

REPORT TO EXECUTIVE MAYOR: 11 DECEMBER 2015

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Author: ACTING CITY MANAGER (NCEBA NCUNYANA)/VP

**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF
THE 2015/16 BUDGET FOR THE PERIOD ENDING 30 NOVEMBER 2015**

1. PURPOSE

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

2. AUTHORITY

Executive Mayor

3. LEGAL / STATUTORY REQUIREMENTS

The Constitution of the Republic of South Africa, 1996

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71

Municipal Budget and Reporting Regulations, 2009

4. BACKGROUND

In terms of Section 71 of the Municipal Finance Management Act No 56, 2003, *“the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality’s budget”*.

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

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

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PART 1: IN-YEAR REPORT

5. RESOLUTIONS

It is recommended that:

- (i) The Executive Mayor considers and notes the report on the statement of financial performance and the implementation of the 2015/16 budget for the period ending 30 November 2015 including supporting documentation attached as Annexure A to E.
- (ii) The Executive Mayor notes the spending rate on capital and operating projects as well as reasons for such as indicated in section 14 and 15 respectively of this report.
- (iii) The Executive Mayor notes the year to date collection rate for the period ending 30 November 2015 of 80% and the twelve (12) months average of 87%.

ACTING CITY MANAGER

DATE

6. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY FOR THE PERIOD ENDING 30 NOVEMBER 2015

6.1. Dashboard / Performance Summary

Table 1: Performance Summary

OVERALL OPERATING RESULTS		CASH MANAGEMENT	
Income	R 2,300,405,025	Bank Balance	R 131,994,739
Expenditure	R 2,140,549,143	Call investment deposits (excl. int.)	R 2,201,820,869
Operating Surplus	R 159,855,881	Cash and cash equivalents	R 2,333,815,607
		<i>Account Payables</i>	<i>(R 592,268,592)</i>
		<i>Unspent conditional grants</i>	<i>(R 300,633,863)</i>
		<i>Committed to Capital budget-own funds</i>	<i>(R 458,455,821)</i>
		Therefore uncommitted cash and cash equivalents	R 982,457,331
		Total Long term loans	R 538,488,462
DEBTORS		SURPLUS / DEFICIT PER SERVICE	
Total debtors book	R 1,448,901,174	Water	R 58,101,744
Total debtors - Government	R 26,291,109	Electricity	R 53,856,827
Total debtors - Business	R 315,591,231	Refuse	R 37,347,005
Total debtors - Households	R 909,711,221	Sewerage	R 31,869,176
Total debtors - Other	R 197,307,613		
Total debt written off	R 12,820,627		
CAPITAL EXPENDITURE		OPERATING PROJECTS EXPENDITURE	
<u>2014/2015: Capital Expenditure as a % of Adjusted Budget of R1.06 billion:</u>	<u>2015/2016: Capital Expenditure as a % of Adjusted Budget of R1.38 billion:</u>	<u>2014/2015: Operating Expenditure as a % of Adjusted Budget of R288.44 million:</u>	<u>2015/2016: Operating Expenditure as a % of Adjusted Budget of R697.73 million:</u>
Exp.(excl. vat) = R240.41 mil % expenditure (excl. vat): 23%	Exp. (excl. vat) = R286.56 mil % exp (Excl. vat) :21%	Exp.(excl. vat) = R88.53 mil % expenditure (excl. vat): 31%	Exp.(excl. vat)=R114.56 mil % exp.(excl. vat): 16%
Exp.(incl. vat) = R261.89 mil % expenditure (incl. vat): 25%	Exp. (incl. vat) = R310.96 mil % exp (incl. vat): 23%	Exp.(incl. vat) = R88.83 mil % exp. (incl. vat): 31%	Exp.(incl. vat) = R114.76 mil % exp.(incl. vat): 16%
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	R 159,855,881	Total staff complement	4 932
12 months average collection ratio	87%	Staff Appointments	489
YTD Grants and subsidies	R 346,504,842	Staff Terminations	106
Debtors to Revenue	16.89%	Number of funded vacant posts	844
Percentage of Creditors paid within terms	100%	Total overtime paid (YTD)	R 46,577,644
Current ratio	3.10:1	Allowances and benefits - Councillors	R 21,308,044
Total Debt to Revenue	11.98%	Salary bill - Officials	R 553,608,495
Capital Charges to Operating Expenditure	1.56%	Workforce costs as a % of income	24%
Cost coverage ratio	5.81 months		

6.2. Liquidity position

Buffalo City Metropolitan Municipality's liquidity is considered relatively sound as the Current Ratio is 3.10:1 which indicates the ability of Municipality's current assets to cover its current liabilities. Debtors constitute 27% of the current assets, inventory constitutes 1% and cash & cash equivalents comprise 65% of the current assets.

6.3. Collection Rate and Outstanding Debtors

The debtor's collection rate for the average twelve months ending 30 November 2015 is 87% (2014/15: 92%) and the year to date collection rate for the five (5) months is 80% (2014/15: 93%). The main contributing factor which contributed to the reduction in collection rate is the unprotected action taken by staff at the Munifin building which includes not addressing the needs of customers. This is currently being addressed by management.

Total debtors book as at 30 November 2015 amounts to R1.45 billion (2015: R1.33 billion). Households: R909.71 million, Business: R315.59 million, Government: R26.29 million, Other: R197.31 million. The ratio of debtors to revenue is 16.89%. The debtors' age analysis report is reflected on Annexure B – SC3.

6.4. Capital Expenditure

BCMM has spent R310.96 million inclusive of reclaimed vat (2014/15: R261.89 million) which is 23% (2014/15: 25%) of its 2015/16 adjusted capital budget of R1.38 billion (2014/15: R1.06 billion) as at 30 November 2015. This depicts a slight regression when compared to the same period in the previous financial year. The expenditure is showing improvement in the second quarter when compared to the first quarter performance. (Refer to Section 14 for further details)

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

6.5. Operating projects

The Metro has spent 16% (R114.76 million, inclusive of reclaimed vat) of its 2015/16 adjusted budget of R697.73 million as at 30 November 2015. This reflects a regression when compared to the same period in the previous financial year where 31% (R88.83 million) of the adjusted operating projects budget of R288.44 million was spent. It is anticipated that the expenditure will improve once the procurement processes have been undertaken. (Refer to Section 15 for further details)

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

6.6. Expenditure on DoRA Current Allocation

The Metro has spent R230.96 million inclusive of reclaimed vat (2014/15: R196.35 million) which is 29% (2014/15: 27%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: R714.18 million) as at 30 November 2015. This reflects an improvement when compared to the same period in the previous financial year. (Refer to Section 11 for further details)

6.6.1. Urban Settlement Development Grant (USDG) funded projects

BCMM has spent R213.44 million inclusive of reclaimed vat (2014/15: R170.97 million) which is 30% (2014/15: 25%) of its 2015/16 USDG budget of R713.13 million (2014/15: R673.29 million) as at 30 November 2015. This reflects an improvement when compared to the same period in the previous financial year. (Refer to Section 11 for further details)

6.7. Cash and Cash Equivalents

The cash and cash equivalents of the City as at 30 November 2015 are R2.33 billion made up of cash and bank amounting to R131.99 million and call investment deposits of R2.20 billion. This funding is invested with various financial institutions in compliance with the MFMA. Refer to Section 7.7 and Annexure A – C7 for the cash flow statement as well as Section 10 and Annexure B – SC5 for the investment portfolio breakdown. The cost coverage ratio of the city is 5.81 months.

6.8. Outstanding Creditors

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

6.9. Long-Term Debt Profile

The total long term borrowings of the municipality as at 30 November 2015 amounts to R538.49 million (Refer to Annexure C for the schedule of borrowings).

The ratio of capital charges to operating expenditure is 1.56% and the total debt to revenue ratio is 11.98% as at 30 November 2015.

7. IN-YEAR BUDGET STATEMENT MAIN TABLES

7.1. Monthly Budget Statement Summary

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

Table 2:C1: Monthly Budget Statement Summary

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	903 413	903 413	72 569	422 968	415 347	7 621	2%	903 413
Service charges	–	2 686 741	2 686 741	187 998	1 230 737	1 094 933	135 804	12%	2 686 741
Investment revenue	–	133 620	133 620	11 570	58 510	37 230	21 280	57%	133 620
Transfers recognised - operational	–	1 249 333	1 254 460	35 075	346 505	293 883	52 622	18%	1 254 460
Other own revenue	–	746 500	746 500	22 113	241 685	197 609	44 076	22%	746 500
Total Revenue (excluding capital transfers and contributions)	–	5 719 607	5 724 735	329 325	2 300 405	2 039 002	261 403	13%	5 724 735
Employee costs	–	1 387 619	1 387 619	115 207	553 608	578 175	(24 566)	-4%	1 387 619
Remuneration of Councillors	–	52 910	52 910	4 246	21 308	22 046	(738)	-3%	52 910
Depreciation & asset impairment	–	712 213	690 930	57 577	287 887	287 887	0	0%	690 930
Finance charges	–	54 313	54 313	4 923	22 930	22 630	300	1%	54 313
Materials and bulk purchases	–	1 377 012	1 377 012	100 636	634 948	632 376	2 573	0%	1 377 012
Transfers and grants	–	258 568	258 568	23 123	96 475	107 737	(11 262)	-10%	258 568
Other expenditure	–	1 876 050	1 902 460	149 323	523 392	467 488	55 904	12%	1 902 460
Total Expenditure	–	5 718 685	5 723 812	455 034	2 140 549	2 118 338	22 211	1%	5 723 812
Surplus/(Deficit)	–	922	922	(125 709)	159 856	(79 336)	239 192	-301%	922
Transfers recognised - capital	–	850 353	850 353	68 040	215 215	157 463	57 752	37%	850 353
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	851 275	851 275	(57 669)	375 071	78 127	296 944	380%	851 275
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	–	851 275	851 275	(57 669)	375 071	78 127	296 944	380%	851 275
Capital expenditure & funds sources									
Capital expenditure	–	1 275 354	1 380 149	85 219	286 556	157 463	129 093	82%	1 380 149
Capital transfers recognised	–	850 353	850 353	68 040	215 215	97 018	118 197	122%	850 353
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	425 002	529 797	17 179	71 341	60 445	10 896	18%	529 797
Total sources of capital funds	–	1 275 354	1 380 149	85 219	286 556	157 463	129 093	82%	1 380 149
Financial position									
Total current assets	–	3 250 381	3 250 382		3 603 957				3 250 382
Total non current assets	–	11 706 711	11 706 712		12 543 853				11 706 712
Total current liabilities	–	1 026 227	1 026 227		1 161 015				1 026 227
Total non current liabilities	–	1 099 508	1 099 508		1 000 730				1 099 508
Community wealth/Equity	–	12 831 357	12 831 358		13 986 065				12 831 358
Cash flows									
Net cash from (used) operating	–	1 350 929	1 329 235	(28 031)	431 944	562 887	130 943	23%	1 329 235
Net cash from (used) investing	–	(1 275 354)	(1 380 149)	(85 219)	(286 556)	(531 398)	(244 842)	46%	(1 380 149)
Net cash from (used) financing	–	(46 097)	(46 097)	–	(10 370)	(19 207)	(8 837)	46%	(46 097)
Cash/cash equivalents at the month/year end	–	2 383 434	2 256 945	–	2 333 816	2 366 238	32 423	1%	2 101 786
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	225 209	78 543	53 281	44 456	50 273	40 298	181 825	775 018	1 448 901
Creditors Age Analysis									
Total Creditors	577 149	15 119	–	–	–	–	–	–	592 269

7.2. Monthly Budget Statement – Financial Performance (standard classification)

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

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

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		–	1 974 740	1 974 740	91 778	799 093	769 319	29 774	4%	1 974 740
Executive and council		–	37 902	37 902	3 131	10 372	5 599	4 773	85%	37 902
Budget and treasury office		–	1 922 818	1 922 818	88 467	786 584	761 257	25 327	3%	1 922 818
Corporate services		–	14 019	14 019	180	2 137	2 463	(326)	-13%	14 019
<i>Community and public safety</i>		–	651 123	653 618	42 468	123 841	57 044	66 798	117%	653 618
Community and social services		–	17 738	17 738	723	4 545	4 301	245	6%	17 738
Sport and recreation		–	5 601	5 601	157	798	904	(106)	-12%	5 601
Public safety		–	90 035	90 035	9 752	56 979	27 156	29 822	110%	90 035
Housing		–	535 206	537 702	31 837	61 511	24 284	37 227	153%	537 702
Health		–	2 542	2 542	–	8	399	(391)	-98%	2 542
<i>Economic and environmental services</i>		–	97 752	97 883	1 552	9 634	30 245	(20 611)	-68%	97 883
Planning and development		–	21 272	21 403	1 443	9 249	7 396	1 853	25%	21 403
Road transport		–	76 096	76 096	82	320	22 787	(22 468)	-99%	76 096
Environmental protection		–	385	385	27	66	62	4	6%	385
<i>Trading services</i>		–	2 972 019	2 974 519	192 036	1 361 947	1 021 816	340 131	33%	2 974 519
Electricity		–	1 726 439	1 726 439	108 071	794 849	515 298	279 551	54%	1 726 439
Water		–	492 088	492 088	34 235	248 652	205 789	42 863	21%	492 088
Waste water management		–	392 460	392 460	25 331	168 273	152 148	16 125	11%	392 460
Waste management		–	361 032	363 532	24 399	150 172	148 580	1 592	1%	363 532
<i>Other</i>	4	–	874 327	874 327	69 530	221 105	160 578	60 526	38%	874 327
Total Revenue - Standard	2	–	6 569 960	6 575 087	397 365	2 515 620	2 039 002	476 618	23%	6 575 087
Expenditure - Standard										
<i>Governance and administration</i>		–	1 087 762	1 103 479	100 014	394 622	335 682	58 940	18%	1 103 479
Executive and council		–	194 037	194 037	14 877	74 287	74 159	128	0%	194 037
Budget and treasury office		–	466 958	470 923	43 726	171 107	156 380	14 727	9%	470 923
Corporate services		–	426 767	438 519	41 412	149 228	105 143	44 085	42%	438 519
<i>Community and public safety</i>		–	989 070	991 566	64 213	280 935	202 507	78 428	39%	991 566
Community and social services		–	93 320	93 320	7 606	37 861	28 022	9 839	35%	93 320
Sport and recreation		–	74 147	74 147	6 020	29 377	23 218	6 159	27%	74 147
Public safety		–	219 275	219 275	26 560	111 802	90 667	21 135	23%	219 275
Housing		–	571 731	574 226	21 275	89 585	50 569	39 016	77%	574 226
Health		–	30 598	30 598	2 752	12 310	10 031	2 279	23%	30 598
<i>Economic and environmental services</i>		–	843 333	822 181	61 349	291 400	244 978	46 422	19%	822 181
Planning and development		–	213 708	213 840	17 486	80 792	79 738	1 053	1%	213 840
Road transport		–	527 886	506 602	34 477	166 900	135 610	31 290	23%	506 602
Environmental protection		–	101 739	101 739	9 386	43 708	29 629	14 079	48%	101 739
<i>Trading services</i>		–	2 781 669	2 789 735	228 167	1 167 627	1 331 242	(163 615)	-12%	2 789 735
Electricity		–	1 625 904	1 625 904	126 119	721 906	852 690	(130 784)	-15%	1 625 904
Water		–	503 337	503 337	44 597	201 114	204 233	(3 119)	-2%	503 337
Waste water management		–	362 232	362 232	32 141	140 092	140 504	(412)	0%	362 232
Waste management		–	290 196	298 262	25 310	104 515	133 815	(29 300)	-22%	298 262
<i>Other</i>		–	17 005	16 851	1 292	5 965	3 930	2 035	52%	16 851
Total Expenditure - Standard	3	–	5 718 839	5 723 812	455 034	2 140 549	2 118 338	22 211	1%	5 723 812
Surplus/ (Deficit) for the year		–	851 121	851 275	(57 669)	375 071	(79 336)	454 407	-573%	851 275

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

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

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

Vote Description	Ref	2014/15	Budget Year 2015/16							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue by Vote	1									
Vote 1 - Directorate - Executive Support Services		-	-	131	-	-	131	(131)	-100.0%	131
Vote 2 - Directorate - City Manager		-	37 902	37 902	3 131	10 372	4 952	5 420	109.4%	37 902
Vote 3 - Directorate - Human Settlements		-	535 206	537 702	31 838	61 547	22 225	39 322	176.9%	537 702
Vote 4 - Directorate - Finance		-	1 922 818	1 922 818	88 467	786 584	965 163	(178 579)	-18.5%	1 922 818
Vote 5 - Directorate - Corporate Services		-	11 851	11 851	74	1 540	867	673	77.6%	11 851
Vote 6 - Directorate - Infrastructure Services		-	2 614 132	2 614 132	167 636	1 211 826	650 298	561 528	86.3%	2 614 132
Vote 7 - Directorate - Development Planning		-	55 515	55 515	3 121	15 968	12 205	3 763	30.8%	55 515
Vote 8 - Directorate - Health / Public Safety & Emergency Services		-	157 427	157 427	9 752	56 987	58 702	(1 715)	-2.9%	157 427
Vote 9 - Directorate - Municipal Services		-	384 756	387 256	25 306	155 582	166 996	(11 414)	-6.8%	387 256
Vote 10 - Directorate - Miscellaneous		-	850 353	850 353	68 040	215 215	157 463	57 752	36.7%	850 353
Total Revenue by Vote	2	-	6 569 960	6 575 087	397 365	2 515 620	2 039 002	476 618	23.4%	6 575 087
Expenditure by Vote	1									
Vote 1 - Directorate - Executive Support Services		-	164 414	181 433	17 514	76 418	69 034	7 384	10.7%	181 433
Vote 2 - Directorate - City Manager		-	102 124	102 124	6 240	38 723	39 794	(1 071)	-2.7%	102 124
Vote 3 - Directorate - Human Settlements		-	582 205	584 701	21 566	91 474	50 340	41 134	81.7%	584 701
Vote 4 - Directorate - Finance		-	466 958	470 923	43 726	171 107	149 825	21 282	14.2%	470 923
Vote 5 - Directorate - Corporate Services		-	214 533	222 205	20 941	65 905	52 912	12 993	24.6%	222 205
Vote 6 - Directorate - Infrastructure Services		-	3 046 354	3 025 070	242 065	1 245 459	1 342 314	(96 855)	-7.2%	3 025 070
Vote 7 - Directorate - Development Planning		-	274 508	274 508	24 311	107 749	88 547	19 202	21.7%	274 508
Vote 8 - Directorate - Health / Public Safety & Emergency Services		-	283 787	283 787	29 553	125 018	108 888	16 131	14.8%	283 787
Vote 9 - Directorate - Municipal Services		-	582 239	577 497	49 120	218 696	216 684	2 012	0.9%	577 497
Vote 10 - Directorate - Miscellaneous		-	1 565	1 565	-	-	-	-		1 565
Total Expenditure by Vote	2	-	5 718 685	5 723 812	455 034	2 140 549	2 118 338	22 211	1.0%	5 723 812
Surplus/ (Deficit) for the year	2	-	851 275	851 275	(57 669)	375 071	(79 336)	454 407	-572.8%	851 275

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

The statement of financial performance presented in table below, compares the expenditure and revenue on accrual basis against budget for the period ending 30 November 2015.

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

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates		902 842	902 842	72 569	422 968	415 347	7 621	2%	902 842
Property rates - penalties & collection charges		571	571	–	–	–	–		571
Service charges - electricity revenue		1 658 671	1 658 671	105 184	756 914	677 344	79 570	12%	1 658 671
Service charges - water revenue		411 381	411 381	33 298	212 994	166 943	46 051	28%	411 381
Service charges - sanitation revenue		314 571	314 571	24 075	132 527	123 339	9 188	7%	314 571
Service charges - refuse revenue		286 063	286 063	24 154	120 056	119 193	864	1%	286 063
Service charges - other		16 056	16 056	1 287	8 246	8 115	131	2%	16 056
Rental of facilities and equipment		18 629	18 629	2 652	8 382	4 378	4 004	91%	18 629
Interest earned - external investments		133 620	133 620	11 570	58 510	37 230	21 280	57%	133 620
Interest earned - outstanding debtors		32 175	32 175	2 484	12 212	12 629	(418)	-3%	32 175
Dividends received		–	–	–	–	–	–		–
Fines		10 293	10 293	340	2 770	1 359	1 411	104%	10 293
Licences and permits		22 472	22 472	518	2 044	4 881	(2 836)	-58%	22 472
Agency services		–	–	–	–	–	–		–

Transfers recognised - operational		1 249 333	1 254 460	35 075	346 505	293 883	52 622	18%	1 254 460
Other revenue		662 931	662 931	16 119	216 277	174 362	41 915	24%	662 931
Gains on disposal of PPE		–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		5 719 607	5 724 735	329 325	2 300 405	2 039 002	261 403	13%	5 724 735
Expenditure By Type									
Employee related costs		1 387 619	1 387 619	115 207	553 608	578 175	(24 566)	-4%	1 387 619
Remuneration of councillors		52 910	52 910	4 246	21 308	22 046	(738)	-3%	52 910
Debt impairment		245 009	245 009	40 835	102 087	102 087	(0)	0%	245 009
Depreciation & asset impairment		712 213	690 930	57 577	287 887	287 887	0	0%	690 930
Finance charges		54 313	54 313	4 923	22 930	22 630	300	1%	54 313
Bulk purchases		1 377 012	1 377 012	100 636	634 948	632 376	2 573	0%	1 377 012
Other materials		–	–	–	–	–	–		–
Contracted services		21 622	21 622	1 197	4 855	5 433	(578)	-11%	21 622
Transfers and grants		258 568	258 568	23 123	96 475	107 737	(11 262)	-10%	258 568
Other expenditure		1 609 419	1 635 830	107 291	416 449	359 967	56 482	16%	1 635 830
Loss on disposal of PPE		–	–	–	–	–	–		–
Total Expenditure		5 718 685	5 723 812	455 034	2 140 549	2 118 338	22 211	1%	5 723 812
Surplus/(Deficit)		922	922	(125 709)	159 856	(79 336)	239 192	(0)	922
Transfers recognised - capital		850 353	850 353	68 040	215 215	157 463	57 752	0	850 353
Contributions recognised - capital		–	–	–	–	–	–		–
Contributed assets		–	–	–	–	–	–		–

Surplus/(Deficit) after capital transfers & contributions		851 275	851 275	(57 669)	375 071	78 127			851 275
Taxation		-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		851 275	851 275	(57 669)	375 071	78 127			851 275
Attributable to minorities		-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		851 275	851 275	(57 669)	375 071	78 127			851 275
Share of surplus/ (deficit) of associate		-	-	-	-	-			-
Surplus/ (Deficit) for the year		851 275	851 275	(57 669)	375 071	78 127			851 275

7.4.1. ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE

7.4.1.1. Service Charges – Electricity Revenue

The over-recovery of 12% is a combination of the non-alignment of the period budget with the actual trend of consumption and the influences of seasonal consumption trends.

7.4.1.2. Service Charges – Water Revenue

The over-recovery of 28% is a combination of the non-alignment of the period budget with the actual trend of consumption and the influences of seasonal consumption trends.

7.4.1.3. Rental of Facilities & Equipment

The Market Cold Storage is under renovations and therefore not functioning and as a result BCMM is losing revenue for cold storage rentals.

7.4.1.4. Interest earned – External Investments

The variance of 57% is due to high interest earned on investments than what was projected. The trend is expected to become linear as the year progresses.

7.4.1.5. Fines

The Magistrates Court has backdated their payments to BCMM for about three months as they have not been paying BCMM's portion of the fines/warrants paid in at the Magistrates Court.

7.4.1.6. Licenses and Permits

Applicants are not restricted to apply for drivers and learners licenses in their area of residence and tend to apply at more convenient testing stations. This results in reduction in income generated by BCMM on this service.

7.4.1.7. Transfers Recognised – Operational

The transfers recognised relate to grants and subsidies received as well as revenue recognised on grant funded operating projects. Revenue from grant

funded projects is recognised as the expenditure is incurred and to date R73.53 million has been recognised. Total Grants and Subsidies received amounts to R272.98 million.

7.4.1.8. Other Revenue

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

7.4.1.9. Contracted Services

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

7.4.1.10. Other expenditure

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

7.4.1.11. Repairs and Maintenance

Table 6 below reflects that as at 30 November 2015, the repairs and maintenance expenditure is 28% of the approved budget of R372.01 million (2014/15: 38%). This reflects a regression when compared with the prior year and is anticipated to improve as the year progresses. Refer to Annexure B: SC13c (repairs and maintenance by asset class).

Table 6: Repairs and Maintenance per Directorate

Directorate	<u>2015/2016</u> <u>Annual</u> <u>Budget</u> <u>R</u>	<u>2015/2016</u> <u>Annual</u> <u>Expenditure</u> <u>R</u>	<u>2015/2016</u> <u>Variance</u> <u>R</u>	<u>2015/2016</u> <u>% of</u> <u>Budget</u>
Directorate of Executive Support	2 901 917	298 798	2 603 119	10%
Directorate of The City Manager	120 609	4 372	116 237	4%
Directorate of Corporate Services	5 865 813	1 440 884	4 424 929	25%
Directorate of Development & Spatial Planning	25 432 367	9 896 921	15 535 446	39%
Directorate of Economic Development & Agencies	1 058 859	120 192	938 667	11%
Directorate of Finance	2 935 990	509 046	2 426 944	17%
Directorate of Health / Public Safety & Emergency Services	5 956 496	896 975	5 059 521	15%
Directorate of Human Settlement	97 239	28 973	68 266	30%
Directorate of Infrastructure Services	293 911 912	85 834 263	208 077 649	29%
<i>Electricity</i>	112 549 555	36 499 760	76 049 795	32%
<i>Water</i>	42 435 218	19 010 048	23 425 170	45%
<i>Sanitation</i>	29 620 452	13 100 577	16 519 875	44%
<i>Other</i>	109 306 687	17 223 878	92 082 809	16%
Directorate of Municipal Services	33 728 503	6 428 664	27 299 839	19%
TOTAL	372 009 705	105 459 086	266 550 619	28%

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

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

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

Vote Description	Ref	2014/15	Budget Year 2015/16							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Directorate - Executive Support Services		-	6 200	7 439	218	463	1 953	(1 489)	-76%	7 439
Vote 2 - Directorate - City Manager		-	21 500	21 500	-	-	37	(37)	-100%	21 500
Vote 3 - Directorate - Human Settlements		-	211 424	211 785	10 519	78 388	12 859	65 528	510%	211 785
Vote 4 - Directorate - Finance		-	10 000	10 632	121	365	2 106	(1 742)	-83%	10 632
Vote 5 - Directorate - Corporate Services		-	21 600	39 538	474	2 704	753	1 951	259%	39 538
Vote 6 - Directorate - Infrastructure Services		-	820 556	859 352	63 405	168 444	115 149	53 295	46%	859 352
Vote 7 - Directorate - Development Planning		-	68 221	69 653	3 724	12 299	11 885	414	3%	69 653
Vote 8 - Directorate - Health / Public Safety & Emergency Services		-	21 650	32 265	232	1 966	8 787	(6 820)	-78%	32 265
Vote 9 - Directorate - Municipal Services		-	94 204	127 986	6 527	21 926	3 933	17 993	457%	127 986
Total Capital Multi-year expenditure	4,7	-	1 275 354	1 380 149	85 219	286 556	157 463	129 093	82%	1 380 149
Single Year expenditure appropriation	2									
Vote 1 - Directorate - Executive Support Services		-	-	-	-	-	-	-	-	-
Vote 2 - Directorate - City Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Directorate - Human Settlements		-	-	-	-	-	-	-	-	-
Vote 4 - Directorate - Finance		-	-	-	-	-	-	-	-	-
Vote 5 - Directorate - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 6 - Directorate - Infrastructure Services		-	-	-	-	-	-	-	-	-
Vote 7 - Directorate - Development Planning		-	-	-	-	-	-	-	-	-
Vote 8 - Directorate - Health / Public Safety & Emergency Services		-	-	-	-	-	-	-	-	-
Vote 9 - Directorate - Municipal Services		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	1 275 354	1 380 149	85 219	286 556	157 463	129 093	82%	1 380 149
Capital Expenditure - Standard Classification										
Expenditure - Standard		-	59 300	79 110	813	3 533	9 026	(5 493)	-61%	79 110
Governance and administration		-	27 700	28 939	218	463	3 302	(2 838)	-86%	28 939
Executive and council		-	10 000	10 632	121	365	1 213	(848)	-70%	10 632
Budget and treasury office		-	21 600	39 538	474	2 704	4 511	(1 807)	-40%	39 538
Corporate services		-	305 568	317 533	12 872	88 979	36 228	52 751	146%	317 533
Community and public safety		-	40 269	40 269	1 575	6 030	4 594	1 436	31%	40 269
Community and social services		-	32 225	33 215	546	2 595	3 790	(1 195)	-32%	33 215
Sport and recreation		-	21 650	32 265	232	1 966	3 681	(1 715)	-47%	32 265
Public safety		-	211 424	211 785	10 519	78 388	24 163	54 225	224%	211 785
Housing		-	-	-	-	-	-	-	-	-
Health		-	333 221	334 653	18 644	54 104	38 181	15 923	42%	334 653
Economic and environmental services		-	68 221	69 653	3 724	12 299	7 947	4 352	55%	69 653
Planning and development		-	265 000	265 000	14 920	41 805	30 234	11 571	38%	265 000
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	529 266	600 854	52 890	139 940	68 552	71 388	104%	600 854
Trading services		-	158 500	158 500	17 124	47 234	18 083	29 151	161%	158 500
Electricity		-	91 000	91 000	7 338	33 955	10 382	23 572	227%	91 000
Water		-	258 056	296 852	24 022	45 450	33 868	11 582	34%	296 852
Waste water management		-	21 710	54 502	4 406	13 301	6 218	7 083	114%	54 502
Waste management		-	48 000	48 000	-	-	5 476	(5 476)	-100%	48 000
Total Capital Expenditure - Standard Classification	3	-	1 275 354	1 380 149	85 219	286 556	157 463	129 093	82%	1 380 149
Funded by:										
National Government		-	742 884	742 884	62 083	191 096	84 757	106 340	125%	742 884
Provincial Government		-	107 469	107 469	5 957	24 119	12 261	11 857	97%	107 469
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	850 353	850 353	68 040	215 215	97 018	118 197	122%	850 353
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	425 002	529 797	17 179	71 341	60 445	10 896	18%	529 797
Total Capital Funding		-	1 275 354	1 380 149	85 219	286 556	157 463	129 093	82%	1 380 149

7.6. Monthly Budget Statement – Financial Position

The table below reflects the financial position of the Metro. It is good to note that the Metro is having high assets over liabilities resulting into the net worth of R13.99 billion.

Table 8: C6: Monthly Budget Statement – Financial Position

Description	Ref	2014/15	Budget Year 2015/16				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash			80 000	80 000	131 995	80 000	
Call investment deposits			2 303 434	2 303 434	2 201 821	2 303 434	
Consumer debtors			671 945	671 946	620 412	671 946	
Other debtors			98 188	98 188	602 973	98 188	
Current portion of long-term receivables			14	14	–	14	
Inventory			96 800	96 800	46 757	96 800	
Total current assets			–	3 250 381	3 250 382	3 603 957	3 250 382
Non current assets							
Long-term receivables			60	60	–	60	
Investments			–	–	–	–	
Investment property			411 400	411 400	328 302	411 400	
Investments in Associate			–	–	81 908	–	
Property, plant and equipment			11 197 291	11 197 292	12 035 269	11 197 292	
Agricultural			–	–	–	–	
Biological assets			–	–	–	–	
Intangible assets			22 800	22 800	98 374	22 800	
Other non-current assets			75 160	75 160	–	75 160	
Total non current assets			–	11 706 711	11 706 712	12 543 853	11 706 712
TOTAL ASSETS			–	14 957 092	14 957 094	16 147 810	14 957 094
LIABILITIES							
Current liabilities							
Bank overdraft			–	–	–	–	
Borrowing			46 097	46 097	48 835	46 097	
Consumer deposits			54 050	54 050	53 043	54 050	
Trade and other payables			774 300	774 300	892 902	774 300	
Provisions			151 780	151 780	166 234	151 780	
Total current liabilities			–	1 026 227	1 026 227	1 161 015	1 026 227
Non current liabilities							
Borrowing			500 418	500 418	486 874	500 418	
Provisions			599 090	599 090	513 856	599 090	
Total non current liabilities			–	1 099 508	1 099 508	1 000 730	1 099 508
TOTAL LIABILITIES			–	2 125 735	2 125 735	2 161 745	2 125 735
NET ASSETS	2		–	12 831 357	12 831 359	13 986 065	12 831 359
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			10 020 574	10 020 575	9 749 402	10 020 575	
Reserves			2 810 783	2 810 783	4 236 663	2 810 783	
TOTAL COMMUNITY WEALTH/EQUITY	2		–	12 831 357	12 831 358	13 986 065	12 831 358

7.7. Monthly Budget Statement – Cash Flow

The Metros' cash flow position and cash/cash equivalent outcome is shown in the table below. The Metro's cash position reflects a net increase of R135.02 million resulting in cash and cash equivalents closing balance of R2.33 billion as at 30 November 2015.

Table 9: C7: Monthly Budget Statement – Cash Flow

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges			831 140	831 140	72 569	422 968	346 308	76 660	22%	831 140
Service charges			2 471 802	2 471 802	186 711	1 222 491	1 029 917	192 574	19%	2 471 802
Other revenue			657 180	657 180	58 948	237 718	273 825	(36 106)	-13%	657 180
Government - operating			1 149 387	1 154 104	(2 957)	346 505	478 911	(132 406)	-28%	1 154 104
Government - capital			850 353	850 353	0	319 252	354 314	(35 062)	-10%	850 353
Interest			152 531	152 531	14 053	70 722	63 555	7 167	11%	152 531
Dividends			-	0	-	-	-	-		0
Payments										
Suppliers and employees			(4 448 581)	(4 474 992)	(329 310)	(2 068 308)	(1 853 576)	214 733	-12%	(4 474 992)
Finance charges			(54 313)	(54 313)	(4 923)	(22 930)	(22 630)	300	-1%	(54 313)
Transfers and Grants			(258 568)	(258 568)	(23 123)	(96 475)	(107 737)	(11 262)	10%	(258 568)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	1 350 929	1 329 235	(28 031)	431 944	562 887	130 943	23%	1 329 235
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors			-	-	-	-	-	-		-
Decrease (increase) other non-current receivables			-	-	-	-	-	-		-
Decrease (increase) in non-current investments			-	-	-	-	-	-		-
Payments										
Capital assets			(1 275 354)	(1 380 149)	(85 219)	(286 556)	(531 398)	(244 842)	46%	(1 380 149)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(1 275 354)	(1 380 149)	(85 219)	(286 556)	(531 398)	(244 842)	46%	(1 380 149)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			-	-	-	-	-	-		-
Borrowing long term/refinancing			-	-	-	-	-	-		-
Increase (decrease) in consumer deposits			-	-	-	-	-	-		-
Payments										
Repayment of borrowing			(46 097)	(46 097)	-	(10 370)	(19 207)	(8 837)	46%	(46 097)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(46 097)	(46 097)	-	(10 370)	(19 207)	(8 837)	46%	(46 097)
NET INCREASE/ (DECREASE) IN CASH HELD		-	29 477	(97 012)	(113 250)	135 018	12 282			(97 012)
Cash/cash equivalents at beginning:			2 353 956	2 353 956		2 198 797	2 353 956			2 198 797
Cash/cash equivalents at month/year end:		-	2 383 434	2 256 945		2 333 816	2 366 238			2 101 786

PART 2: SUPPORTING **DOCUMENTATION**

8. IN-YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATION

8.1. Debtors

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

Table 10: SC3 Monthly Budget Statement Aged Debtors

Description	NT Code	Budget Year 2015/16								Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	30 204	21 446	16 475	14 680	16 741	17 403	67 613	206 372	390 934	322 809		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	83 536	11 659	3 971	4 340	2 670	2 236	7 264	28 296	143 973	44 807		
Receivables from Non-exchange Transactions - Property Rates	1400	66 832	22 587	19 122	13 363	17 285	11 306	59 639	184 367	394 500	285 960		
Receivables from Exchange Transactions - Waste Water Management	1500	19 131	11 275	4 925	4 133	4 160	3 276	15 568	102 817	165 286	129 955		
Receivables from Exchange Transactions - Waste Management	1600	16 064	8 201	5 939	5 392	5 359	3 903	19 906	145 586	210 350	180 147		
Receivables from Exchange Transactions - Property Rental Debtors	1700	73	70	62	61	67	61	348	2 661	3 403	3 198		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	9 370	3 305	2 787	2 487	3 990	2 112	11 486	104 919	140 456	124 993		
Total By Income Source	2000	225 209	78 543	53 281	44 456	50 273	40 298	181 825	775 018	1 448 901	1 091 869	-	-
2014/15 - totals only		188 707	51 323	36 295	32 134	37 322	42 005	146 747	566 722	1 101 256	824 930		
Debtors Age Analysis By Customer Group													
Organs of State	2200	10 254	5 831	3 031	1 878	1 608	72	670	2 947	26 291	7 175		
Commercial	2300	118 402	18 255	11 781	10 445	11 704	8 625	44 727	91 652	315 591	167 154		
Households	2400	86 781	49 090	33 520	28 071	30 278	27 609	114 799	539 564	909 711	740 321		
Other	2500	9 773	5 367	4 950	4 062	6 683	3 991	21 628	140 855	197 308	177 218		
Total By Customer Group	2600	225 209	78 543	53 281	44 456	50 273	40 298	181 825	775 018	1 448 901	1 091 869	-	-

8.1.1. Additional debtors information

The debtors that are older than 30 days, which includes all charges, amounted to R1,223,692,395 at 30 November 2015 which is an increase of R20,076,187 over the amount of R1,203,616,208 at 31 October 2015.

8.2. Additional debtor's information.

8.2.1. Age Analysis per Category

Table 11 below details debtors age analysis that are older than 30 days by income source as at 30 November 2015. It also provides comparison with the previous month (31 October 2015) which indicates an increase from R1.20 billion to R1.22 billion.

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

AGEING	RATES	SEWERAGE	ELECTRICITY	WATER	REFUSE	SUNDRY DEBTORS	TOTAL FOR NOVEMBER 2015	TOTAL FOR OCTOBER 2015
30 DAYS	22,586,523	11,274,759	11,659,292	21,445,717	8,200,997	3,375,612	78,542,901	90,126,452
60 DAYS	19,121,937	4,925,437	3,970,759	16,475,205	5,938,541	2,849,005	53,280,883	50,285,800
90 DAYS	13,362,786	4,133,282	4,340,336	14,679,569	5,391,992	2,547,975	44,455,940	54,707,260
120 DAYS TO 360 DAYS	88,230,205	23,004,578	12,170,488	101,757,268	29,168,735	18,063,831	272,395,105	283,247,046
YEAR 2	71,566,506	28,897,780	8,255,040	69,121,979	36,572,170	26,634,719	241,048,194	214,321,642
YEAR 3	28,043,020	18,764,039	6,251,254	38,010,072	25,864,756	21,460,879	138,394,019	131,538,226
YEAR 4	22,277,418	14,000,377	5,603,702	25,194,599	19,026,150	14,692,786	100,795,032	99,402,197
YEAR 5+	62,479,999	41,154,750	8,186,210	74,045,339	64,122,814	44,791,208	294,780,320	279,987,586
TOTAL	327,668,394	146,155,003	60,437,081	360,729,747	194,286,155	134,416,014	1,223,692,395	1,203,616,208

8.2.2. Age Analysis per Category

Table 12 below details debtors age analysis per category type that are older than 30 days as at 30 November 2015. It also reflects the percentage split per category with domestic consumers having the highest share followed by indigent consumers.

Table 12: Age Analysis per Category Type

CATEGORY TYPE	30 DAYS	60 DAYS	90 DAYS	120 DAYS+	Total	% Share
Domestic	35,890,093	21,096,296	16,359,535	467,871,848	541,217,772	44.23
Indigent	12,801,448	12,201,066	11,584,007	243,596,651	280,183,172	22.90
Business	18,255,123	11,780,683	10,445,104	156,708,789	197,189,698	16.11
Government	5,830,936	3,030,783	1,877,961	5,297,380	16,037,060	1.31
Municipal Staff	386,435	218,692	124,100	739,837	1,469,063	0.12
Councillors	11,627	3,778	3,440	41,739	60,584	0.00
Other	5,367,239	4,949,586	4,061,794	173,156,427	187,535,046	15.33
Total	78,542,901	53,280,883	44,455,940	1,047,412,670	1,223,692,395	100.00

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

8.2.3. Billing, Receipts and Debtors Collection Rate

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

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

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

8.2.4. Debt Incentive Scheme

The City is currently undertaking a debt incentive scheme to encourage consumers to pay its long outstanding debts. Any debt that was 120 days or older as at November 2014 qualifies for a write off of 50% provided that the remaining 50% plus the debt in the current to 90 days ageing categories is paid. This debt can be paid once-off, or in monthly instalment arrangements; or as a rand-for-rand option, whereby the consumer has an opportunity to pay 50% of the debt older than 120 days off as and when they can, until the end of June 2016 and for every payment made towards this debt, an amount of equal value is written off.

As at 30 November 2015 a total of two thousand nine hundred and sixty-nine (2 969) consumers have registered for the scheme. The total registered debt value is R60,774,748 to date, debt payments received amount to R59,792,282 and debt write-offs total to R16,474,135.

8.2.5. Government Accounts

The total arrears owed by Government Departments to Buffalo City Metropolitan Municipality that are older than 30 days as at 30 November 2015 amounted to R16,037,060. This indicates a decrease of R1,908,984 when compared to prior month amount of R17,946,044.

A total payment of R16,368,908 was received from Government Departments in November 2015. The breakdown of the arrears per department (excluding accounts in credit) is indicated in the table hereunder, as at 30 November 2015.

Table 14 below provides an analysis of government debtors as at 30 November 2015 and comparison with the previous month.

Table 14: Analysis of Government Debtors

DEPARTMENT	PROPERTY RATES	SERVICES	ARREARS AS AT 30 NOVEMBER 2015	ARREARS AS AT 31 OCTOBER 2015	DIFFERENCE
National Department Of Public Works	1,180,999	238,506	1,419,504	4,165,487	(2,745,983)
Provincial Department Of Public Works	1,634,975	1,578,193	3,213,168	4,536,728	(1,323,560)
Department Of Education		1,689,365	1,689,365	2,729,971	(1,040,606)
Department Of Health		4,601,816	4,601,816	1,492,715	3,109,101
Department Of Social Development		249,735	249,735	-	249,735
Department Of Agriculture		903,085	903,085	952,284	(49,199)
Department Of Nature Conservation		9,974	9,974	5,052	4,922
Department of Human Settlements		2,776	2,776	245,460	(242,685)
Department of Labour - UIF Services		327,642	327,642	324,412	3,230
Members Of Provincial Legislature		34,133	34,133	30,352	3,782
Provincial RDP Houses		3,585,860	3,585,860	3,463,583	122,277
TOTAL	2,815,974	13,221,085	16,037,060	17,946,044	(1,908,985)

9. CREDITORS' ANALYSIS

The creditors' analysis as depicted in table 15 below contains an aged analysis by customer type. It reflects that creditors are paid within 30 days, except when there are disputes on invoices received.

Table 15: SC4 Monthly Budget Statement Aged Creditors

Description	NT Code	Budget Year 2015/16								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	99 542	-							99 542	84 846
Bulk Water	0200	15 270	-							15 270	16 445
PAYE deductions	0300	15 068	-							15 068	14 465
VAT (output less input)	0400	-	-							-	-
Pensions / Retirement deductions	0500	17 517	-							17 517	15 564
Loan repayments	0600	-	-							-	-
Trade Creditors	0700	101 181	15 119							116 300	369 207
Auditor General	0800	2 775	-							2 775	2 949
Other	0900	325 795	-							325 795	205 564
Total By Customer Type	1000	577 149	15 119	-	-	-	-	-	-	592 269	709 040

The table below (table 16) depicts actual payments made by BCMM to its top twenty (20) creditors in November 2015.

Table 16: Payments made to the 20 highest paid creditors – November 2015

<u>CREDITOR</u>	<u>90 DAYS</u>	<u>60 DAYS</u>	<u>30 DAYS</u>	<u>CURRENT</u>	<u>TOTAL</u>	<u>PAYMENT</u>
ESKOM				99 542 026		99 542 026
MOTHEO / MPUMALANGA JOINT VENTURE				15 370 320	15 370 320	15 370 320
AMATOLA WATER				15 270 381		15 270 381
AMANZ ABANTU SERVICES (PTY) LTD			15 119 189		15 119 189	15 119 189
MANTELLA TRADING 522 CC				12 070 600	12 070 600	12 070 600
RUWACON (PTY) LTD				10 861 106	10 861 106	10 861 106
SHONE'S ELECTRICAL				9 405 534	9 405 534	9 405 534
SITA (PTY) LTD				5 765 989	5 765 989	5 765 989
EYA BANTU PROFFESIONAL SERVICES CC				5 269 273	5 269 273	5 269 273
MASIQHAME TRADING 520 CC				5 227 059	5 227 059	5 227 059
LIFETIME CONNECTION MANUFACTURING SUPPLY CC				4 955 672	4 955 672	4 955 672
INTERWASTE				4 667 406	4 667 406	4 667 406
RANDCIVILS				4 156 400	4 156 400	4 156 400
IMVUSA TRADING 415 CC				4 070 923	4 070 923	4 070 923
BUSINESS CONNEXION				3 885 015	3 885 015	3 885 015
MAKINWA MEDIA MANAGEMENT				3 294 737	3 294 737	3 294 737
T V R CONSTRUCTION			2 863 117	24 022	2 887 140	2 887 140
MAZCON CIVIL & BUILDING CONTRACTORS				2 859 492	2 859 492	2 859 492
IMVUSA TRADING 595 CC				2 568 550	2 568 550	2 568 550
MAZIYA GENERAL SERVICES				2 277 447	2 277 447	2 277 447
TOTAL	-	-	17 982 306	211 541 952	114 711 852	229 524 259

10. INVESTMENT PORTFOLIO ANALYSIS

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

Table 17: SC5 Monthly Budget Statement – investment portfolio

Investments by maturity Name of institution & investment ID	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									
Rand Merchant Bank X021901943		Call Account	Call Account	Call Account	210	2.0%	45 686	210	45 896
Absa 91 2884 4539		Call Account	Call Account	Call Account	6	0.1%	1 262	(75)	1 188
Standard 422 742		Call Account	Call Account	Call Account	6	0.1%	1 217	6	1 223
Absa 91 4102 2241		Call Account	Call Account	Call Account	42	0.4%	9 238	42	9 280
Absa 91 4163 6965		Call Account	Call Account	Call Account	1	0.0%	209	1	210
Absa 91 5484 1280		Call Account	Call Account	Call Account	0	0.0%	8	0	8
Rand Merchant Bank X021904910		Call Account	Call Account	Call Account	40	0.4%	8 793	40	8 834
Standard 76586/442740		Call Account	Call Account	Call Account	10	0.1%	2 168	10	2 178
Absa 92 0562 2137		Call Account	Call Account	Call Account	4	0.0%	780	4	784
Rand Merchant Bank X021904913		Call Account	Call Account	Call Account	66	0.6%	14 371	66	14 437
Rand Merchant Bank X021903300		Call Account	Call Account	Call Account	–		–	–	–
Stanlib 551 557 338		Call Account	Call Account	Call Account	–		–	–	–
Absa 92 4434 8061		Call Account	Call Account	Call Account	–		0	–	0
Nedbank 03/7881532939/000126		Call Account	Call Account	Call Account	–		–	–	–
Standard 76586/442739		Call Account	Call Account	Call Account	26	0.2%	5 641	26	5 667
Stanlib 551 660 303		Call Account	Call Account	Call Account	162	1.6%	30 268	(2 760)	27 508
Nedbank 03/7881532939/000041		Call Account	Call Account	Call Account	30	0.3%	6 565	30	6 596
Nedbank 03/7881532939/000056		Call Account	Call Account	Call Account	5	0.0%	1 087	5	1 092
Nedbank 03/7881532939/000058		Call Account	Call Account	Call Account	27	0.3%	5 901	27	5 928
Nedbank 03/7881532939/000103		Call Account	Call Account	Call Account	6	0.1%	1 217	(47)	1 170
Nedbank 03/7881532939/000064		Call Account	Call Account	Call Account	37	0.4%	8 070	37	8 107

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									
<u>Municipality</u>									
Absa 92 0559 0710		Call Account	Call Account	Call Account	0	0.0%	40	0	40
Nedbank 03/7881532939/000117		Call Account	Call Account	Call Account	37	0.4%	8 048	37	8 085
Nedbank 03/7881532939/000108		Call Account	Call Account	Call Account	1	0.0%	165	1	166
Absa 92 2975 5568		Call Account	Call Account	Call Account	0	0.0%	15	0	15
Absa 91 9360 7257		Call Account	Call Account	Call Account	4	0.0%	955	4	959
Nedbank 03/7881532939/000112		Call Account	Call Account	Call Account	–		(0)	–	(0)
Standard 76586/442737		Call Account	Call Account	Call Account	–		0	–	0
Nedbank 03/7881532939/000110		Call Account	Call Account	Call Account	1	0.0%	311	1	313
Nedbank 03/7881532939/000123		Call Account	Call Account	Call Account	–		–	–	–
Rand Merchant Bank RRB1629010		Call Account	Call Account	Call Account	327	3.1%	71 196	327	71 523
Stanlib 551 989 180		Call Account	Call Account	Call Account	195	1.9%	35 685	195	35 880
Absa 92 2590 9850		Call Account	Call Account	Call Account	4	0.0%	941	4	945
Stanlib 551 539 764		Call Account	Call Account	Call Account	8	0.1%	1 492	8	1 500
Rand Merchant Bank RRB0324003		Call Account	Call Account	Call Account	0	0.0%	39	0	39
Stanlib 551 567 496		Call Account	Call Account	Call Account	21	0.2%	4 003	19	4 022
Stanlib 551 576 733		Call Account	Call Account	Call Account	0	0.0%	83	0	83
Rand Merchant Bank RRB0B25020		Call Account	Call Account	Call Account	8	0.1%	1 706	8	1 714
Standard 76586/442743		Call Account	Call Account	Call Account	0	0.0%	86	0	86
Rand Merchant Bank RRB1609012		Call Account	Call Account	Call Account	1	0.0%	282	1	284
Stanlib 551 742 405		Call Account	Call Account	Call Account	2	0.0%	367	2	369
Rand Merchant Bank KLN2308011		Call Account	Call Account	Call Account	2	0.0%	359	2	360
Nedbank 03/7881532939/000128		Call Account	Call Account	Call Account	169	1.6%	40 389	(20 941)	19 448
Rand Merchant Bank RRB1722008		Call Account	Call Account	Call Account	262	2.5%	62 243	(29 738)	32 506
Standard 76586/442745		Call Account	Call Account	Call Account	282	2.7%	61 285	282	61 566
Absa 92 6406 3148		Call Account	Call Account	Call Account	454	4.3%	100 026	454	100 480
Rand Merchant Bank KLN2720020		Call Account	Call Account	Call Account	13	0.1%	2 964	(1 093)	1 871
Stanlib 551 868 235		Call Account	Call Account	Call Account	1	0.0%	130	1	130
Absa 92 0559 0891		Call Account	Call Account	Call Account	2	0.0%	497	2	499

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									
Rand Merchant Bank VVW2B13011		Call Account	Call Account	Call Account	3	0.0%	759	(117)	642
Standard 76586/494573		Call Account	Call Account	Call Account	13	0.1%	2 804	13	2 817
Nedbank Refer to Confirmation		Refer to Conf	Refer to Conf	Refer to Conf	–		–	–	–
Stanlib 753 72 270		Call Account	Call Account	Call Account	135	1.3%	24 768	135	24 903
Stanlib 551 353 708		Call Account	Call Account	Call Account	5	0.1%	987	5	992
Standard 76586/442736		Call Account	Call Account	Call Account	155	1.5%	33 629	155	33 783
Stanlib 753 72 271		Call Account	Call Account	Call Account	257	2.5%	47 057	257	47 314
Rand Merchant Bank X021904579		Call Account	Call Account	Call Account	70	0.7%	15 266	70	15 337
Nedbank 03/7881532939/000101		Call Account	Call Account	Call Account	64	0.6%	13 858	64	13 922
Absa 92 1120 9757		Call Account	Call Account	Call Account	1 355	13.0%	298 493	1 355	299 848
Absa 92 2110 3430		Call Account	Call Account	Call Account	634	6.1%	139 760	634	140 395
Standard 76586/442741		Call Account	Call Account	Call Account	44	0.4%	9 523	44	9 567
Standard 76586/442744		Call Account	Call Account	Call Account	125	1.2%	27 178	125	27 303
Rand Merchant Bank RRB0C07002		Call Account	Call Account	Call Account	43	0.4%	9 376	43	9 419
Nedbank 03/7881532939/000129		Call Account	Call Account	Call Account	96	0.9%	20 958	96	21 055
Nedbank 03/7881532939/000125		Call Account	Call Account	Call Account	2	0.0%	479	2	482
Stanlib 551 748 914		Call Account	Call Account	Call Account	147	1.4%	27 007	147	27 154
Absa 92 6406 3407		Call Account	Call Account	Call Account	8	0.1%	1 762	8	1 770
Nedbank 03/7881532939/000132		Call Account	Call Account	Call Account	2 186	20.9%	475 621	2 186	477 807
Rand Merchant Bank KLN3815041		Call Account	Call Account	Call Account	1 609	15.4%	350 127	1 609	351 736
Standard 76586/470801		Call Account	Call Account	Call Account	1 010	9.7%	219 705	1 010	220 715
Standard 76586/442738		Call Account	Call Account	Call Account	11	0.1%	2 309	11	2 319
Municipality sub-total					10 445		2 257 215	(44 949)	2 212 266
Entities									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				10 445		2 257 215	(44 949)	2 212 266

11.ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

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

Table 18: SC7 Monthly Budget Statement – transfers and grants expenditure

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	714 196	714 196	3 240	15 258	297 582	(282 324)	-94.9%	714 196
Local Government Equitable Share			655 141	655 141	-	-	272 975	(272 975)	-100.0%	655 141
Urban Settlement Development Grant			33 348	33 348	2 504	11 933	13 895	(1 962)	-14.1%	33 348
Finance Management			1 300	1 300	16	123	542	(419)		1 300
EPWP Incentive			1 149	1 149	-	943	479	464		1 149
Infrastructure Skills Development Grant			8 400	8 400	715	2 254	3 500	(1 246)		8 400
Integrated City Development Grant			5 605	5 605	-	-	2 335	(2 335)		5 605
Municipal Human Settlement Capacity Grant			9 253	9 253	5	5	3 855	(3 851)	-99.9%	9 253
Provincial Government:		-	531 687	536 682	19 214	80 724	223 618	(142 893)	-63.9%	536 682
Roads Subsidy - Provincial Roads			1 871	1 871	-	-	779	(779)	-100.0%	1 871
Dept of Economic Dev, Environmental Affairs & Tourism			-	2 500	-	-	1 042	(1 042)	-100.0%	2 500
Local Government & Traditional Affairs			2 000	3 494	217	1 024	1 466	(432)	-29.7%	3 494
Health Subsidy - ATIC			2 522	2 522	-	-	1 051	(1 051)	-100.0%	2 522
Library Subsidy			3 638	3 638	-	-	1 516	(1 516)	-100.0%	3 638
Human Settlement Development Grant			521 656	522 658	18 997	79 700	217 774	(138 074)	-63.4%	522 658
District Municipality:		-	-	-	-	-	-	-		-
Health Subsidy - Environmental Health			-	-	-	-	-	-		-
Other grant providers:		-	3 329	3 460	-	-	1 442	(1 442)	-100.0%	3 460
SETA - Skills Development			2 989	2 989	-	-	1 245	(1 245)	-100.0%	2 989
Umsobomvu Youth Fund			-	131	-	-	55	(55)	-100.0%	131
Donor Funding - European Commission			340	340	-	-	142	(142)	-100.0%	340
Total operating expenditure of Transfers and Grants:		-	1 249 211	1 254 338	22 453	95 982	522 641	(426 659)	-81.6%	1 254 338
Capital expenditure of Transfers and Grants										
National Government:		-	742 884	742 884	62 083	191 096	309 535	(118 439)	-38.3%	742 884
Urban Settlement Development Grant			679 784	679 784	53 836	178 713	283 243	(104 530)	-36.9%	679 784
Infrastructure Skills Development Grant			100	100	-	-	42	(42)	-100.0%	100
Energy Efficiency and Demand Management			13 000	13 000	4 041	4 041	5 417	(1 375)	-25.4%	13 000
Neighbourhood Development Partnership			20 000	20 000	-	-	8 333	(8 333)	-100.0%	20 000
Integrated National Electrification Programme			30 000	30 000	4 206	8 341	12 500	(4 159)	-33.3%	30 000
Provincial Government:		-	107 469	107 469	5 957	24 119	44 779	(20 660)	-46.1%	107 469
Human Settlement Development Grant			94 400	94 400	5 957	24 119	39 333	(15 215)	-38.7%	94 400
Human Settlement Development Grant - MPCC			13 069	13 069	-	-	5 445	(5 445)	-100.0%	13 069
District Municipality:		-	-	-	-	-	-	-		-
Health Subsidy - Environmental Health			-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
BCMET Funding			-	-	-	-	-	-		-
Public Funding			-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	850 353	850 353	68 040	215 215	354 314	(139 099)	-39.3%	850 353
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	2 099 564	2 104 691	90 493	311 197	876 955	(565 758)	-64.5%	2 104 691

11.1. Expenditure On Conditional Grant Allocations

The Metro has spent R230.96 million inclusive of reclaimed vat (2014/15: R196.35 million) which is 29% (2014/15: 27%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: 714.18 million) as at 30 November 2015. This reflects an improvement when compared to the same period in the previous financial year.

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

Table 19: Spending per Conditional Grant Funding Allocation

Funding/Grant	2015/2016 Approved Budget	YTD Expenditure (incl. vat)	Variance	% Exp vs. Budget
Integrated National Electrification Programme Grant	30 000 000	9 509 288	20 490 712	32%
Energy Efficiency & Demand Side Management Grant	13 000 000	4 607 265	8 392 735	35%
Finance Management Grant	1 300 000	122 782	1 177 218	9%
Infrastructure Skills Development Grant	8 500 000	2 336 846	6 163 154	27%
Neighbourhood Development Partnership Grant	20 000 000	0	20 000 000	0%
Urban Settlement Development Grant	713 132 000	213 436 567	499 695 433	30%
Integrated City Development Grant	5 605 000	0	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	5 409	9 247 591	0%
Expanded Public Works Programme Grant	1 149 000	943 165	205 835	82%
TOTAL	801 939 000	230 961 322	570 977 678	29%

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

11.1.1. INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

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

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

11.1.2. ENERGY EFFICIENCY & DEMAND SIDE MANAGEMENT GRANT (EEDSM)

The funding will be used for the installation and retrofit of 1000 watt high mast fittings to LED fittings; expected result of a minimum of 50% decrease in electricity consumption. Expenditure is in line with programme.

11.1.3. FINANCE MANAGEMENT GRANT (FMG)

The contracts of the prior intake of interns came to an end at 30 June 2015. The employment of new interns is in progress, six (6) interns will be starting on 01 January 2016. The funding will be fully utilised at year end.

11.1.4. INFRASTRUCURE SKILLS DEVELOPMENT GRANT (ISDG)

There is no further training scheduled for the current interns as the program is nearing completion; funding is only being used to pay the interns stipends. An application has been submitted to National Treasury, requesting an appointment of new interns.

11.1.5. NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

Reasons for the Low Expenditure

The implementation is related to the approval of the Mdantsane Precinct Plan. Road Refurbishment has been completed. Orders to the value of R969 054 are committed for the refurbishment of speed humps, paving & storm water and road markings.

11.1.6. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)

HUMAN SETTLEMENTS

The programme is on track and 53% of the allocated funds have been spent.

INFRASTRUCTURE SERVICES

Sanitation Capital Projects

Awaiting the award for the Zwelitsha Wastewater Treatment Works. Zwelitsha Wastewater Treatment Works construction to commence in January 2016.

DEVELOPMENT & SPATIAL PLANNING

Reasons for the Low Expenditure

KwaTshatshu Pedestrian Bridge

Consultants were appointed in July 2014. The detail designs and tender document phase has been completed. The environmental process is nearing completion. The land requirements are currently being dealt with. Construction tender documentation has been submitted to Bid Specification Committee for approval and will be advertised.

Needs Camp / Potsdam Bridge

Consultants were appointed in December 2013. The detail designs and tender document phase has been completed. The environmental process is nearing completion. The land requirements are currently being dealt with. Construction tender documentation has been submitted to Bid Specification Committee for approval and will be advertised.

Sidewalks

Sidewalks have been identified in Scenery Park and Sweetwaters, procurement process is underway.

Traffic calming measures

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

Guardrails

The order for Guardrails has been created and the contractor is already on site in Mdantsane.

Traffic Signals

Sites for traffic signals have been identified on North East Expressway (NEX), Potters Pass, Caxton, Terminus and Gullsway. The installation of the North East Expressway (NEX)/Thornburn Terrace intersection traffic signals has been completed. The traffic signal equipment for the installation of Traffic signals at Buffalo/Caxton Streets and Buffalo/Terminus Streets has been procured and is in the process of being installed.

Guidance Signage

The order for Guidance Signage has been opened and the installation is expected to commence on the second week of November 2015 from Cambridge to Berlin.

Taxi/ Bus stops, Scenery Park and Gonubie taxi loading area and Bonza Bay taxi loading area ablution facility

Taxi/ Bus stops have been identified for Reeston, Amalinda and Mdantsane areas and orders have been issued. Feasibility study and Design Bid Document for Scenery Park Taxi Loading area is currently at SCM for advertisements. Construction of Ablution Facility at the Bonza Bay Taxi Loading area has started on 11 August 2015 and completion is expected soon.

ECONOMIC DEVELOPMENT AND AGENCIES

The Directorate of Economic Development and Agencies has an approved allocation of R10 million from the USDG in the 2015/16 financial year. The Market Upgrade programme has various projects i.e. roads maintenance, building capital works and refurbishment and roofing. Already the service provider for the roads projects is onsite and working, an amount of R4 million has been committed to the roads projects. The roads project will be completed by end of December 2015 and full payment will then be made.

HEALTH / PUBLIC SAFETY & EMERGENCY SERVICES

The project for King Williams Town Traffic Building is on track in terms of project milestones with Professional Team. Bill of quantities and specifications for building contractor has been finalized – awaiting specifications approval in order for the tender to be advertised.

MUNICIPAL SERVICES

Development and Upgrading of Community Halls

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

Construction of Nompumelelo Hall

The tender was advertised on the 13th of November 2015 and its closing date is the 15th of December 2015. The responsive bids will only be evaluated towards the end of January 2016.

Specifications are being finalised for some of the projects within Municipal Services and Enterprise Project Management Office (EPMO) is assisting the directorate with project implementation in order to speed up the processes.

11.1.7. INTEGRATED CITY DEVELOPMENT GRANT (ICDG)

The delayed adoption and approval by Council of the Sleeper Site Implementation Plan has an indirect implication for the BID Specifications for the ICDG. The ICDG is intended for the detailed design of the East London CBD. Bid Specification to be approved and then advertised to commence the procurement of the professional design team.

11.1.8. MUNICIPAL HUMAN SETTLEMENT CAPACITY GRANT (MHSCG)

None of the targets have been realized because the disbursement of the grant was uncertain, the transfer of funds to BCMM was only done at end of October 2015. The directorate is busy finalizing job descriptions for additional posts required and thereafter the posts will be advertised, this process will be finalized at the end of the second quarter.

11.1.9. EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

The municipality has an allocation of R1 149 000 for the 2015/16 financial year from the National Department of Public Works as per approved payment schedule by National treasury. A business plan has been approved for the following projects: Operations and Maintenance of public ablution facilities (R574 500); Maintenance of

Eco Parks (R287 250) & Maintenance of roads within BCMM clusters (R287 250).
 These projects are on track, 82% of the funds have been spent.

12. COUNCILLOR AND EMPLOYEE BENEFITS

12.1. Councillor and Employees Benefits Summary

Table 20 below provides summary of employees and Councillors remuneration.

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

Summary of Employee and Councillor remuneration	Ref	Budget Year 2015/16								
		2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			31 903	31 903	2 407	12 083	13 184	(1 101)	-8%	31 903
Pension and UIF Contributions			3 328	3 328	259	1 290	1 391	(101)	-7%	3 328
Medical Aid Contributions			1 856	1 856	144	709	449	260	58%	1 856
Motor Vehicle Allowance			12 944	12 944	1 015	3 994	5 493	(1 499)	-27%	12 944
Cellphone Allowance			—	—	181	896	—	896	#DIV/0!	—
Housing Allowances			2 879	2 879	212	1 062	1 529	(467)	-31%	2 879
Other benefits and allowances			—	—	28	1 274	—	1 274	#DIV/0!	—
Sub Total - Councillors			52 910	52 910	4 246	21 308	22 046	(738)	-3%	52 910
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages			15 026	15 026	491	2 562	6 167	(3 605)	-58%	15 026
Pension and UIF Contributions			2 734	2 734	95	498	1 171	(673)	-58%	2 734
Medical Aid Contributions			266	266	11	54	198	(144)	-73%	266
Overtime			—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			2 738	2 738	86	431	1 318	(886)	-67%	2 738
Cellphone Allowance			—	—	16	79	—	79	#DIV/0!	—
Housing Allowances			83	83	—	1	141	(140)	-99%	83
Other benefits and allowances			2 273	2 273	136	756	1 097	(341)	-31%	2 273
Payments in lieu of leave			—	—	—	87	—	87	#DIV/0!	—
Long service awards			36	36	—	(1)	—	(1)	#DIV/0!	36
Post-retirement benefit obligations	2		—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality			23 157	23 157	835	4 466	10 092	(5 625)	-56%	23 157
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages			851 398	851 398	62 538	311 214	364 842	(53 628)	-15%	851 398
Pension and UIF Contributions			155 271	155 271	12 158	63 047	67 819	(4 772)	-7%	155 271
Medical Aid Contributions			96 719	96 719	4 727	23 452	25 333	(1 881)	-7%	96 719
Overtime			60 348	60 348	9 985	45 256	28 184	17 072	61%	60 348
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			26 800	26 800	1 701	8 609	11 643	(3 033)	-26%	26 800
Cellphone Allowance			—	—	330	1 648	—	1 648	#DIV/0!	—
Housing Allowances			10 185	10 185	1 536	5 083	3 432	1 651	48%	10 185
Other benefits and allowances			139 402	139 402	12 821	69 779	52 013	17 765	34%	139 402
Payments in lieu of leave			7 307	7 307	5 727	12 283	7 608	4 675	61%	7 307
Long service awards			17 033	17 033	1 480	7 403	7 209	195	3%	17 033
Post-retirement benefit obligations	2		—	—	1 368	1 369	—	1 369	#DIV/0!	—
Sub Total - Other Municipal Staff			1 364 462	1 364 462	114 372	549 142	568 083	(18 940)	-3%	1 364 462
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality			1 440 529	1 440 529	119 452	574 917	600 220	(25 304)	-4%	1 440 529
			#DIV/0!	#DIV/0!						#DIV/0!
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages			96	96	—	—	—	—	—	96
Sub Total - Board Members of Entities	2		96	96	—	—	—	—	—	96
Senior Managers of Entities										
Basic Salaries and Wages			1 004	1 004	—	—	—	—	—	1 004
Pension and UIF Contributions			184	184	—	—	—	—	—	184
Medical Aid Contributions			91	91	—	—	—	—	—	91
Motor Vehicle Allowance			310	310	—	—	—	—	—	310
Housing Allowances			25	25	—	—	—	—	—	25
Other benefits and allowances			104	104	—	—	—	—	—	104
Sub Total - Senior Managers of Entities			1 718	1 718	—	—	—	—	—	1 718
Other Staff of Entities										
Basic Salaries and Wages			180	180	—	—	—	—	—	180
Pension and UIF Contributions			34	34	—	—	—	—	—	34
Medical Aid Contributions			91	91	—	—	—	—	—	91
Housing Allowances			16	16	—	—	—	—	—	16
Other benefits and allowances			19	19	—	—	—	—	—	19
Sub Total - Other Staff of Entities			341	341	—	—	—	—	—	341
Total Municipal Entities			2 155	2 155	—	—	—	—	—	2 155
TOTAL SALARY, ALLOWANCES & BENEFITS			1 442 684	1 442 684	119 452	574 917	600 220	(25 304)	-4%	1 442 684
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
TOTAL MANAGERS AND STAFF			1 389 678	1 389 678	115 207	553 609	578 175	(24 566)	-4%	1 389 678

12.2. Overtime Analysis

Table 21 below provides comparison of overtime expenditure against budget per directorate for the period ended 30 November 2015. Table 22 below details overtime expenditure incurred per cost centre for the past three months ended 30 November 2015.

Table 21: Overtime per Directorate

Directorate	2015/2016 Annual Budget R	2015/2016 YTD Budget R	2015/2016 YTD Expenditure R	2015/2016 YTD Variance R	2015/2016 % of YTD Budget %
Directorate Of Executive Support Services	1 476 325	615 135	1 609 088	-993 953	262%
Directorate Of The City Manager	280 035	116 681	281 850	-165 169	242%
Directorate Of Corporate Services	552 836	230 348	271 371	-41 022	118%
Directorate Of Development & Spatial Planning	565 537	235 640	198 463	37 178	84%
Directorate Of Economic Development & Agencies	386 138	160 891	234 440	-73 549	146%
Directorate Of Finance	1 235 667	514 861	616 744	-101 883	120%
Directorate Of Health / Public Safety & Emergency Services	23 003 966	9 584 986	10 861 663	-1 276 677	113%
Directorate Of Human Settlement	96 161	40 067	15 531	24 536	39%
Directorate Of Infrastructure Services	15 159 129	6 316 304	13 005 360	-6 689 056	206%
<i>Electricity</i>	7 120 580	2 966 908	3 805 930	-839 021	128%
<i>Water</i>	2 764 285	1 151 785	4 975 025	-3 823 239	432%
<i>Sanitation</i>	4 257 654	1 774 023	3 860 990	-2 086 968	218%
<i>Other</i>	1 016 610	423 588	363 416	60 172	86%
Directorate Of Municipal Services	17 592 591	7 330 246	19 483 135	-12 152 888	266%
Total	60 348 385	25 145 160	46 577 644	-21 432 484	185%

Table 22: Overtime Per Cost Centre: August 2015 – October 2015

		September 2015 Amount	October 2015 Amount	November 2015 Amount
Directorate -Executive Support Services				
105 005	Office of The Director of Executive Support	242 565.81	190 973.01	296 844.70
105 020	Public Participation & Ward Committees	15 665.43	3 694.88	17 819.04
105 030	Special Programmes	-	2 302.89	-
110 005	IDP	5 569.99	-	2 482.31
120 010	Public Relations & International Events	66 335.51	42 571.81	46 735.83
		330 136.74	239 542.59	363 881.88
Directorate - City Manager				
205 005	Office of The Municipal Manager & Support Services	59 915.24	49 274.81	42 974.98
225 010	Municipal Public Accounts Committee	11 612.05	-	16 988.23
		71 527.29	49 274.81	59 963.21
Directorate – Human Settlements				
250 005	Office of the Chief Operations Officer	10 227.76	-	-
255 005	Housing Department	2 226.32	-	-
255 010	Mdantsane Urban Renewal Unit	2 523.52	-	-
		14 977.60	-	-
Directorate - Chief Financial Officer				
305 005	Office of The Director of Finance	5 895.68	-	-
305 010	Support Services Office	3 482.33	13 158.65	-
315 005	Budget Office	2 829.39	-	-
320 010	Supply Chain Management	16 219.58	12 944.98	18 292.25
320 015	Expenditure Office	10 536.00	7 898.31	7 985.79
320 020	Salary Office	2 031.62	2 217.70	-
330 005	Rates & Valuations Office	-	11 180.59	-
330 010	Consolidated Billing & Miscellaneous Revenue Office	17 524.83	22 641.37	1 070.00
330 015	Debtors Management Office	29 511.52	18 348.64	38 559.46
330 020	Customer Care Office	-	7 745.66	-
		88 030.95	96 135.90	65 907.50
Directorate - Corporate Services				
415 005	Administrative & Council Support	11 683.52	3 698.24	861.95
415 010	Auxilliary & Telecommunication Services	29 192.42	28 981.51	26 983.50
415 015	General Admin & Telecom Services	423.23	-	-
415 025	Management Information Services	8 122.04	11 665.41	9 755.19
420 005	H.R. Administration	13 108.75	3 508.21	8 258.31
420 010	Occupational Risk Management	13 590.80	7 474.94	4 892.68
420 015	Labour Relations	2 712.68	1 582.39	904.22
		78 833.44	56 910.70	51 655.85

		September 2015 Amount	October 2015 Amount	November 2015 Amount
Directorate - Infrastructure Services				
505 010	City Engineering Building	1 934.42	2 041.89	1 934.42
510 005	Scientific Services	21 816.20	-	-
515 006	Night Soil Removal - Coastal	86 091.50	89 817.94	81 732.16
515 007	Night Soil Removal - Central	7 433.25	841.50	2 033.63
515 026	Sewerage Treatment - Coastal	31 374.37	35 696.64	27 205.26
515 027	Sewerage Treatment - Central	42 539.46	35 607.93	42 658.09
515 028	Sewerage Treatment - Inland	115 970.84	106 944.84	108 005.34
515 031	Sewerage Reticulation - Coastal	300 087.57	242 975.41	244 951.93
515 032	Sewerage Reticulation - Central	140 010.71	102 794.76	122 957.17
515 033	Sewerage Reticulation - Inland	119 658.26	96 315.04	65 386.83
520 005	Water Administration	8 907.15	12 210.92	18 279.11
520 011	Maden Dam	17 864.62	13 188.68	19 795.68
520 012	Bridle Drift Dam	3 212.61	-	2 811.03
520 015	Bulk Pumping Stations	19 398.88	16 959.83	18 704.40
520 021	Umzonyana Water Treatment Works	70 761.92	62 710.90	77 640.91
520 023	KWT Water Treatment Works	115 245.62	93 416.74	106 297.92
520 024	Mdantsane Bulk Pumping	43 428.71	38 120.53	29 180.33
520 025	Water Ops & Maint. - Inland	167 289.07	145 812.32	182 527.58
520 026	Water Ops & Maint. - Midland	261 859.55	244 856.39	241 506.07
520 030	Water Ops & Maint. - Coastal	297 822.27	262 767.31	288 743.55
525 005	Construction Distribution	4 741.20	1 659.42	-
525 010	Roads Administration	-	583.26	-
525 025	Roads & Stormwater Drainage	10 202.92	33 486.67	2 654.85
525 035	Project Management & Implementation Branch	4 601.31	-	-
525 040	Project Management Unit	1 236.72	-	-
530 010	Fleet Management - Westbank	4 685.50	-	-
530 015	Mechanical Workshop - Braelyn	40 401.00	23 486.45	29 394.89
535 005	Electricity Administration	7 017.48	6 010.79	11 015.46
535 010	Electricity Distribution Supervisory Staff	681 965.89	379 221.09	770 367.96
535 025	Electricity Planning & Design	736.32	666.20	701.25
535 040	Revenue Protection	90 349.18	78 203.87	73 908.27
		2 718 644.50	2 126 397.32	2 570 394.09
Directorate - Development & Spatial Planning and Economic Development & Agencies				
615 095	Building Maintenance - Coastal / Central	1 414.70	4 019.41	10 826.10
620 015	Traffic Signal Maintenance	13 130.05	8 060.09	15 583.81
625 005	Buffalo City Bus Services	26 144.26	10 771.34	16 215.28
635 005	Local Economic Development	3 667.01	2 626.57	11 995.45
635 010	Market	37 810.19	34 998.62	47 395.93
		82 166.21	60 476.03	102 016.57

		September 2015 Amount	October 2015 Amount	November 2015 Amount
Directorate - Health / Public Safety & Emergency Services				
710 030	Environmental Health	8 186.79	1 877.99	-
725 010	Fire & Rescue Services	656 723.15	291 941.85	254 266.82
725 015	Law Enforcement Services	1 271 976.07	956 898.41	1 107 667.01
725 020	Traffic Administration	107 144.94	81 383.36	90 694.78
725 025	Traffic Control	327 488.42	270 059.19	304 844.13
725 030	Criminal Process	4 847.75	3 231.83	3 231.83
725 035	Vehicle Test Station / Examination	7 598.68	8 512.43	7 525.05
725 045	Traffic Technical Services	8 668.31	23 407.66	25 402.86
725 050	Parking Areas / Meters	65 694.66	66 774.38	52 156.72
725 055	Disaster Management	4 046.40	11 623.24	13 441.79
		2 462 375.17	1 715 710.34	1 859 230.99
Directorate - Municipal Services				
750 005	Office of The Director of Community Services	3 726.79	2 544.50	4 317.93
750 010	Cleansing Administration Support	5 295.98	8 667.71	2 074.40
755 005	Environmental Administration Support	-	-	1 850.55
755 010	Environmental Services	355 452.04	230 144.25	487 865.42
755 015	Environmental Conservation	69 907.91	116 287.86	130 412.94
755 025	Interments	315 382.86	230 139.57	320 431.52
760 005	Arts & Cultural Services Admin	33 681.21	38 269.19	38 329.16
760 010	Libraries	9 710.36	6 245.49	9 729.49
760 025	Halls	189 304.61	178 170.12	185 807.26
765 005	Amenities Administration Support	41 648.16	21 723.88	25 349.08
765 010	Sportsfields	155 657.88	149 870.37	176 039.68
765 015	Swimming Pools	213 117.87	104 479.55	228 123.23
765 020	Aquarium	47 944.78	38 884.61	63 758.05
765 025	Zoo	78 703.58	63 818.15	54 665.36
765 030	Beaches	206 283.39	177 144.32	170 807.96
765 035	Resorts	76 499.41	53 018.34	83 541.50
770 005	Cleansing Administration Support	15 184.42	29 130.68	36 771.60
770 010	Refuse Removal	1 079 655.22	950 350.99	1 062,015.70
770 015	Waste Disposal Sites	37 051.17	26 480.51	31 489.19
770 020	Street Sweeping	697 219.09	623 542.73	781 326.42
770 025	Public Conveniences	145 213.36	126 923.32	133 572.32
770 030	E.L Regional Waste Disposal Site & Transfer Station	53 619.73	43 369.06	50 735.10
		3 830 259.82	3 219 205.20	4 079 013.86
	TOTAL OVERTIME	9 676 951.72	7 563 652.89	9 152 063.95

12.2.1. Comments On Overtime

a) Directorate of Executive Support Services

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

b) City Managers Office

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

c) Directorate of Finance

The over expenditure on overtime is as a result of staff members in Debt Control Section. The overtime was requested in order to attend to backlog of queries which was to unflag expired or resolved queries in order to proceed with debt collection. The unflagging process is a manual process and multiple accounts were identified with queries that have age old expiry dates that needed to be urgently unflagged in order to implement debt collection.

d) Directorate of Corporate Services

The over expenditure on overtime is as a result of a special council meeting which necessitated the drivers to deliver council agendas.

e) Directorate of Infrastructure Services

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

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

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

f) Directorate of Health / Public Safety & Emergency Services

Number of events on public roads impact on overtime due to events taking place on weekends and public holidays.

g) Directorate of Municipal Services

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

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

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

12.3. Standby and Shift Allowance Analysis

Table 23 below reflects standby and shift allowance expenditure incurred per directorate for the past five (5) months ended 30 November 2015. There was an increase in the total payment between September 2015 and October 2015 of R130 711 and an increase in the total payment between October 2015 and November 2015 of R201 622.

Table 23: Standby & Shift Allowance per Directorate

	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015
Directorate – Executive Support Services	12 163	8 385	12 073
Directorate – City Manager	2 971	2 979	481
Directorate – Chief Financial Officer	6 867	6 383	6 743
Directorate – Corporate Services	21 286	22 924	21 309
Directorate – Infrastructure Services	493 563	442 641	492 907
Directorate – Economic & Development Planning	16 951	13 141	12 993
Directorate – Health / Public Safety & Emergency Services	217 201	438 547	548 089
Directorate – Municipal Services	248 362	215 073	257 101
TOTAL	1 019 363	1 150 074	1 351 696

12.4. Cost of Temporary Staff

The total payment of Temporary Staff for the past five (5) months ended 30 November 2015 is reflected below. There was a decrease in the total payment between September 2015 and October 2015 of R5 029 231 and a decrease in the total payment between October 2015 and November 2015 of R210 945.

Table 24: Temporary Staff Per Directorate

	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015
Directorate – Executive Support Services	1 014 873	1 314 924	638 697
Directorate – City Manager	271 378	284 392	292 678
Directorate – Chief Financial Officer	283 842	256 668	178 941
Directorate – Corporate Services	596 040	503 539	534 964
Directorate – Infrastructure Services	815 941	729 284	688 286
Directorate – Economic & Development Planning	103 615	114 643	128 097
Directorate – Health / Public Safety & Emergency Services	50 989	56 038	99 937
Directorate – Municipal Services	4 908 083	95 730	30 647
Directorate – Executive Support Services	1 473 940	1 134 253	1 686 279
TOTAL	9 518 701	4 489 470	4 278 525

12.5. Councillors Costs

The table below shows the budget and expenditure to date for councillors costs. The year to date budget less the year to date expenditure of R21 308 044 leaves a variance of R737 867. The budget for out of pocket expenses and Councillor cell phone allowance will be realigned in the mid-year adjustment budget.

Table 25: Councillors Costs

	ANNUAL BUDGET	YTD BUDGET	YTD EXPEND	YTD VARIANCE	% VARIANCE
Mayoral Allowance	770 445	321 019	235 528	85 491	73%
Deputy Mayoral Allowance	616 356	256 815	190 217	66 598	74%
Mayoral Committee Allowance	5 778 333	2 407 639	1 646 562	761 077	68%
Speakers Allowance	616 356	256 815	190 217	66 598	74%
Out of Pocket Expenses	-	-	285 589	-285 589	-
Councillors Allowance	24 121 244	10 050 518	9 756 189	294 329	97%
Cllr Cell Phone Allowance	-	-	895 863	-895 863	-
Cllr Housing Subsidy	2 879 407	1 199 753	1 061 963	137 790	89%
Cllr Medical Aid	1 855 623	773 176	708 605	64 571	92%
Cllr Pension Scheme	3 328 325	1 386 802	1 290 318	96 484	93%
Cllr Travel Allowance	12 944 103	5 393 376	5 046 995	346 381	94%
TOTAL	52 910 192	22 045 913	21 308 046	737 867	97%

13. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The parent municipality Buffalo City Metropolitan Municipality has constituted the board members for Buffalo City Development Agency (BCDA). The board is currently recruiting staff for the running of the agency. The Project Manager has been appointed and commenced work on 01 August 2015. The CEO and the office administrator have been appointed and commenced work on 02 November 2015 and 01 December 2015 respectively. The Board is in the process of advertising the CFO position.

The Buffalo City Development Agency has a budget of R7.58 million within the Executive Support Services Directorate of BCMM and has spent R616,233 as at 30 November 2015.

14. CAPITAL PROGRAMME PERFORMANCE

BCMM has spent R310.96 million inclusive of reclaimed vat (2014/15: R261.89 million) which is 23% (2014/15: 25%) of its 2015/16 adjusted capital budget of R1.38 billion (2014/15: R1.06 billion) as at 30 November 2015. This reflects a slight regression when compared to the same period in the previous financial year. The expenditure is showing improvement in the second quarter when compared to the first

quarter performance. Refer to Annexure A – C5 for the breakdown per municipal vote, standard classification & funding; Annexure B – SC12 for monthly expenditure trends; SC13a for breakdown of asset classification for new assets and SC13b for breakdown on asset classification on renewal of existing asset). A detailed schedule of the capital projects expenditure is outlined in Annexure E.

Table 26 below reflects capital expenditure performance per source of funding.

Table 26: Capital Expenditure per Funding Source against Budget

Funding	<u>2015/2016 Adjusted Budget</u>	<u>YTD Expenditure (VAT incl)</u>	<u>Variance (VAT incl)</u>	<u>% Expe</u>
Total Own Funding	529 796 867	71 341 046	458 455 821	13%
DoE(Integrated National Electrification Programme)	30 000 000	9 509 288	20 490 712	32%
Electricity Demand Side Management Grant	13 000 000	4 607 265	8 392 735	35%
Infrastructure Skills Development Grant	100 000	0	100 000	0%
Neighbourhood Development Partnership Grant	20 000 000	0	20 000 000	0%
Urban Settlement Development Grant	679 784 100	201 389 080	478 395 020	30%
Human Settlement Development Grant	94 400 000	24 118 589	70 281 411	26%
Human Settlement Development Grant-MPCC	13 068 500	0	13 068 500	0%
Total Grants	850 352 600	239 624 222	610 728 378	28%
TOTAL PER FUNDING	1 380 149 467	310 965 268	1 069 184 199	23%

Table 27 below reflects capital expenditure performance per service.

Table 27: Actual Expenditure per Service against Budget

Services	<u>2015/2016 Adjusted Budget</u>	<u>YTD Expenditure (VAT incl)</u>	<u>Variance (VAT incl)</u>	<u>% Expenditure (VAT incl)</u>
Water	91 000 000	36 665 374	54 334 626	40%
Waste Water	296 301 527	50 012 519	246 289 008	17%
Electricity	158 500 000	49 706 896	108 793 104	31%
Roads and Stormwater	265 000 000	45 069 189	219 930 811	17%
Human Settlement	211 784 513	85 993 120	125 791 393	41%
Transport Planning	69 652 869	13 302 652	56 350 217	19%
Waste Management / Refuse	54 502 324	15 343 790	39 158 534	28%
Amenities	73 483 569	9 372 765	64 110 804	13%
Public Safety	32 265 057	1 966 463	30 298 594	6%
Support Services	79 659 608	3 532 501	76 127 107	4%
Other - BCM Fleet	48 000 000	0	48 000 000	0%
TOTAL PER SERVICE	1 380 149 467	310 965 268	1 069 184 199	23%

Table 28 below reflects capital expenditure performance per directorate.

Table 28: Actual Expenditure per Directorate against Budget

Directorate	<u>2015/2016 Adjusted Budget</u>	<u>YTD Expenditure (VAT incl)</u>	<u>Variance (VAT incl)</u>	<u>% Exp.</u>
Executive Support Services	7 439 297	463 444	6 975 853	6%
City Manager	21 500 000	0	21 500 000	0%
Human Settlements	211 784 513	85 993 120	125 791 393	41%
Directorate of Financial Services	631 902	291 465	340 437	46%
Directorate of Corporate Services	39 538 409	2 704 481	36 833 928	7%
Directorate of Infrastructure Services	859 351 527	181 453 977	677 897 550	21%
Directorate of Development & Spatial Planning	49 652 869	6 772 219	42 880 650	14%
Directorate of Economic Development & Agencies	20 000 000	6 530 433	13 469 567	33%
Directorate of Health / Public Safety & Emergency Services	32 265 057	1 966 463	30 298 594	6%
Directorate of Municipal Services	127 985 893	24 716 555	103 269 338	19%
TOTAL DIRECTORATES	1 370 149 467	310 892 158	1 059 257 309	23%
Asset Replacement	10 000 000	73 110	9 926 890	1%
GRAND TOTAL	1 380 149 467	310 965 268	1 069 184 199	23%

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

Table 29: SC12 Monthly budget Statement – capital expenditure trend

Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	-	2 538	2 683	148	148	2 683	2 535	94.5%	0%
August	-	30 122	34 048	42 068	42 216	36 731	(5 485)	-14.9%	3%
September	-	24 852	27 675	57 530	99 746	64 407	(35 339)	-54.9%	8%
October	-	45 563	46 647	101 591	201 336	111 054	(90 282)	-81.3%	16%
November	-	43 333	46 409	85 219	286 556	157 463	(129 093)	-82.0%	22%
December	-	50 976	56 657	-	-	214 120	-	-	-
January	-	29 612	34 351	-	-	248 471	-	-	-
February	-	32 833	33 784	-	-	282 255	-	-	-
March	-	51 060	54 631	-	-	336 885	-	-	-
April	-	69 017	75 394	-	-	412 280	-	-	-
May	-	65 150	71 105	-	-	483 385	-	-	-
June	-	830 300	896 765	-	-	1 380 149	-	-	-
Total Capital expenditure	-	1 275 354	1 380 149	286 556					

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

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

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	158 210	159 185	17 103	48 094	18 162	(29 932)	-164.8%	159 185
Infrastructure - Road transport		–	20 000	20 000	1 130	7 967	2 282	(5 685)	-249.1%	20 000
<i>Roads, Pavements & Bridges</i>			20 000	20 000	1 130	7 967	2 282	(5 685)	-249.1%	20 000
<i>Storm water</i>			–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	66 500	66 500	9 098	17 833	7 587	(10 246)	-135.0%	66 500
<i>Generation</i>			–	–	–	–	–	–	–	–
<i>Transmission & Reticulation</i>			66 500	66 500	9 098	17 833	7 587	(10 246)	-135.0%	66 500
<i>Street Lighting</i>			–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
<i>Dams & Reservoirs</i>			–	–	–	–	–	–	–	–
<i>Water purification</i>			–	–	–	–	–	–	–	–
<i>Reticulation</i>			–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
<i>Reticulation</i>			–	–	–	–	–	–	–	–
<i>Sewerage purification</i>			–	–	–	–	–	–	–	–
Infrastructure - Other		–	71 710	72 685	6 875	22 294	8 293	(14 001)	-168.8%	72 685
<i>Waste Management</i>			21 710	22 685	4 404	12 744	2 588	(10 156)	-392.4%	22 685
<i>Transportation</i>			30 000	30 000	1 552	3 704	3 423	(281)	-8.2%	30 000
<i>Gas</i>			–	–	–	–	–	–	–	–
<i>Other</i>			20 000	20 000	920	5 846	2 282	(3 564)	-156.2%	20 000
Community		–	35 069	35 069	1 575	6 030	4 001	(2 029)	-50.7%	35 069
Parks & gardens			–	–	–	–	–	–	–	–
Sportsfields & stadia			–	–	–	–	–	–	–	–
Swimming pools			–	–	–	–	–	–	–	–
Community halls			27 069	27 069	1 575	3 548	3 088	(459)	-14.9%	27 069
Libraries			–	–	–	–	–	–	–	–
Recreational facilities			–	–	–	–	–	–	–	–
Fire, safety & emergency			–	–	–	–	–	–	–	–
Security and policing			–	–	–	–	–	–	–	–
Buses			–	–	–	–	–	–	–	–
Clinics			–	–	–	–	–	–	–	–
Museums & Art Galleries			–	–	–	–	–	–	–	–
Cemeteries			–	–	–	–	–	–	–	–
Social rental housing			–	–	–	–	–	–	–	–
Other			8 000	8 000	–	2 483	913	(1 570)	-172.0%	8 000
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings			–	–	–	–	–	–	–	–
Other			–	–	–	–	–	–	–	–
Investment properties		–	211 274	211 274	10 517	78 365	24 104	(54 260)	-225.1%	211 274
Housing development			211 274	211 274	10 517	78 365	24 104	(54 260)	-225.1%	211 274
Other			–	–	–	–	–	–	–	–
Other assets		–	125 375	171 642	608	4 759	19 583	14 824	75.7%	171 642
General vehicles			48 450	48 450	–	–	5 528	5 528	100.0%	48 450
Specialised vehicles		–	7 600	12 588	–	1 262	1 436	174	12.1%	12 588
Plant & equipment			8 675	46 811	264	1 567	5 341	3 774	70.7%	46 811
Computers - hardware/equipment			40 650	43 793	344	1 930	4 996	3 066	61.4%	43 793
Furniture and other office equipment			–	–	–	–	–	–	–	–
Abattoirs			–	–	–	–	–	–	–	–
Markets			–	–	–	–	–	–	–	–
Civic Land and Buildings			–	–	–	–	–	–	–	–
Other Buildings			–	–	–	–	–	–	–	–
Other Land			–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)			–	–	–	–	–	–	–	–
Other			20 000	20 000	–	–	2 282	2 282	100.0%	20 000
Agricultural assets		–	–	–	–	–	–	–	–	–
<i>List sub-class</i>			–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
<i>List sub-class</i>			–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming			–	–	–	–	–	–	–	–
Other			–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	–	529 928	577 170	29 802	137 248	65 850	(71 398)	-108.4%	577 170
Specialised vehicles		–	7 600	12 588	–	1 262	1 436	174	0	12 588
Refuse			–	–	–	–	–	–	–	–
Fire			7 600	12 588	–	1 262	1 436	174	0	12 588
Conservancy			–	–	–	–	–	–	–	–
Ambulances			–	–	–	–	–	–	–	–

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

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

Description	Ref	Budget Year 2015/16								
		2014/15 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		-	686 056	724 852	53 177	142 644	82 699	(59 945)	-72.5%	724 852
Infrastructure - Road transport		-	245 000	245 000	13 790	33 839	27 952	(5 886)	-21.1%	245 000
<i>Roads, Pavements & Bridges</i>			245 000	245 000	13 790	33 839	27 952	(5 886)	-21.1%	245 000
<i>Storm water</i>			-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	92 000	92 000	8 026	29 401	10 496	(18 905)	-180.1%	92 000
<i>Generation</i>			-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>			92 000	92 000	8 026	29 401	10 496	(18 905)	-180.1%	92 000
<i>Street Lighting</i>			-	-	-	-	-	-	-	-
Infrastructure - Water		-	91 000	91 000	7 338	33 955	10 382	(23 572)	-227.0%	91 000
<i>Dams & Reservoirs</i>			-	-	-	-	-	-	-	-
<i>Water purification</i>			-	-	-	-	-	-	-	-
<i>Reticulation</i>			91 000	91 000	7 338	33 955	10 382	(23 572)	-227.0%	91 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>			-	-	-	-	-	-	-	-
<i>Sewerage purification</i>			-	-	-	-	-	-	-	-
Infrastructure - Other		-	258 056	296 852	24 022	45 450	33 868	(11 582)	-34.2%	296 852
<i>Waste Management</i>			258 056	296 852	24 022	45 450	33 868	(11 582)	-34.2%	296 852
<i>Transportation</i>			-	-	-	-	-	-	-	-
<i>Gas</i>			-	-	-	-	-	-	-	-
<i>Other</i>			-	-	-	-	-	-	-	-
Community		-	30 700	30 700	514	2 156	3 503	1 347	38.5%	30 700
Parks & gardens			-	-	-	-	-	-	-	-
Sportsfields & stadia			22 700	22 700	321	1 593	2 590	997	38.5%	22 700
Swimming pools			-	-	-	-	-	-	-	-
Community halls			-	-	-	-	-	-	-	-
Libraries			-	-	-	-	-	-	-	-
Recreational facilities			8 000	8 000	193	563	913	350	38.3%	8 000
Fire, safety & emergency			-	-	-	-	-	-	-	-
Security and policing			-	-	-	-	-	-	-	-
Buses			-	-	-	-	-	-	-	-
Clinics			-	-	-	-	-	-	-	-
Museums & Art Galleries			-	-	-	-	-	-	-	-
Cemeteries			-	-	-	-	-	-	-	-
Social rental housing			-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings			-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development			-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Other assets		-	28 671	47 428	1 726	4 508	5 411	903	16.7%	47 428
General vehicles			-	-	-	-	-	-	-	-
Specialised vehicles			-	-	-	-	-	-	-	-
Plant & equipment			-	-	-	-	-	-	-	-
Computers - hardware/equipment			-	-	-	-	-	-	-	-
Furniture and other office equipment			-	-	-	-	-	-	-	-
Abattoirs			-	-	-	-	-	-	-	-
Markets			-	-	-	-	-	-	-	-
Civic Land and Buildings			24 221	42 978	1 726	4 508	4 903	396	8.1%	42 978
Other Buildings			-	-	-	-	-	-	-	-
Other Land			-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-	-	-
Other			4 450	4 450	-	-	508	508	100.0%	4 450
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>			-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>			-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming			-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing ass	1	-	745 427	802 980	55 417	149 308	91 613	(57 695)	-63.0%	802 980
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse			-	-	-	-	-	-	-	-
Fire			-	-	-	-	-	-	-	-
Conservancy			-	-	-	-	-	-	-	-
Ambulances			-	-	-	-	-	-	-	-

15. OTHER SUPPORTING DOCUMENTS

15.1. Operating Projects Expenditure

The Metro has spent 16% (R114.76 million) inclusive of reclaimed vat of its 2015/16 adjusted budget of R697.73 million as at 30 November 2015. This reflects a regression when compared to the same period in the previous financial year where 31% (R88.53 million) of the adjusted operating projects budget of R288.44 million was spent. It is anticipated that the expenditure will improve once all the procurement processes have been undertaken.

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

Table 32: Operating Projects per Directorate

OPERATING PROJECTS PER DIRECTORATE	<u>2015/2016 Adjusted Budget</u>	<u>YTD Expenditure (VAT incl)</u>	<u>Variance (VAT incl)</u>	<u>% Exp</u>
Executive Support Services	4 239 106	405 434	3 833 672	10%
City Manager	46 401 900	13 311 886	33 090 014	29%
Human Settlements	545 954 656	81 217 820	464 736 836	15%
Directorate of Financial Services	43 515 303	9 496 801	34 018 502	22%
Directorate of Corporate Services	29 572 014	6 528 426	23 043 588	22%
Directorate of Infrastructure Services	3 500 000	1 643 346	1 856 654	47%
Directorate of Economic Development & Agencies	3 000 000	2 158 680	841 320	72%
Directorate of Health / Public Safety & Emergency Services	200 000	0	200 000	0%
Directorate of Municipal Services	21 348 496	0	21 348 496	0%
TOTAL PER DIRECTORATE	697 731 475	114 762 392	582 969 083	16%

Table 33: Operating Projects per Funding Source

OPERATING PROJECTS PER FUNDING SOURCE	<u>2015/2016</u> <u>Adjusted</u> <u>Budget</u>	<u>YTD</u> <u>Expenditure</u> <u>(VAT incl)</u>	<u>Variance</u> <u>(VAT incl)</u>	<u>%</u> <u>Expendit</u> <u>ure</u>
Total Own Funding	110 024 919	18 582 513	91 442 406	17%
Department of Environmental Affairs	2 500 000	0	2 500 000	0%
Department of Local Government & Traditional Affairs	3 494 026	1 024 110	2 469 916	29%
Expanded Public Works Programme Incentives Grant	1 149 000	943 165	205 835	82%
Finance Management Grant	1 300 000	122 782	1 177 218	9%
Human Settlement Development Grant	522 657 630	79 700 081	442 957 549	15%
Infrastructure Skills Development Grant	8 400 000	2 336 846	6 063 154	28%
Integrated City Development Grant	5 605 000	0	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	5 409	9 247 591	0%
Urban Settlement Development Grant	33 347 900	12 047 486	21 300 414	36%
Total Grants	587 706 556	96 179 879	491 526 677	16%
TOTAL PER FUNDING	697 731 475	114 762 392	582 969 083	16%

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

16.1. Health / Public Safety & Emergency Services

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

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

Health / Public Safety & Emergency Services	Total Revenue	Employee Costs	Other Operating Expenditure	Repairs & Maintenance	Total Expenditure Excluding Capital
OFFICE OF THE DIRECTOR OF HEALTH / PUBLIC SAFETY & EMERGENCY SERVICES	0	798 257	108 189	0	906 447
GM - EMERGENCY SERVICES	-36 553 142	23 243 550	9 018 590	152 720	32 414 859
EMERGENCY SERVICES	0	1 023 851	130 702	0	1 154 553
DISASTER MANAGEMENT	0	908 690	282 192	4 532	1 195 414
FIRE & RESCUE	-36 553 142	21 311 009	8 605 696	148 187	30 064 892
GM - MUNICIPAL HEALTH SERVICES	-8 318	10 736 667	1 507 455	65 690	12 309 812
MUNICIPAL HEALTH SERVICES	-8 318	10 736 667	1 507 455	65 690	12 309 812
MUNICIPAL HEALTH SERVICES: COASTAL REGION	0	0	0	0	0
MUNICIPAL HEALTH SERVICES: INLAND REGION	0	0	0	0	0
MUNICIPAL HEALTH SERVICES: MIDLAND REGION	0	0	0	0	0
GM - PUBLIC SAFETY & PROTECTION SERVICES	-20 425 437	68 932 127	9 074 567	678 565	78 685 258
PUBLIC SAFETY & PROTECTION SERVICES	-13 531	7 810 829	6 145 409	383 866	14 340 104
LAW ENFORCEMENT SERVICES	-9 530	40 662 658	1 100 220	239 147	42 002 025
TRAFFIC SERVICES	-20 402 376	20 458 640	1 828 937	55 552	22 343 129
TOTAL	-56 986 897	103 710 600	19 708 801	896 975	124 316 376

16.2. Municipal Services

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

Table 35: Municipal Services – Cost Analysis

Municipal Services	Total Revenue	Employee Costs	Other Operating Expenditure	Repairs & Maintenance	Total Expenditure Excluding Capital
OFFICE OF THE DIRECTOR OF MUNICIPAL SERVICES	0	2 854 877	374 893	5 031	3 234 800
GM - COMMUNITY AMENITIES	-1 372 859	38 007 168	8 734 717	1 780 175	48 522 061
COMMUNITY AMENITIES	0	4 166 169	147 320	23 540	4 337 029
LIBRARIES	-123 869	6 907 603	676 621	78 715	7 662 939
HALLS	-450 516	5 172 470	1 776 573	196 347	7 145 389
RECREATION	-733 616	12 853 659	3 324 974	1 277 743	17 456 376
SPORTS FACILITIES	-64 857	8 907 267	2 809 230	203 829	11 920 327
GM - PARKS / CEMETRIES & CONSERVATION	-4 036 761	49 099 115	11 257 242	2 067 449	62 423 806
PARKS / CEMETRIES & CONSERVATION	0	875 985	64 765	0	940 749
CEMETRIES & CREMATORIA	-3 225 788	7 887 172	3 377 271	187 518	11 451 961
CONSERVATION	-745 246	5 844 138	1 359 858	60 106	7 264 102
PARKS: COASTAL	-65 726	34 491 820	6 455 348	1 819 825	42 766 993
PARKS: INLAND	0	0	0	0	0
PARKS: MIDLAND	0	0	0	0	0
VEGETATION CONTROL	0	0	0	0	0
GM - SOLID WASTE MANAGEMENT	-150 172 331	50 403 872	48 235 270	2 576 009	101 215 151
SOLID WASTE MANAGEMENT	0	3 668 308	1 961 939	1 993 331	7 623 579
CLEANSING & REFUSE REMOVAL: COASTAL	-149 089 585	42 783 707	38 410 703	582 678	81 777 087
CLEANSING & REFUSE REMOVAL: INLAND	0	0		0	
CLEANSING & REFUSE REMOVAL: MIDLAND	0	0		0	0
LANDFILLS & TRANSFER STATIONS	-1 082 747	3 951 857	7 862 628	0	11 814 485
TOTAL	-155 581 950	140 365 032	68 602 122	6 428 664	215 395 818

17. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

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

The monthly budget statement (Section 71 Report)

for the period ending **November 2015** has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print name:

Acting City Manager of Buffalo City Metropolitan Municipality, BUF

Signature:

Date:

ANNEXURES:

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

- SC1 Material Variance Explanation
- SC2 Performance Indicators
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- SC4 Aged Creditors
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- SC12 Capital Expenditure trend
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Annexure C

Schedule of Borrowings

Annexure D

Operating expenditure report

Annexure E

Capital expenditure report