)	(0)	16,881	10,156	9,131	(610)	3,845	9,789	-	-	3,299	72,254	31,368	32,611	
Transfers and subsidies - capital (monetary allocations) (National /	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	50,000	50,000	50,000	60,000	
Increase (decrease) in consumer deposits	659	221	246	161	(741)	116	(16)	103	98	-	-	1,153	2,000	2,000	2,000	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	-	-	(1,245)	(4,980)	(4,980)	(4,980)	
Total Cash Receipts by Source	193,935	117,861	117,001	138,236	122,913	163,618	112,452	109,514	178,494	-	-	332,710	1,586,733	1,586,469	1,654,232	
Cash Payments by Type																
Employee related costs	30,560	36,189	36,545	36,641	58,885	38,740	41,231	39,110	37,969	-	-	136,823	492,692	520,035	550,870	
Remuneration of councillors	980	980	980	1,007	1,115	988	971	966	961	-	-	3,389	12,335	12,837	13,360	
Interest paid	38	415	1,253	334	653	19,373	381	1,160	2,210	-	-	22,240	48,066	47,734	47,159	
Bulk purchases - Electricity	7	42,701	46,453	24,420	24,949	24,917	24,782	23,678	22,017	-	-	150,237	384,161	417,237	453,161	
Acquisitions - water & other inventory	1,347	4,088	4,556	6,337	5,594	5,136	4,900	4,473	2,120	-	-	13,586	52,137	51,837	55,539	
Contracted services	773	18,836	18,959	18,044	19,118	24,293	17,698	24,231	22,629	-	-	105,348	269,929	279,215	293,223	
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants and subsidies paid - other	942	1,151	2,206	387	1,046	1,046	942	1,385	1,266	-	-	2,685	13,057	13,060	13,582	
General expenses	89,587	(12,203)	13,825	33,556	13,771	9,075	7,822	6,671	(2,112)	-	-	2,724	162,716	100,901	81,050	
Cash Payments by Type	124,234	92,156	124,775	120,725	125,131	123,568	98,728	101,674	87,061	-	-	437,031	1,435,084	1,442,856	1,507,945	
Other Cash Flows/Payments by Type																
Capital assets	632	9,105	17,003	(234)	15,960	16,797	1,882	9,693	10,256	-	-	154,926	236,020	102,598	99,011	
Repayment of borrowing	2,181	1,031	4,889	2,317	1,142	13,046	2,287	1,101	5,160	-	-	17,470	50,623	58,592	51,239	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	127,047	102,292	146,667	122,809	142,232	153,411	102,897	112,468	102,477	-	-	609,427	1,721,727	1,604,046	1,658,194	
NET INCREASE/(DECREASE) IN CASH HELD	66,888	15,569	(29,666)	15,427	(19,319)	10,207	9,555	(2,955)	76,017	-	-	(276,718)	(134,994)	(17,577)	(3,963)	
Cash/cash equivalents at the month/year beginning:	616,280	683,168	698,737	669,071	684,498	665,179	675,386	684,941	681,986	758,003	758,003	758,003	616,280	481,286	463,709	
Cash/cash equivalents at the month/year end:	683,168	698,737	669,071	684,498	665,179	675,386	684,941	681,986	758,003	758,003	758,003	481,286	481,286	463,709	459,746	

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 - M09 March

Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	17,969	974	626	447	510	382	1,825	7,339	30,073	10,504	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	21,662	1,216	729	600	470	422	1,738	6,295	33,132	9,525	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	23,436	666	429	324	275	251	2,758	6,038	34,176	9,646	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	9,673	550	378	304	258	266	1,214	5,308	17,950	7,350	-	-
Receivables from Exchange Transactions - Waste Management	1600	8,378	456	305	252	219	185	898	2,990	13,683	4,544	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	521	52	42	43	47	10	56	258	1,028	413	-	-
Interest on Arrear Debtor Accounts	1810	122	64	72	76	94	91	726	12,946	14,193	13,935	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(12,352)	338	184	278	240	166	757	6,936	(3,453)	8,376	-	-
Total By Income Source	2000	69,409	4,315	2,766	2,326	2,113	1,772	9,972	48,110	140,783	64,293	-	-
2021/22 - totals only		64,586	2,677	1,970	1,643	1,648	1,568	6,530	45,072	125,694	56,461	-	-
Debtors Age Analysis By Customer Group													
Organs of State	2200	657	71	81	31	25	20	1,598	1,578	4,060	3,251	-	-
Commercial	2300	8,879	138	91	137	77	40	203	2,824	12,390	3,281	-	-
Households	2400	60,657	4,093	2,586	2,149	2,002	1,703	8,097	42,008	123,494	55,958	-	-
Other	2500	(984)	13	7	9	9	9	75	1,700	840	1,803	-	-
Total By Customer Group	2600	69,409	4,315	2,766	2,326	2,113	1,772	9,972	48,110	140,783	64,293	-	-

The debtors' 12-month rolling average payment rate is 99,93% at the end of March 2023 2022.

Summary of Indigent Households

	Indigent Households	Other Households	Total Households	
2022				
July	7,301	28,772	36,073	20.24%
August	7,344	28,586	35,930	20.44%
September	7,382	28,550	35,932	20.54%
October	7,396	28,547	35,943	20.58%
November	7,376	28,556	35,932	20.53%
December	7,406	28,530	35,936	20.61%
2023				
January	7,394	28,543	35,937	20.57%
February	7,409	28,530	35,939	20.62%
March	7,409	28,531	35,940	20.61%
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)
7409			10KL	7409	0	7409	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)
119	7290		50kWh	7409	0	7409	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
2022/2023											
June											
May											
April											
March	77,256,807	4,315,379	2,765,690	2,325,683	2,112,940	1,772,262	9,972,448	48,109,738	148,630,947	71,374,140	64,293,071
February	92,578,586	4,483,336	3,154,193	2,659,730	2,209,152	3,506,086	8,934,486	51,241,229	168,766,798	76,188,212	68,550,683
January	94,765,297	4,672,770	2,991,939	2,426,029	3,614,361	2,165,706	8,353,622	49,886,680	168,876,403	74,111,106	66,446,397
December	87,865,085	3,995,470	2,722,181	3,780,441	2,270,217	1,529,437	8,325,398	49,060,980	159,549,207	71,684,122	64,966,472
November	81,080,848	3,637,347	4,321,057	2,509,464	1,642,788	1,663,524	7,921,489	47,884,695	150,661,212	69,580,364	61,621,960
October	77,763,581	5,389,420	2,891,447	1,801,960	1,766,239	1,388,785	7,896,912	46,902,187	145,800,531	68,036,950	59,756,082
September	82,373,416	4,036,921	2,196,106	2,002,974	1,458,017	1,506,996	7,547,972	46,185,270	147,307,673	64,934,256	58,701,229
Augustus	83,300,150	3,321,043	2,418,953	1,634,245	1,610,645	1,423,175	7,337,769	46,450,821	147,496,800	64,196,650	58,456,654
July	88,495,299	3,629,544	1,946,083	1,769,685	1,521,309	1,572,722	6,903,366	45,753,005	151,591,012	63,095,713	57,520,086

Government Debt

Overstrand Municipality as at 31/03/2023		Total Debt	Services	Rates	Other
Department Responsible for the Debt					
NPW 2227		1,958,328	783,896	1,161,602	12,830
WCED 2251		344,491	344,491	0	0
OTHER 2255		37,034	37,034	0	0
HEALTH 2252		107,146	106,886	0	260
TPW 2256		1,523,474	34,412	1,489,061	0
HUMAN SETTLE 2215		47,126	47,126	0	0
HOUSING 2253		4,766	4,766	0	0
OTHER MUNICIPALITIES 2276		37,668	37,668	0	0
TOTAL OUTSTANDING		4,060,033	1,396,280	2,650,663	13,090

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description	NT Code	Budget Year 2022/23									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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100		-	-	-	-	-	-	-	-	-
Bulk Water	0200		-	-	-	-	-	-	-	-	-
PAYE deductions	0300	5,160	-	-	-	-	-	-	-	5,160	4,787
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	5,160	-	-	-	-	-	-	-	5,160	4,787

Supporting Table SC4 reflects current creditors at the end of March 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 - M09 March

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
LIBERTY 15934476		15 YEARS	Policy	01/09/2025	50		21,673	125	21,848
LIBERTY 21196964		14 YEARS	Policy	01/09/2025	42		38,987	260	39,289
MOMENTUM MP 3853776		14 YEARS	Policy	01/07/2026	(76)		5,215	30	5,170
ABSA 9331734880		DEP PLUS	DEP PLUS		59	4.3	10,269	(53)	10,275
ABSA 2080773045		181 DAYS	FIXED DEP	24/05/2023		8.24	100,000		100,000
Nedbank 03/7881534451 ref. 273		181 DAYS	FIXED DEP	26/07/2023		8.790	100,000		100,000
ABSA 2080877994		151 days	FIXED DEP	26/06/2023		8.58	100,000		100,000
ABSA 2080500660		147 days	FIXED DEP	26/06/2023		8.56	100,000		100,000
ABSA 2080984666		120 days	FIXED DEP	21/07/2023		8.62		100,000	100,000
Nedbank 03/7881534451 ref. 274		92 DAYS	FIXED DEP	23/06/2023		8.42		100,000	100,000
Municipality sub-total					76		476,143	200,362	676,581
TOTAL INVESTMENTS AND INTEREST	2				76		476,143	200,362	676,581

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

Long-term investments relate to the sinking fund investments. The approach with these investments to redeem a capital loan of R100m in 2026, relates to a guaranteed contribution payout at maturity. The three investments comply with legislative prescriptions (investment instruments)

The performance of these investments were 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.

Council will be updated regarding further considerations in due course.

Allocation and grant receipts and expenditure

Supporting Table SC6 – Grant receipts

WC032 Overstrand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	2021/22	Budget Year 2022/23							
	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:	127,977	152,183	155,762	44,311	152,762	152,762	-		155,762
Operational Revenue:General Revenue:Equitable Share	123,897	141,896	141,896	39,732	141,896	141,896	-		141,896
Energy Efficiency and Demand-side [Schedule 5B]	-	5,000	5,000	1,000	2,000	2,000	-		5,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	2,530	2,593	2,593	2,593	2,593	2,593	-		2,593
Local Government Financial Management Grant [Schedule 5B]	1,550	1,550	1,550	1,550	1,550	1,550	-		1,550
Water Services Infrastructure Grant	-	-	3,579	3,579	3,579	3,579	-		3,579
Municipal Infrastructure Grant [Schedule 5B]	-	1,144	1,144	1,144	1,144	1,144	-		1,144
Provincial Government:	57,967	71,715	79,365	9,220	61,603	61,603	-		79,365
Community Library Services Grant	6,580	8,258	8,258	-	8,258	8,258	-		8,258
Library Support Grant	2,222	-	-	-	-	-	-		-
Thusong Services Centres Grant	-	150	150	150	150	150	-		150
Resource funding for the establish & support of K9 Unit	2,420	2,420	2,420	2,420	2,420	2,420	-		2,420
Municipal Electricity Masterplan Grant	1,000	-	-	-	-	-	-		-
Financial Management Capacity Building Grant	400	-	-	-	-	-	-		-
CDW	76	75	75	75	75	75	-		75
Municipal Energy Resilience Grant	650	-	-	-	-	-	-		-
LG Public Employment Grant	1,300	-	-	-	-	-	-		-
Maintenance & Construction of Transport Infrastructure	145	140	140	140	140	140	-		140
Financial Management Capability Grant	-	-	450	450	450	450	-		450
Municipal Service Delivery & Capacity Building Grant	244	-	300	300	300	300	-		300
Municipal Intervention Grant	-	-	200	250	450	450	-		200
RESOURCE FUNDING FOR THE EST OF LAW ENFORCEMENT REACTION UNIT	6,307	2,958	2,958	2,958	2,958	2,958	-		2,958
Emergency Municipal Load-shedding relief grant	-	-	6,700	6,700	6,700	6,700	-		6,700
Human Settlements (Housing - Construction Contracts)	36,623	57,714	57,714	1,830	39,702	39,702	-		57,714
District Municipality:	90	-	35	-	35	35	-		35
ODM SAFETY FORUM	90	-	35	-	35	35	-		35
Other grant providers:	-	-	400	-	-	-	-		400
Departmental Agencies and Accounts	-	-	400	-	-	-	-		400
Total Operating Transfers and Grants	186,034	223,898	235,562	53,531	214,399	214,399	-		235,562
Capital Transfers and Grants									
National Government:	44,754	72,254	68,675	4,960	60,446	60,446	-		68,675
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	18,519	21,331	21,331	-	21,331	21,331	-		21,331
Municipal Infrastructure Grant [Schedule 5B]	21,053	23,484	23,484	-	15,255	15,255	-		23,484
Water Services Infrastructure Grant [Schedule 5B]	5,182	27,439	23,860	4,960	23,860	23,860	-		23,860
Provincial Government:	48,419	38,785	43,285	13,486	38,259	38,259	-		43,285
Human Settlements (Housing - Construction Contracts)	47,819	38,785	41,785	12,236	37,009	37,009	-		41,785
Sports & Recreation Grant	600	-	-	-	-	-	-		-
Municipal Service Delivery & Capacity Building Grant	-	-	1,250	1,250	1,250	1,250	-		1,250
Municipal Intervention Grant	-	-	250	-	-	-	-		250
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	93,173	111,039	111,960	18,446	98,705	98,705	-		111,960
TOTAL RECEIPTS OF TRANSFERS & GRANTS	279,207	334,937	347,522	71,977	313,105	313,105	-		347,522

Grant receipts are monitored according to the payment schedules. Year to date actuals only reflects actual receipts for 2022/2023.

A letter was received from NT regarding the withholding of funding on the Water Service Infrastructure Grant & Energy Efficiency and Demand Side Grant. The municipality submitted a written response to NT, and a gazette was issued for the stopping of allocations and re-allocations and technical adjustments in terms of DORA 2022 (Act 5/2022). The municipality could retain the Water Service Infrastructure Grant however the Energy Efficiency and Demand Side Grant was adjusted downwards with R2m.

Supporting Table SC7(1) – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	2021/22	Budget Year 2022/23							
	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:	135,524	10,287	13,866	421	3,360	3,360	-		13,866
Operational Revenue:General Revenue:Equitable Share	130,444	-	-	-	-	-	-		-
Energy Efficiency and Demand-side [Schedule 5B]	-	5,000	5,000	-	205	205	-		5,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	2,530	2,593	2,593	271	1,915	1,915	-		2,593
Local Government Financial Management Grant [Schedule 5B]	1,550	1,550	1,550	34	315	315	-		1,550
Water Services Infrastructure Grant	-	-	3,579	-	-	-	-		3,579
Municipal Infrastructure Grant [Schedule 5B]	1,000	1,144	1,144	116	926	926	-		1,144
Provincial Government:	16,288	71,715	79,365	4,496	50,308	50,308	-		79,365
Community Library Services Grant	6,580	8,258	8,258	593	5,551	5,551	-		8,258
Library Support Grant	2,222	-	-	-	-	-	-		-
Thusong Services Centres Grant	-	150	150	-	-	-	-		150
Resource funding for the establish & support of K9 Unit	3,059	2,420	2,420	(259)	2,420	2,420	-		2,420
Municipal Electricity Masterplan Grant	1,000	-	-	-	-	-	-		-
Financial Management Capacity Building Grant	676	-	-	-	-	-	-		-
CDW	76	75	75	-	21	21	-		75
Maintenance & Construction of Transport Infrastructure	145	140	140	-	140	140	-		140
Municipal Energy Resilience Grant	650	-	-	-	-	-	-		-
LG Public Employment Grant	1,300	-	-	-	-	-	-		-
Financial Management Capability Grant	-	-	450	213	447	447	-		450
Municipal Service Delivery & Capacity Building Grant	181	-	300	-	-	-	-		300
Municipal Intervention Grant	-	-	200	-	-	-	-		200
RESOURCE FUNDING FOR THE EST OF LAW ENFORCEMENT REACTION UNIT	400	2,958	2,958	465	1,550	1,550	-		2,958
Emergency Municipal Load-shedding relief grant	-	-	6,700	-	-	-	-		6,700
Human Settlements (Housing - Construction Contracts)	-	57,714	57,714	3,485	40,180	40,180	-		57,714
District Municipality:	90	-	35	-	-	-	-		35
ODM SAFETY FORUM	90	-	35	-	-	-	-		35
Other grant providers:	-	-	420	-	-	-	-		420
Departmental Agencies and Accounts	-	-	420	-	-	-	-		420
Total operating expenditure of Transfers and Grants:	151,903	82,002	93,686	4,917	53,669	53,669	-		93,686
Capital expenditure of Transfers and Grants									
National Government:	36,688	72,254	68,675	3,475	29,511	29,511	-		68,675
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	11,453	21,331	21,331	463	8,802	8,802	-		21,331
Municipal Infrastructure Grant [Schedule 5B]	20,053	23,484	23,484	979	10,669	10,669	-		23,484
Water Services Infrastructure Grant [Schedule 5B]	5,182	27,439	23,860	2,033	10,040	10,040	-		23,860
Provincial Government:	1,290	38,785	43,285	2,224	18,956	18,956	-		43,285
Human Settlements (Housing - Construction Contracts)	-	38,785	41,785	1,898	18,629	18,629	-		41,785
RESOURCE FUNDING FOR THE EST OF LAW ENFORCEMENT REACTION UNIT	603	-	-	-	-	-	-		-
Resource funding for the establish & support of K9 Unit	624	-	-	-	-	-	-		-
Municipal Service Delivery & Capacity Building Grant	63	-	1,250	327	327	327	-		1,250
Municipal Intervention Grant	-	-	250	-	-	-	-		250
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	12,662	15,068	75	5,372	5,372	-		15,068
Departmental Agencies and Accounts	-	-	2,626	-	-	-	-		2,626
Public Corporations	-	12,662	12,442	75	5,372	5,372	-		12,442
Total capital expenditure of Transfers and Grants	37,978	123,702	127,029	5,774	53,839	53,839	-		127,029
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	189,881	205,703	220,714	10,692	107,507	107,507	-		220,714

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 - M09 March

Description	Budget Year 2022/23				
	Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands					
EXPENDITURE					
Operating expenditure of Approved Roll-overs					
National Government:	-	-	-	-	
Provincial Government:	2,029	12	741	(1,288)	-63.5%
Financial Management Capacity Building Grant	24	7	7	(18)	-72.8%
RESOURCE FUNDING FOR THE EST OF LAW ENFORCEMENT REACTION UNIT	2,004	6	734	(1,270)	
District Municipality:	-	-	-	-	
Specify (Add grant description)	-	-	-	-	
Other grant providers:	-	-	-	-	
Total operating expenditure of Approved Roll-overs	2,029	12	741	(1,288)	-63.5%
Capital expenditure of Approved Roll-overs					
National Government:	7,066	-	-	(7,066)	-100.0%
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	7,066	-	-	(7,066)	-100.0%
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:	3,900	-	-	(3,900)	-100.0%
RESOURCE FUNDING FOR THE EST OF LAW ENFORCEMENT REACTION UNIT	3,300	-	-	(3,300)	-100.0%
Sport & Recreation Grant	600	-	-	(600)	-100.0%
Specify (Add grant description)	-	-	-	-	
Specify (Add grant description)	-	-	-	-	
Specify (Add grant description)	-	-	-	-	
District Municipality:	-	-	-	-	
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	10,966	-	-	(10,966)	-100.0%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	12,994	12	741	(12,254)	-94.3%

A roll-over application was submitted to Provincial and National Treasury in August 2022 for unspent grant funds. All unspent grants relating to the 2021/2022 financial year were granted. Unspent grants from previous financial years relating to Equitable Share (Covid-19), Resource Funding for the establishment & support of a K9 Unit and Title Deeds Restoration must be paid back.

All unspent grant funds were paid back to National & Provincial Treasury in November 2022.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B	C						D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	10,454	11,137	11,137	865	7,994	8,352	(359)	-4%	11,137
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	1,085	1,199	1,199	96	953	899	54	6%	1,199
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Sub Total - Councillors	11,538	12,335	12,335	961	8,947	9,252	(305)	-3%	12,335
% increase		6.9%	6.9%						6.9%
Senior Managers of the Municipality									
Basic Salaries and Wages	12,317	12,871	12,859	893	9,010	9,644	(633)	-7%	12,859
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	96	149	149	-	-	112	(112)	-100%	149
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	182	181	181	14	136	135	0	0%	181
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	12,595	13,201	13,188	908	9,146	9,891	(745)	-8%	13,188
% increase		4.8%	4.7%						4.7%
Other Municipal Staff									
Basic Salaries and Wages	266,765	302,007	298,338	23,935	211,323	211,816	(493)	0%	298,338
Pension and UIF Contributions	45,123	52,863	53,243	3,967	35,783	35,831	(48)	0%	53,243
Medical Aid Contributions	14,510	17,116	17,168	1,336	11,560	11,589	(29)	0%	17,168
Overtime	48,845	42,848	44,558	4,484	38,151	38,185	(34)	0%	44,558
Performance Bonus	856	520	520	43	390	390	0	0%	520
Motor Vehicle Allowance	8,136	8,321	8,321	656	6,017	6,040	(23)	0%	8,321
Cellphone Allowance	2,003	2,184	2,215	164	1,489	1,502	(12)	-1%	2,215
Housing Allowances	1,707	1,829	1,884	145	1,340	1,413	(73)	-5%	1,884
Other benefits and allowances	37,772	41,698	42,386	1,502	33,574	33,612	(38)	0%	42,386
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	16,302	21,891	23,976	1,998	17,982	17,982	0	0%	23,976
Sub Total - Other Municipal Staff	442,019	491,277	492,609	38,230	357,609	358,361	(752)	0%	492,609
% increase		11.1%	11.4%						11.4%
Total Parent Municipality	466,152	516,813	518,133	40,099	375,703	377,504	(1,801)	0%	518,133
TOTAL SALARY, ALLOWANCES & BENEFITS	466,152	516,813	518,133	40,099	375,703	377,504	(1,801)	0%	518,133
% increase		10.9%	11.2%						11.2%
TOTAL MANAGERS AND STAFF	454,614	504,478	505,797	39,138	366,756	368,252	(1,497)	0%	505,797

SDBIP

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

Financial Performance

Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M09 March

Description of financial indicator	Basis of calculation	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	6.8%	6.2%	6.1%	5.5%	6.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	33.9%	34.0%	18.6%	18.7%	18.6%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	17.3%	17.7%	17.3%	15.2%	17.3%
Gearing	Long Term Borrowing/ Funds & Reserves	13319.7%	13070.1%	13070.1%	12041.1%	13070.1%
Liquidity						
Current Ratio	Current assets/current liabilities	256.5%	171.4%	212.5%	296.0%	212.5%
Liquidity Ratio	Monetary Assets/Current Liabilities	201.6%	124.4%	163.6%	245.3%	163.6%
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	10.7%	10.2%	9.7%	12.5%	9.7%
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))	99.8%	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	7.2%	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%	24.5%	24.5%	Annual Indicator	24.5%
Employee costs	Employee costs/Total Revenue - capital revenue	30.8%	33.7%	33.5%	31.5%	33.5%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	16.7%	17.9%	18.0%	15.2%	18.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	13.2%	13.0%	12.9%	11.6%	12.9%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	27.8%	15.7	15.7%	Annual Indicator	15.7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	11.4%	13.3%	13.3%	Annual Indicator	13.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5.73	4.1	4.1	Annual Indicator	4.1

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March

Month	2021/22	Budget Year 2022/23							
	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	9,614	1,314	1,314	632	632	1,314	682	51.9%	0%
August	9,714	1,459	1,544	9,105	9,737	2,858	(6,879)	-240.7%	4%
September	23,935	20,244	20,329	17,003	26,740	23,187	(3,553)	-15.3%	11%
October	14,544	7,764	7,849	(234)	26,506	31,036	4,530	14.6%	11%
November	12,990	10,769	10,854	15,960	42,466	41,890	(575)	-1.4%	18%
December	34,310	32,383	32,468	16,797	59,263	74,359	15,096	20.3%	25%
January	13,315	11,480	11,565	1,882	61,145	85,924	24,779	28.8%	26%
February	17,542	19,504	19,589	9,693	70,838	105,513	34,675	32.9%	30%
March	20,385	29,836	29,921	10,256	81,094	135,433	54,340	40.1%	34%
April	11,126	16,419	16,504	-					
May	11,838	18,664	18,749	-					
June	13,064	66,183	35,530	-					
Total Capital expenditure	192,377	236,020	206,216	81,094					

See comments under variances.

Top 10 Capital Projects

umb	Local Area	Ward	Project description	Original Budget R'000	Adjusted budget R'000	YTD Expenditure R'000	Status of the project	At what stage is each project currently	Any challenges identified that is resulting in delays?	What measures are in place to remedy the existing challenges.
1	Overstrand	Overstrand	LOW COST HOUSING SERVICES: CONSTRUCTION CONTRACTS	38,785,000	41,785,000	18,628,973	Masakhane UISP Phase 3 Wetcores - 100%; Masakhane UISP Phase 4 - 100%; Mount Pleasant IRDP Phase 2 (increased from 199 - 215 sites) - 90%; Swartdamroad Boundary Wall - 100%; Masakhane UISP Phase A4-3, A4-4 & A-5 - 45%	Construction Phase.	Not applicable.	Not applicable.
2	Gansbaai	Multi-ward Gb Area	FRANSKRAAL KLEINBAAI BIRKENHEAD NEW 66 11KV SUBSTATION	37,500,000	31,148,610	5,039,066		Work in progress. Construction underway.	Not applicable.	Not applicable.
3	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS RISING MAINS	27,539,000	17,290,769	9,766,351	(1) New Inlet Pumpstation at Hermanus: Construction phase (Contract SC 2171/2021) (2) New Zwingler's Corner pumpstation etc.: Planning phase.	(1) Construction (Contract SC 2171/2021); (2) Planning of next phase.	None to date	Not applicable.
4	Kleinmond	Multi-ward Km Area	KLEINMOND WWTW REFURBISH UPGRADE	22,441,638	9,478,261	2,602,894	Contract SC 2318/2022: Construction started	Construction Stage	Construction Permit was issued by Dept. of Labour	Not applicable.
5	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES	16,472,000	15,972,000	3,505,434	Contract SC 2319/2022: Construction started	Construction Stage	None to date	Not applicable.
6	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS	16,000,000	16,000,000	9,572,730	Work in progress.	Electrification of Masakhane and Blompark areas underway.	Not applicable.	Not applicable.
7	Masakhane	Ward 02	MASAKHANE HOUSING PROJECT BUS ROUTE	7,581,600	11,260,749	3,456,863	Under construction.	Under construction.	Subbase layer failed.	Subbase to be replaced by contractor.
8	Masakhane	Ward 02	UPGRADE WATER LINES & N	7,000,000	4,645,140	2,176,804	Under construction.	Under construction. Progress 69%	Not applicable.	Not applicable.
9	Hermanus	Ward 03	HERMANUS MV LV UPGRADE REPLACEMENT	6,000,000	800,000	439,368	Tender documents compiled and aim to appoint contractor at end June 2023 to start	Roll over funds were approved.	Not applicable.	Not applicable.
10	Stanford	Ward 01	UPGRADE BULK WATER	5,615,000	4,290,711	2,327,879	Under construction.	Under construction. Progress 80%	Not applicable.	Not applicable.
Totals				184,934,238	152,671,240	57,516,361				

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 - M09 March

Description	2021/22	Budget Year 2022/23							
	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	45,748	85,364	80,451	2,847	28,855	55,569	26,714	48.1%	80,451
Roads Infrastructure	7,714	12,255	15,274	409	6,750	10,438	3,688	35.3%	15,274
Roads	7,714	12,255	15,274	409	6,750	10,438	3,688	35.3%	15,274
Storm water Infrastructure	4,724	1,636	1,636	33	360	1,227	867	70.7%	1,636
Storm water Conveyance	4,724	1,636	1,636	33	360	1,227	867	70.7%	1,636
Electrical Infrastructure	18,244	53,500	50,249	813	14,939	34,957	20,019	57.3%	50,249
MV Substations	16,453	37,500	32,749	486	5,039	21,832	16,793	76.9%	32,749
MV Networks	1,791	16,000	17,500	327	9,900	13,125	3,225	24.6%	17,500
Water Supply Infrastructure	3,171	12,483	9,626	1,593	3,732	7,086	3,354	47.3%	9,626
Boreholes	2,180	4,803	4,803	1,113	1,555	3,602	2,047	56.8%	4,803
Pump Stations	-	7,000	4,645	480	2,177	3,484	1,307	37.5%	4,645
Distribution	991	680	178	-	-	-	-	-	178
Sanitation Infrastructure	8,923	4,020	2,416	-	2,000	1,340	(660)	-49.3%	2,416
Reticulation	8,923	4,020	2,416	-	2,000	1,340	(660)	-49.3%	2,416
Solid Waste Infrastructure	2,972	1,470	1,250	-	1,075	521	(554)	-106.4%	1,250
Waste Transfer Stations	2,972	1,250	1,250	-	1,075	521	(554)	-106.4%	1,250
Waste Processing Facilities	-	220	-	-	-	-	-	-	-
Community Assets	9,187	10,951	9,261	188	3,091	5,026	1,935	38.5%	9,261
Community Facilities	4,140	6,701	4,463	61	407	1,428	1,021	71.5%	4,463
Halls	1,564	-	-	-	-	-	-	-	-
Testing Stations	1,046	-	-	-	-	-	-	-	-
Libraries	-	4,374	1,370	-	-	-	-	-	1,370
Parks	-	87	87	17	86	65	(21)	-31.8%	87
Public Open Space	206	1,050	1,816	44	321	1,362	1,042	76.5%	1,816
Public Ablution Facilities	918	1,190	1,190	-	-	-	-	-	1,190
Taxi Ranks/Bus Terminals	406	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	5,047	4,250	4,797	127	2,684	3,598	914	25.4%	4,797
Outdoor Facilities	5,047	4,250	4,797	127	2,684	3,598	914	25.4%	4,797
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	50,440	41,802	44,506	1,898	19,703	30,183	10,480	34.7%	44,506
Operational Buildings	1,410	3,017	2,295	-	648	1,339	690	51.6%	2,295
Municipal Offices	1,410	3,017	2,295	-	648	1,339	690	51.6%	2,295
Housing	49,031	38,785	42,211	1,898	19,054	28,844	9,790	33.9%	42,211
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	49,031	38,785	42,211	1,898	19,054	28,844	9,790	33.9%	42,211
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	21	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	21	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	3,240	1,888	1,962	-	895	1,308	413	31.6%	1,962
Computer Equipment	3,240	1,888	1,962	-	895	1,308	413	31.6%	1,962
Furniture and Office Equipment	2,910	765	1,065	15	387	799	412	51.6%	1,065
Furniture and Office Equipment	2,910	765	1,065	15	387	799	412	51.6%	1,065
Machinery and Equipment	1,363	1,185	1,385	457	617	1,039	422	40.6%	1,385
Machinery and Equipment	1,363	1,185	1,385	457	617	1,039	422	40.6%	1,385
Transport Assets	6,806	-	7,289	563	3,115	5,466	2,352	43.0%	7,289
Transport Assets	6,806	-	7,289	563	3,115	5,466	2,352	43.0%	7,289
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	119,714	141,955	145,918	5,967	56,662	99,389	42,727	43.0%	145,918

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -									
Description	2021/22	Budget Year 2022/23							
	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	30,964	20,730	20,936	1,342	6,079	7,513	1,434	19.1%	20,936
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	1,000	1,058	1,058	-	1,042	705	(337)	-47.8%	1,058
MV Switching Stations	1,000	1,058	1,058	-	1,042	705	(337)	-47.8%	1,058
Water Supply Infrastructure	29,964	19,172	19,228	1,342	4,853	6,474	1,622	25.0%	19,228
Pump Stations	-	500	1,274	-	396	667	271	40.7%	1,274
Water Treatment Works	9,309	-	-	-	-	-	-	-	-
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	20,655	18,672	17,954	1,342	4,457	5,807	1,350	23.3%	17,954
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	500	650	-	184	333	149	44.8%	650
Pump Station	-	500	650	-	184	333	149	44.8%	650
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	30,964	20,730	20,936	1,342	6,079	7,513	1,434	19.1%	20,936

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09

Description	2021/22	Budget Year 2022/23							
	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	141,079	161,349	148,862	13,650	99,925	111,498	11,573	10.4%	148,862
Roads Infrastructure	64,340	72,275	60,604	6,730	42,431	45,453	3,023	6.6%	60,604
Roads	64,340	72,275	60,604	6,730	42,431	45,453	3,023	6.6%	60,604
Storm water Infrastructure	6,870	7,335	6,545	516	4,017	4,909	892	18.2%	6,545
Drainage Collection									
Storm water Conveyance	6,870	7,335	6,545	516	4,017	4,909	892	18.2%	6,545
Attenuation									
Electrical Infrastructure	30,721	39,232	38,565	2,656	23,748	28,924	5,176	17.9%	38,565
LV Networks	30,721	39,232	38,565	2,656	23,748	28,924	5,176	17.9%	38,565
Capital Spares									
Water Supply Infrastructure	21,088	22,142	22,089	1,880	13,975	16,418	2,443	14.9%	22,089
Water Treatment Works	272	297	297		30	74	44	59.3%	297
Bulk Mains									
Distribution	18,916	19,083	19,053	1,856	12,890	14,290	1,400	9.8%	19,053
Distribution Points	1,900	2,761	2,738	24	1,055	2,054	999	48.6%	2,738
Sanitation Infrastructure	11,710	13,044	13,465	1,207	9,612	10,099	487	4.8%	13,465
Pump Station									
Reticulation	6,507	7,386	7,691	541	5,102	5,768	666	11.5%	7,691
Waste Water Treatment Works	5,203	5,658	5,774	666	4,510	4,331	(179)	-4.1%	5,774
Solid Waste Infrastructure	6,351	7,320	7,593	661	6,142	5,695	(447)	-7.9%	7,593
Waste Processing Facilities	1,574	2,397	2,397	206	1,716	1,798	81	4.5%	2,397
Waste Drop-off Points	4,777	4,924	5,196	455	4,426	3,897	(529)	-13.6%	5,196
Community Assets	50,376	58,365	58,392	4,082	40,240	43,794	3,554	8.1%	58,392
Community Facilities	37,455	43,516	44,442	3,064	31,032	33,332	2,300	6.9%	44,442
Halls	4,464	6,029	6,296	392	4,305	4,722	417	8.8%	6,296
Libraries			1,559			1,169	1,169	100.0%	1,559
Cemeteries/Crematoria	1,037	1,112	880	57	709	660	(49)	-7.4%	880
Police									
Parks	27,586	31,703	30,780	2,253	22,104	23,085	981	4.2%	30,780
Public Open Space	3,886	3,684	3,940	335	3,444	2,955	(489)	-16.6%	3,940
Nature Reserves									
Public Ablution Facilities	482	988	988	27	470	741	272	36.6%	988
Sport and Recreation Facilities	12,921	14,849	13,949	1,018	9,209	10,462	1,253	12.0%	13,949
Indoor Facilities									
Outdoor Facilities	12,921	14,849	13,949	1,018	9,209	10,462	1,253	12.0%	13,949
Capital Spares									
Heritage assets									
Investment properties									
Other assets	15,056	15,246	19,302	1,179	10,529	14,476	3,947	27.3%	19,302
Operational Buildings	15,056	15,246	19,302	1,179	10,529	14,476	3,947	27.3%	19,302
Municipal Offices	15,048	15,208	18,674	1,179	10,529	14,005	3,476	24.8%	18,674
Pay/Enquiry Points									
Building Plan Offices			590			443	443	100.0%	590
Depots	8	38	38			29	29	100.0%	38
Capital Spares									
Housing									
Biological or Cultivated Assets									
Biological or Cultivated Assets									
Intangible Assets	5,915	6,994	7,626	14	6,766	5,720	(1,046)	-18.3%	7,626
Servitudes									
Licences and Rights	5,915	6,994	7,626	14	6,766	5,720	(1,046)	-18.3%	7,626
Computer Software and Applications	5,915	6,994	7,626	14	6,766	5,720	(1,046)	-18.3%	7,626
Load Settlement Software Applications									
Unspecified									
Computer Equipment	2,490	2,280	2,363	100	1,424	1,772	348	19.6%	2,363
Computer Equipment	2,490	2,280	2,363	100	1,424	1,772	348	19.6%	2,363
Furniture and Office Equipment	5,345	6,330	12,560	147	463	9,420	8,957	95.1%	12,560
Furniture and Office Equipment	5,345	6,330	12,560	147	463	9,420	8,957	95.1%	12,560
Machinery and Equipment	4,059	5,601	4,964	52	3,647	3,723	76	2.0%	4,964
Machinery and Equipment	4,059	5,601	4,964	52	3,647	3,723	76	2.0%	4,964
Transport Assets	21,406	11,779	18,385	192	13,706	13,789	83	0.6%	18,385
Transport Assets	21,406	11,779	18,385	192	13,706	13,789	83	0.6%	18,385
Land									
Land									
Zoo's, Marine and Non-biological Animals									
Zoo's, Marine and Non-biological Animals									
Total Repairs and Maintenance Expenditure	245,728	267,944	272,452	19,416	176,699	204,190	27,491	13.5%	272,452

Supporting Table SC13d

WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M09 March

Description	2021/22	Budget Year 2022/23							
	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	119,215	119,152	119,152	9,929	89,364	89,364	0	0.0%	119,152
Roads Infrastructure	43,543	37,723	37,723	3,144	28,292	28,292	0	0.0%	37,723
Roads	43,543	37,723	37,723	3,144	28,292	28,292	0	0.0%	37,723
Storm water Infrastructure	-	7,993	7,993	666	5,994	5,994	0	0.0%	7,993
Drainage Collection	-	7,993	7,993	666	5,994	5,994	0	0.0%	7,993
Electrical Infrastructure	26,305	29,061	29,061	2,422	21,796	21,796	(0)	0.0%	29,061
LV Networks	26,305	29,061	29,061	2,422	21,796	21,796	(0)	0.0%	29,061
Capital Spares	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	27,021	23,565	23,565	1,964	17,673	17,673	0	0.0%	23,565
Distribution	27,021	23,565	23,565	1,964	17,673	17,673	0	0.0%	23,565
Sanitation Infrastructure	19,448	17,550	17,550	1,462	13,162	13,162	(0)	0.0%	17,550
Waste Water Treatment Works	19,448	17,550	17,550	1,462	13,162	13,162	(0)	0.0%	17,550
Solid Waste Infrastructure	2,898	3,260	3,260	272	2,445	2,445	0	0.0%	3,260
Landfill Sites	2,898	3,260	3,260	272	2,445	2,445	0	0.0%	3,260
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	20,442	14,913	14,913	1,243	11,185	11,185	0	0.0%	14,913
Operational Buildings	20,442	14,913	14,913	1,243	11,185	11,185	0	0.0%	14,913
Municipal Offices	20,442	14,913	14,913	1,243	11,185	11,185	0	0.0%	14,913
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	68	68	68	6	51	51	(0)	0.0%	68
Biological or Cultivated Assets	68	68	68	6	51	51	(0)	0.0%	68
Intangible Assets	290	400	400	33	300	300	(0)	0.0%	400
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	290	400	400	33	300	300	(0)	0.0%	400
Computer Software and Applications	290	400	400	33	300	300	(0)	0.0%	400
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	2,289	3,535	3,535	295	2,651	2,652	0	0.0%	3,535
Furniture and Office Equipment	2,289	3,535	3,535	295	2,651	2,652	0	0.0%	3,535
Machinery and Equipment	925	1,617	1,617	135	1,213	1,213	0	0.0%	1,617
Machinery and Equipment	925	1,617	1,617	135	1,213	1,213	0	0.0%	1,617
Transport Assets	3,775	6,911	6,911	576	5,183	5,183	(0)	0.0%	6,911
Transport Assets	3,775	6,911	6,911	576	5,183	5,183	(0)	0.0%	6,911
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Depreciation	147,004	146,596	146,596	12,216	109,947	109,947	0	0.0%	146,596

Supporting Table SC13e

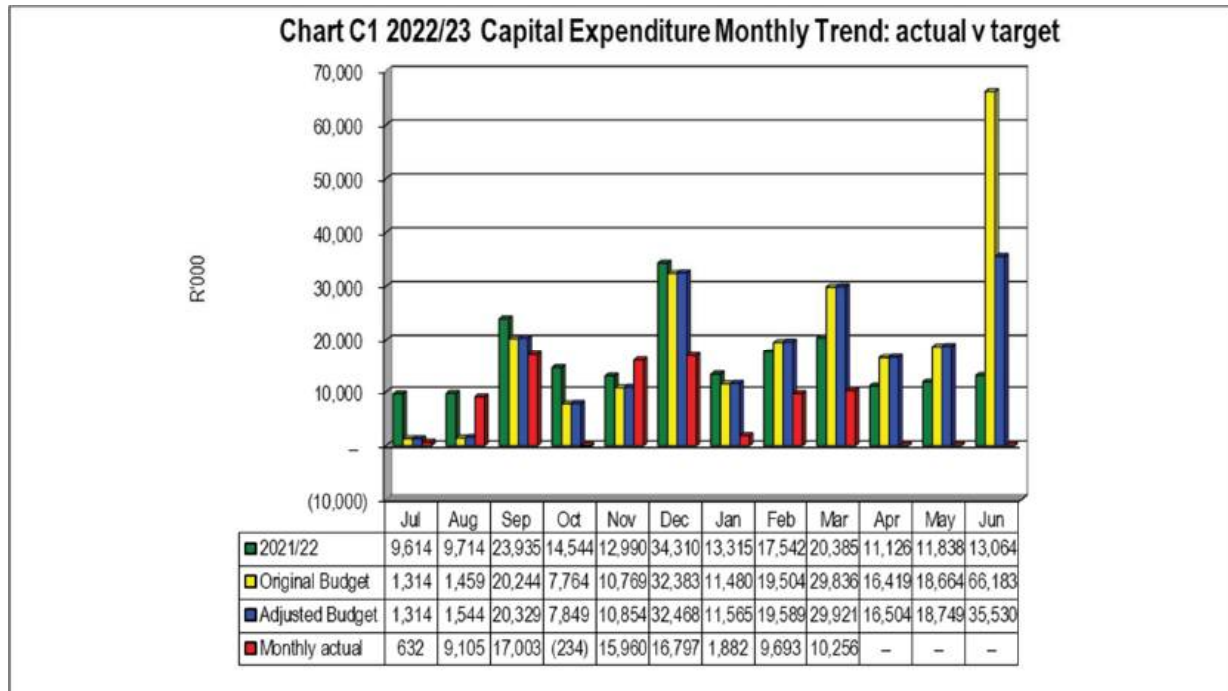
WC032 Overstrand - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class

Description	2021/22	Budget Year 2022/23							
	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	41,698	72,800	38,828	2,946	18,133	28,308	10,175	35.9%	38,828
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	7,173	10,831	1,600	-	828	1,067	238	22.3%	1,600
MV Networks	7,173	10,831	1,600	-	828	1,067	238	22.3%	1,600
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	3,586	8,315	6,935	838	3,634	4,493	859	19.1%	6,935
Pump Stations	-	1,000	1,000	-	-	-	-	-	1,000
Water Treatment Works	-	-	-	-	-	-	-	-	-
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	3,586	7,315	5,935	838	3,634	4,493	859	19.1%	5,935
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	30,939	51,581	28,219	2,033	13,430	21,193	7,763	36.6%	28,219
Pump Station	23,626	27,539	17,291	410	9,766	12,968	3,202	24.7%	17,291
Reticulation	4,790	500	350	-	350	292	(58)	-19.9%	350
Waste Water Treatment Works	2,524	23,542	10,578	1,623	3,314	7,934	4,619	58.2%	10,578
Solid Waste Infrastructure	-	2,074	2,074	75	240	1,555	1,315	84.6%	2,074
Waste Drop-off Points	-	2,074	2,074	75	240	1,555	1,315	84.6%	2,074
Community Assets	-	534	534	-	219	223	4	1.6%	534
Community Facilities	-	334	334	-	219	223	4	1.6%	334
Taxi Ranks/Bus Terminals	-	334	334	-	219	223	4	1.6%	334
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	200	200	-	-	-	-	-	200
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	200	200	-	-	-	-	-	200
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	41,698	73,335	39,362	2,946	18,352	28,531	10,179	35.7%	39,362

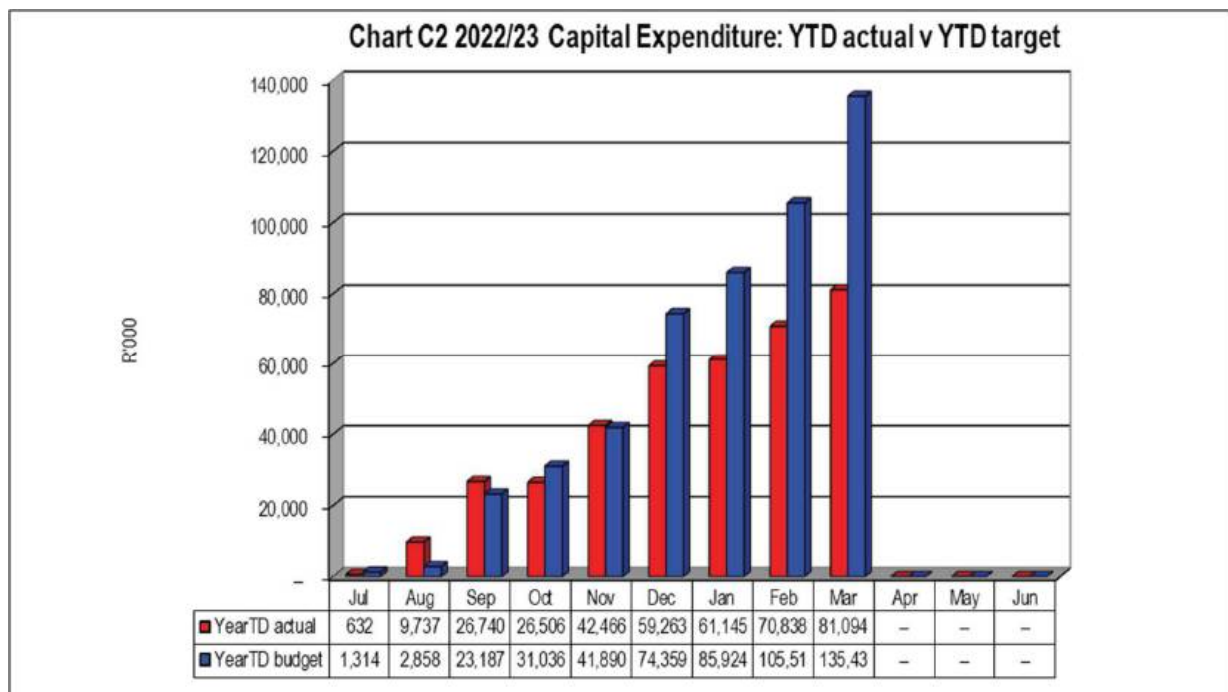
Other supporting documentation

Section 71 charts

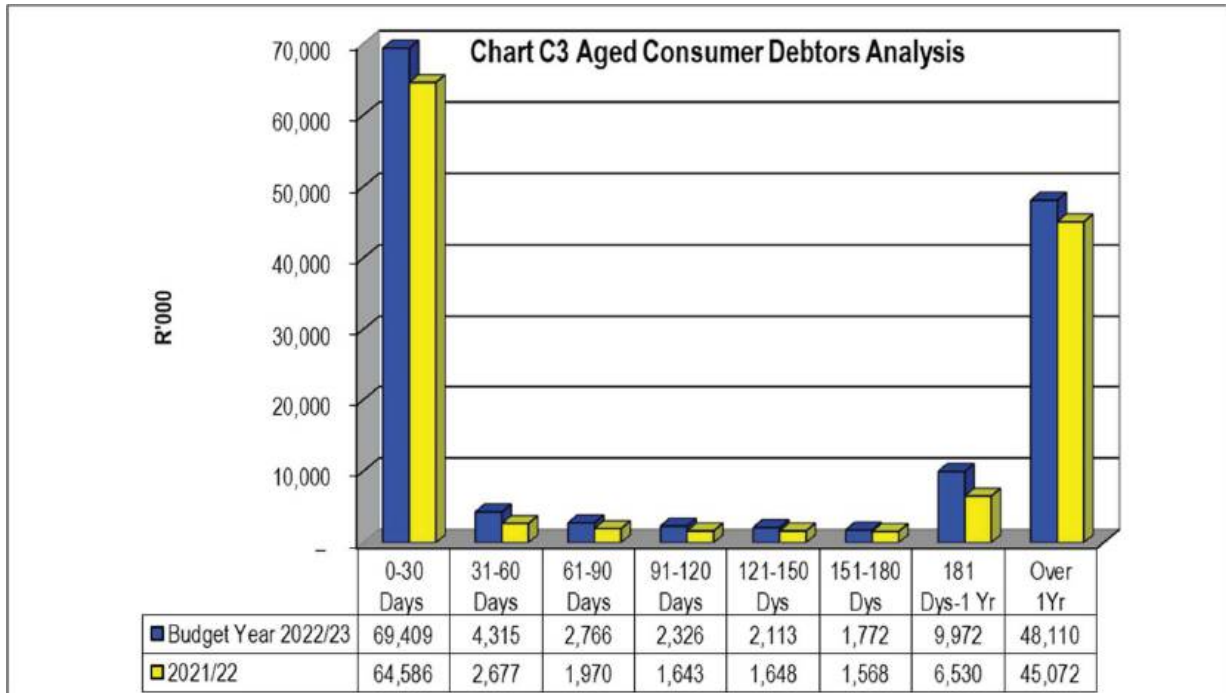
Capital expenditure monthly trend - actual vs target



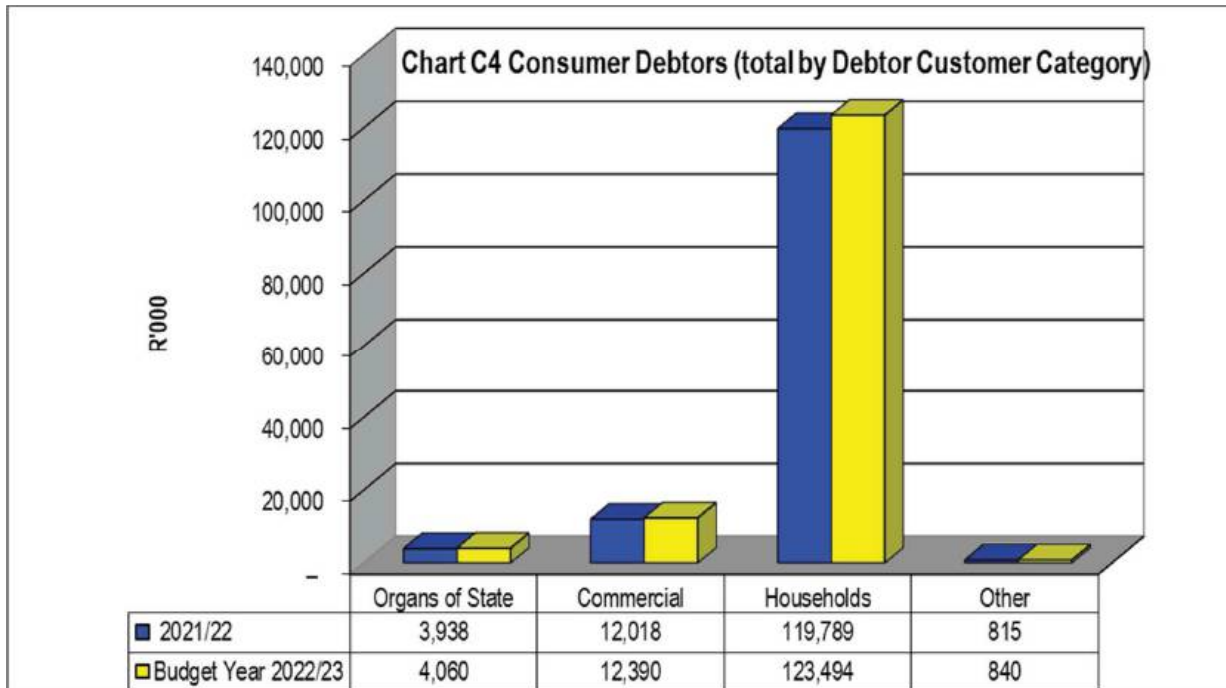
Capital expenditure – YTD actual vs YTD trend



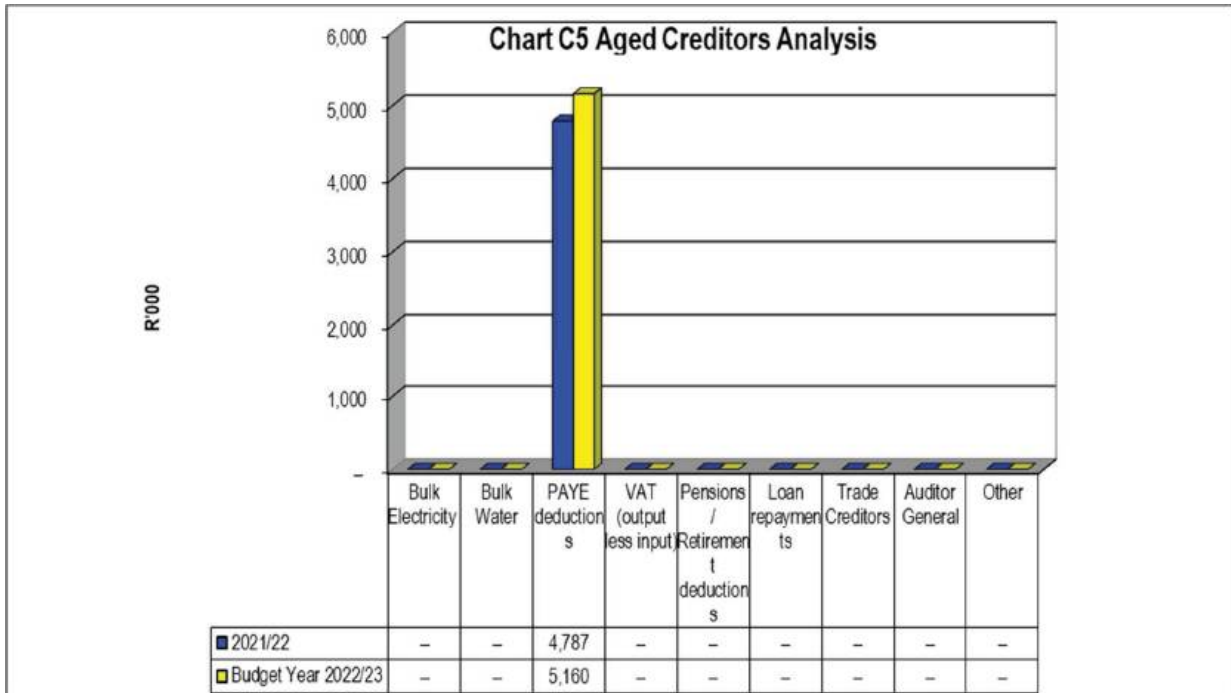
Debtors Age Analysis



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 March 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: 17 April 2023



*Service Delivery and Budget
Implementation Plan (SDBIP)*

*3rd Quarterly report:
1 January 2023 – 31 March 2023*

The sections below provide an executive summary of service delivery performance in terms of the top level SDBIP for the **third quarter of the 2022/23 financial year**, 1 January 2023 to 31 March 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%

Table 1: KPI Result Categories

1.1 STRATEGIC / TOP LAYER SDBIP PERFORMANCE GRAPH FOR THIRD QUARTER

The graph below displays the overall strategic (top layer SDBIP) per Directorate for the third quarter, (January - March 2023).

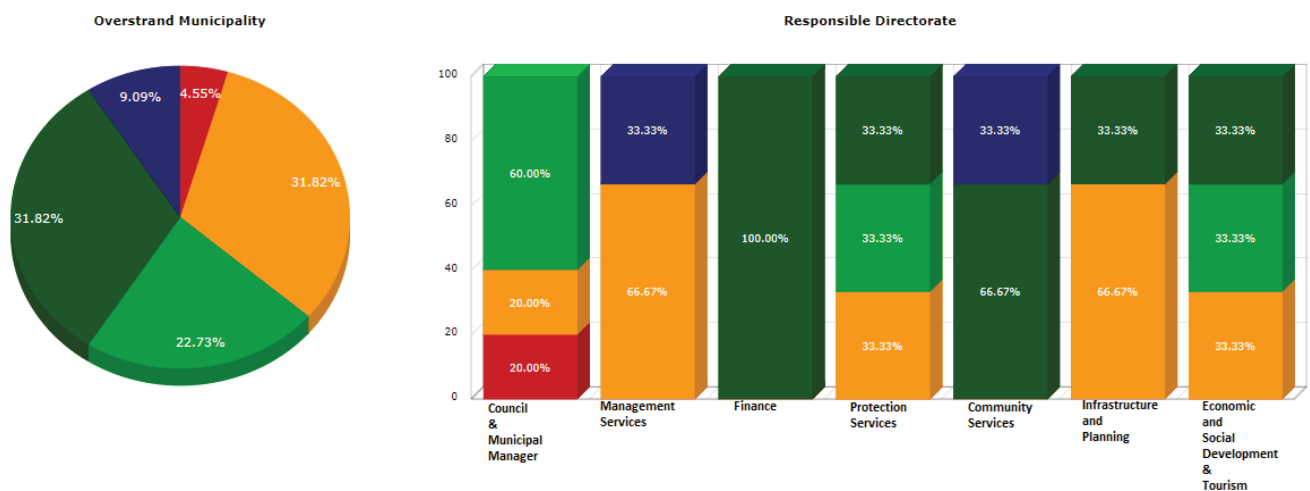


Figure 1: Top layer SDBIP performance for 3rd quarter (1 January - 31 March 2023)

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 (4.55%)	1 (20.00%)	-	-	-	-	-	-
Almost Met	7 (31.82%)	1 (20.00%)	2 (66.67%)	-	1 (33.33%)	-	2 (66.67%)	1 (33.33%)
Met	5 (22.73%)	3 (60.00%)	-	-	1 (33.33%)	-	-	1 (33.33%)
Well Met	7 (31.82%)	-	-	2 (100.00%)	1 (33.33%)	2 (66.67%)	1 (33.33%)	1 (33.33%)
Extremely Well Met	2 (9.09%)	-	1 (33.33%)	-	-	1 (33.33%)	-	-
Total:	22*	5	3	2	3	3	3	3
	100%	22.73%	13.64%	9.09%	13.64%	13.64%	13.64%	13.64%

* Excludes 25 KPIs which had no targets/actuals for the period selected.

Overall, the municipality met **14 (63.64%)** of a total number of **22** Top Layer key performance indicators (KPIs) that were measured for the period, 01 January 2023 – 31 March 2023. 7 (31.82%) of KPIs were almost met and 1 (4.55%) of the indicators were not met. 25 KPIs had no targets or actuals in the reporting period.



1.2 TOP LAYER SDBIP REPORT: 1 JANUARY – 31 MARCH 2023 (3rd Quarter of 2022/23)

Council & Municipal Manager

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL7	The provision of democratic, accountable, and ethical governance	Submit three progress reports on the revision of the top 10 risks as a corrective action to the Top Management Team	Number of progress reports submitted	Municipal Manager	TMT minutes where item served	4	3	1	1	G	[D16] Chief Risk Officer: Report submitted for TMT's deliberation. (January 2023)	[D16] Chief Risk Officer: N/A (January 2023)	1	1	G
TL33	The provision and maintenance of municipal services	Percentage of a municipality's capital budget actually spent on capital projects identified for 2022/23 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	Expenditure report from SAMRAS	90.97%	95%	55%	39.32%	R	[D19] Municipal Manager: Target not met on actual expenditure but the expenditure including shadow costs would be 70,08%. (March 2023)	[D19] Municipal Manager: Shadow costs must be finalised soonest. Item discussed at TMT meeting held on 06 March 2023 and agreement was reached between the	55%	39.32%	R

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
												directors that they must chase up payments. (March 2023)			
TL39	The provision of democratic, accountable and ethical governance	Sign section 56 performance agreements with all directors by the end of July 2022	Number of agreements signed	Municipal Manager	Cover page and signature section of the performance agreements.	6	6	0	0	N/A			0	0	N/A
TL40	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 three progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	Municipal Manager	Copy of e-mail and report submitted to the Executive Mayor by the Municipal Manager	7	3	1	1	G	[D3] Municipal Manager: Target met. (January 2023)		1	1	G
TL41	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 2022 to be completed by Sept 2022 and the current period October to December 2022 to be	Number of appraisals	Municipal Manager	Signed appraisals	12	12	6	5	O	[D4] Municipal Manager: Appraisals took place on 24 February 2023. (February 2023)	[D4] Municipal Manager: Only 5 appraisals were completed, because of the resignation of the	6	5	O

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
		completed by February 2023.										Director: Community Services in December 2022. (February 2023)			
TL42	The provision of democratic, accountable and ethical governance	Draft the annual report and submit to the Auditor-General by end August 2022	Draft Annual report submitted	Municipal Manager	Confirmation of receipt of the report	1	1	0	0	N/A			0	0	N/A
TL45	The promotion of tourism, economic and social development	Develop a Tourism Strategy to be approved by the Executive Mayor by 30 June 2023	Approved tourism strategy	Municipal Manager	Signed Tourism Strategy by the Executive Mayor	0	1	0	0	N/A			0	0	N/A
TL46	The provision of democratic, accountable and ethical governance	Implementation of the Business Service request portal on Collaborator by 30 March 2023	Functional Business service request porta	Municipal Manager	Report from Collaborator	0	1	1	1	G	[D457] Municipal Manager: Target met. (March 2023)		1	1	G
TL47	The provision of democratic, accountable and ethical governance	Communication strategy approved by the Executive Mayor by 30 June 2023	Approved communication strategy	Municipal Manager	Signed Communication Strategy by the Executive Mayor	0	1	0	0	N/A			0	0	N/A

Management Services

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL20	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	Expenditure reports from SAMRAS system	100%	100%	60%	90.73%	B	[D105] Director: Management Services: Target extremely well met. (March 2023)		60%	90.73%	B
TL21	The provision of democratic, accountable, and ethical governance	Review the Municipal Organisational Staff Structure by the end of June 2023	Structure reviewed	Director: Management Services	LLF minutes (restructuring) and updated organogram	1	1	0	0	N/A			0	0	N/A
TL22	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	HR statistics on filled and vacant posts	92.08%	92%	92%	90.83%	O	[D107] Director: Management Services: Target almost met. (March 2023)	[D107] Director: Management Services: This figure cannot be controlled as it is affected either by	92%	90.83%	O

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
												resignations, pension, disability, death etc. If Managers do not motivate vacancies, vacant posts cannot be filled. Vacant posts will be advertised and filled in the coming months. (March 2023)			
TL23	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	Monthly report to respective Directors. Extract from Payday	71	75	75	68	0	[D65] Senior Manager: Human Resources: 66 People from employment equity target groups employed in the three highest levels of management (January 2023) [D65] Senior Manager:	[D65] Senior Manager: Human Resources: In terms of the EEP the number of posts that were filled on the three highest levels of management were 75 at the time and therefore a target of 75 were set.	75	68	0

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023			
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
												Human Resources: 69 People from employment equity target groups employed in the three highest levels of management Corrective Measures: In terms of the EEP the number of posts that were filled on the three highest levels of management were 75 at the time and therefore a target of 75 were set. During February month only 69 of these posts were filled at the	During December month only 66 of these posts were filled at the three highest levels of management. This is not controllable and are affected either by resignations, pension, disability, death etc. (January 2023) [D65] Senior Manager: Human Resources: In terms of the EEP the number of posts that were filled on the three highest levels of management were 75 at			

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023			
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
												three highest levels of management. This is not controllable and are affected either by resignations, pension, disability, death etc. POE: Monthly report to Directors Extract Payday (February 2023) [D65] Senior Manager: Human Resources: 68 People from employment equity target groups employed in the three highest levels of	the time and therefore a target of 75 were set. During February month only 69 of these posts were filled at the three highest levels of management. This is not controllable and are affected either by resignations, pension, disability, death etc. (February 2023) [D65] Senior Manager: Human Resources: In terms of the EEP the number of posts that were filled on the three			

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
											management (March 2023)	highest levels of management were 75 at the time and therefore a target of 75 were set. During March month only 68 of these posts were filled at the three highest levels of management. This is not controllable and are affected either by resignations, pension, disability, death etc. (March 2023)			

Finance

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								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	Section 71 reports	6.27	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	Section 71 reports	23.56	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	Section 71 reports	11.37%	11%	0%	0%	N/A			0%	0%	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								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 2022	Financial statements submitted	Director: Finance	AFS submitted to the AG	1	1	0	0	N/A	[D136] Deputy Director: Finance & SCM: Not applicable for the period. (March 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 2022	Reviewed long term financial plan submitted	Director: Finance	Reviewed long term financial plan	1	1	0	0	N/A			0	0	N/A
TL32	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	Monthly summary from the indigent register	7 278	7 300	7 300	7 409	G2	[D156] Senior Manager: Revenue: 7 394 Indigent total of 35 937 (January 2023) [D156] Senior Manager: Revenue: 7 290 Indigent households, total households = 35939 (February 2023) [D156] Senior	[D156] Senior Manager: Revenue: n/a (January 2023) [D156] Senior Manager: Revenue: Category B and C phased out. Households must apply for the indigent subsidy. (February	7 300	7 409	G2

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
											Manager: Revenue: 7 409 Indigent total of 35 940 (March 2023)	2023) [D156] Senior Manager: Revenue: n/a (March 2023)			
TL37	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	Calculation of 12 month rolling average	100.15%	98%	98%	99.93%	G2	KPI well met	[D188] Director: Finance: N/A (March 2023)	98%	99.93%	G2

Protection Services

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL24	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	Council minutes noting the draft Reviewed Disaster	1	1	1	1	G	[D234] Chief: Fire and Disaster Management and Security Services: Disaster		1	1	G

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023			
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
					Management Plan											
TL25	The creation and maintenance of a safe and healthy environment	Arrange public awareness sessions on Protection Services	Number of sessions held	Director: Protection Services	Quarterly statistical report	103	110	35	37	G2	[D235] Director: Protection Services: 37 Awareness's conducted for the period: Jan - March 2023 (March 2023)		35	37	G2	
TL26	The creation and maintenance of a safe and healthy environment	Collect R20,000,000 Public Safety Income by 30 June 2023 (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income	Director: Protection Services	SAMRAS report and Journal for fines impairment	R19 716 064.01	R20 000 000.00	R5 000 000.00	R4 931 101.00	O	[D236] Director: Protection Services: Target almost met (March 2023)	[D236] Director: Protection Services: Anomaly detected in the Quarter 2 calculation which was corrected in Quarter 3. Collection rate to increase in 4th Quarter. (March 2023)	R5 000 000.00	R4 931 101.00	O	

Community Services

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								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	Year to date expenses (SAMRAS report)	100%	100%	75%	81.88%	G2	[D345] Director: Community Services: KPI Well Met (March 2023)		75%	81.88%	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	Consultants reseal statistical report	105 067	110 000	65 000	77 616	G2	[D346] Deputy Director: Operational Services: KPI Well Met (March 2023)		65 000	77 616	G2
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	Consolidated report_SAMRAS (DB4) GFS and Infrastructure (water purified)	28.26%	25%	0%	0%	N/A			0%	0%	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								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	Minutes of the ward committee meetings held	78	70	14	28	B	[D348] Director: Community Services: KPI Extremely Well Met (January 2023) [D348] Director: Community Services: No Ward Committee Meeting Cycle for the month of February 2023. Ward 1 had a special meeting. (February 2023) [D348] Director: Community Services: KPI Extremely Well Met (March 2023)	[D348] Director: Community Services: No Ward committee meeting due to direction by Executive Mayor. (February 2023)	14	28	B

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL27	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	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)	341	328	0	0	N/A			0	0	N/A
TL28	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	Yearly statistics provided by finance department (SAMRAS)	30 111	30 412	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL29	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	Yearly statistics provided by finance department (SAMRAS)	33 895	34 234	0	0	N/A			0	0	N/A
TL30	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	Bi- annual eMIS report on the weekly refuse removal.	53	52	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL34	The provision and maintenance of municipal services	The provision of sanitation services to informal households (excluding invaded state-owned land and private land) based on the standard of 1 toilet to 5 households (MPPMR Reg 10 (a))	The number of toilet structures provided in relation to the number of informal households (excluding invaded land unsuitable for housing and private land)	Director: Community Services	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 for the number of the toilets to informal households (excluding invaded land unsuitable for housing and private land)	934	1 020	0	0	N/A			0	0	N/A
TL35	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)	No of formal residential households which are billed for sewerage in accordance to the SAMRAS	Director: Community Services	Yearly statistics provided by the Department of Finance	30 420	30 724	0	0	N/A			0	0	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023			
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
		rendered by way of the financial system (SAMRAS)) (MPPMR Reg 10 (a))	financial system													
TL43	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 settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of taps installed for informal households on invaded land with available funding	Director: Community Services	Report on the GPS coordinates on the number of taps installed for informal households on invaded land	80	80	0	0	N/A			0	0	N/A	
TL44	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.	The number of toilets provided for informal households on invaded land with available funding	Director: Community Services	Report on the GPS coordinates for the number of toilets provided for informal households on invaded land	139	105	0	0	N/A			0	0	N/A	

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023			
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
		An invasion may be by one individual or by hundreds of households).														

Infrastructure & Planning

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL3	The provision and maintenance of municipal services	Quality of effluent comply 80% with general or special limit in terms of the Water Act (Act 36 of 1998)	% compliance	Director: Infrastructure & Planning	Report from Directorate Infrastructure (WSA) compiled from independent laboratory test results	79.16%	80%	80%	69.26%	○	[D407] Deputy Director: Engineering Planning: 69.26% of final effluent quality parameters tested complied with the set standards. (March 2023)	[D407] Deputy Director: Engineering Planning: The upgrade of the Kleinmond WWTW has started, and the contract for installation of a backup generator at the Gansbaai WWTW has been	80%	69.26%	○

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
												awarded. Both these projects will improve effluent quality in the long term. (March 2023)			
TL4	The provision and maintenance of municipal services	Quality of potable water comply 98% with SANS 241	% compliance with SANS 241	Director: Infrastructure & Planning	Independent Laboratory test result	98.83%	98%	98%	98.48%	G2	[D408] Deputy Director: Engineering Planning: 98.48% of drinking water samples tested complied with the SANS 0241 Drinking Water Quality standards. (March 2023)		98%	98.48%	G2
TL18	The provision and maintenance of municipal services	Limit electricity losses to 7% 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	Electricity losses Excel spreadsheet from Manager: Costing and Reports in Finance Directorate	7.35%	7%	0%	0%	N/A			0%	0%	N/A

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL19	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	Letter of submission of Water Services Audit to DWS	1	1	0	0	N/A			0	0	N/A
TL31	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	Based on number of households billed by department of finance	21 914	22 500	0	0	N/A			0	0	N/A
TL36	The provision and maintenance of municipal services	100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2023 (Actual MIG expenditure/Allocation received)	% expenditure of allocated MIG funds	Director: Infrastructure & Planning	Monthly MIG report	100%	100%	62.40%	52.80%	O	[D412] Director: Infrastructure & Planning: Target almost met (March 2023)	[D412] Director: Infrastructure & Planning: Invoices to be submitted for payment (March 2023)	62.40%	52.80%	O

Economic & Social Development & Tourism

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								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	Portfolio committee meeting minutes on the progress reports on LED, Social Development Tourism initiatives.	3	3	1	1	G	[D424] Director: Economic and Social Development: Oct -Dec progress reports (January 2023)		1	1	G
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 outreach during the 2022/23 financial year to the Director Economic and Social Development and Tourism	Report on the mobile Thusong outreach programme	Director: Economic and Social Development	Report on the mobile Thusong outreach programme	0	2	0	0	N/A			0	0	N/A
TL10	The promotion of tourism, economic and social development	Support 180 SMME's in terms of the SMME Development Programme by 30 June 2023	Number of SMME's supported	Director: Economic and Social Development	Internally verified list of SMME'S supported	172	180	0	0	N/A			0	0	N/A
TL11	The promotion of tourism, economic and social development	Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social	Number of projects / initiatives collaborated on	Director: Economic and Social Development	Letter of intent / memo/ emails/ Signed MOU's	13	28	8	10	G2	[D433] Manager: LED: Copy of Email's attached (March 2023)		8	10	G2

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
		development and tourism			where applicable							[D434] Manager: Social Development: The social development department supports the after-school programme through EPWP, the department also provides support to the Hermanus Night Shelter through the social worker who assists them with their intakes and provides supervision to their social auxiliary worker. (March 2023) [D454] Manager: Tourism: Engagement with DEDAT re Overberg			

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
												Business Network Liaison with Nat Dept Tourism re Deputy Minister's visit ahead of SONA (January 2023) [D454] Manager: Tourism: Women in Tourism Roadshow Danger Point Lighthouse Committee - 1st meeting Kleinmond Tourism Strategy (March 2023)			

TL KPI Number	Strategic Objective	TL KPI Description	Unit of Measurement	Responsible Owner	Source of Evidence	Baseline	Annual Target	3rd Quarter ending March 2023 (01 January 2023 to 31 March 2023)					Overall Performance for Quarter ending March 2023		
								Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R
TL12	The promotion of tourism, economic and social development	The number of job opportunities created through the EPWP programme and as per set targets (business plan as per grant agreement - FTE's, translates to 1300 work opportunities) (MPPMR Reg 10 (d))	Number of temporary jobs created	Director: Economic and Social Development	Internally verified list of beneficiaries appointed	1 238	1 300	300	274	O	[D435] Director: Economic and Social Development: KPI almost met. (March 2023)	[D435] Director: Economic and Social Development: Due to their budgetary constraints, Community Services and Protection Services directorates did not requests the services of EPWP workers. (March 2023)	300	274	O
TL38	The promotion of tourism, economic and social development	Support 70 SMME's in terms of the Emerging Contractor Development Programme by 30 June 2023	Number of Emerging Contractors supported	Director: Economic and Social Development	Internally verified list of small contractors supported/ Letters of engagement	65	70	0	0	N/A			0	0	N/A

RECOMMENDATION TO THE COUNCIL:

that the content of the report for the third quarter of the 2022/23 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 01/07/2022			R14 178.89
Add: Overstrand Budget Allocation 2022/2023			R1 255 330.00
Donations received:			
Quarter 1	Donations received - B/Bay Fire	50.00	
Quarter 2	Donations received - B/Bay Fire	150.00	
Quarter 3	Donations received - B/Bay Fire	150.00	
Quarter 4			R350.00
Amount withdrawn:			
Quarter 1	ZW Boys Chior Uniforms	-3 643.10	
Quarter 2	ERF 827-Replace Elec Meter	-2 970.00	
Quarter 3	MALACHITE BLUE-STANFORD MILL STREAM	-50 000.00	
	SCHOOL SUPPLIES FOR INDIGENT FAMILY	-1 975.00	
	SCHOOL SHOES AND ATKV PROGRAM	-4 000.00	
	COLLECTION OF DECEASED BODY	-1 000.00	
	NEO LIFE:EDUCATIONAL MATERIAL & FURNITURE	-2 000.00	
	FUNDING: SUPPORT OF THE ELDERLY	-10 000.00	
	FUNDING: GOLF PROGRAM	-2 000.00	
	PD FOR REPLACEMENT OF CIU,ERF 2031 GMA	-1 495.00	
	GANSBAAI-REPLACEMENT MATERIAL-MASAKHANE FIRE	-6 152.10	
	GRIEKWA NASIONALE KONFERENSIE-VERVOER	-1 500.00	
	WHALE COAST BUS. COM FORUM CBD REVITALISATION	-4 000.00	
	GRIEKWA NASIONALE KONFERENSIE-VERBLYF	-10 000.00	
	APPL. FOR LEARNERS LICENSES-30 CANDIDATES	-2 040.00	-96 162.10
Quarter 4			-R102 775.20
Closing Balance 31 March 2023			<u>R1 167 083.69</u>

OVERSTRAND MUNICIPALITY - REPORTING ON THE MUNICIPAL COST CONTAINMENT REGULATIONS, 2019
MARCH 2023

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	45 718 577	5 787 810	7 671 714	6 933 515		1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Vehicles used for political office-bearers	0	0	0	0	0	No Vehicles purchased or planned to purchase vehicles for this purpose in current financial period.
Travel & subsistence: (Please note that deviations from Budgeted amounts also relate to the new normal in terms of scaled down traveling due to virtual meetings, inclusive of a decrease in accommodation costs, Registration Fees w.r.t. conferences, etc.)	877 647	132 511	287 935	180 674		1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Domestic accommodation: (Please note that deviations from Budgeted amounts also relate to the new normal in terms of scaled down traveling due to virtual meetings, inclusive of a decrease in accommodation costs, Registration Fees w.r.t. conferences, etc.)	406 329	47 674	45 201	41 473		1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented

ANNEXURE C 3/3

Sponsorships, events and catering	1 851 074	265 267	236 431	598 907		1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Communication	7 068 809	603 561	1 348 929	1 264 470		1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Other related expenditure items	0	0	0	0	0	1. Overstrand Municipality does not budget to create savings. 2. Cost containment considerations implemented multiple budget periods ago. 3.Guiding Templates implemented
Total	55 922 436	6 836 823	9 590 210	9 019 039		

**MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):
POST IMPLEMENTATION STATUS OF mSCOA PROJECT – MARCH 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 2022/2023: March 2023 (Quarter 3)

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.

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.

3. Status 2022/2023 – December 2022 (Quarter 2)

Quarter 2 now combined with Quarter 3

September 2022 (Quarter 1)

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.

The next Usergroup meeting is scheduled for 20 October 2022, and Council will be updated in the next quarterly report, as applicable.

National Treasury budgetary mSOCA 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 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.

The following status reported on for Quarter 3 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.

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 is 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.
-