

REPORT TO EXECUTIVE MAYOR: 13 OCTOBER 2015

File No.:5/1/1/1[15/16]

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

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 September 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 September 2015 of 85% and the twelve (12) months average of 91%.

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 SEPTEMBER 2015**

6.1. Dashboard / Performance Summary

Table 1: Performance Summary

OVERALL OPERATING RESULTS		CASH MANAGEMENT	
Income	R 1,484,411,975	Bank Balance	R 92,117,015
Expenditure	R 1,270,254,177	Call investment deposits (excl. int.)	R 2,526,057,128
Operating Surplus	R 214,157,798	Cash and cash equivalents	R 2,618,174,143
		<i>Account Payables</i>	<i>(R 545,517,960)</i>
		<i>Unspent conditional grants</i>	<i>(R 483,604,759)</i>
		<i>Committed to Capital budget-own funds</i>	<i>(R 494,191,853)</i>
		Therefore uncommitted cash and cash equivalents	R 1,094,859,571
		Total Long term loans	R 538,488,462
DEBTORS		SURPLUS / DEFICIT PER SERVICE	
Total debtors book	R 1,436,581,078	Water	R 21,766,350
Total debtors - Government	R 51,951,178	Electricity	(R 24,971,564)
Total debtors - Business	R 309,734,866	Refuse	R 46,546,300
Total debtors - Households	R 888,192,913	Sewerage	R 40,393,805
Total debtors - Other	R 186,702,121		
Total debt written off	R 10,340,507		
CAPITAL EXPENDITURE		OPERATING PROJECTS EXPENDITURE	
2014/2015: Capital Expenditure as a % of Adjusted Budget of R1.06 billion:	2015/2016: Capital Expenditure as a % of Adjusted Budget of R1.38 billion:	2014/2015: Operating Expenditure as a % of Adjusted Budget of R288.44 million:	2015/2016: Operating Expenditure as a % of Adjusted Budget of R697.73 million:
Exp.(excl. vat) = R105.05 mil % expenditure (excl. vat): 10%	Exp. (excl. vat) = R99.58 mil % exp (Excl. vat) :7%	Exp.(excl. vat) = R44.08 mil % expenditure (excl. vat): 15%	Exp.(excl. vat)=R43.78 mil % exp.(excl. vat): 6%
Exp.(incl. vat) = R114.33 mil % expenditure (incl. vat): 11%	Exp. (incl. vat) = R106.82 mil % exp (incl. vat): 8%	Exp.(incl. vat) = R44.18 mil % exp. (incl. vat): 15%	Exp.(incl. vat) = R43.9 mil % exp.(incl. vat): 6%
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	R 214,157,798	Total staff complement	4 548
12 months average collection ratio	91%	Staff Appointments	759
YTD Grants and subsidies	R 287,621,214	Staff Terminations	353
Debtors to Revenue	15.44%	Number of funded vacant posts	849
Percentage of Creditors paid within terms	100%	Total overtime paid (YTD)	R 28,142,947
Current ratio	2.87:1	Allowances and benefits - Councillors	R 12,784,375
Total Debt to Revenue	11.98%	Salary bill - Officials	R 326,281,757
Capital Charges to Operating Expenditure	1.85%	Workforce costs as a % of income	22%
Cost coverage ratio	5.89 months		

Liquidity position

Buffalo City Metropolitan Municipality's liquidity is considered relatively sound as the Current Ratio is 2.87:1 which indicates the ability of Municipality's current assets to cover its current liabilities. Debtors constitute 24% of the current assets, inventory constitutes 1% and cash & cash equivalents comprise 70% of the current assets.

6.2. Collection Rate and Outstanding Debtors

The debtor's collection rate for the average twelve months ending 30 September 2015 is 91% (2014/15: 93%) and the year to date collection rate for the three (3) months is 85% (2014/15: 90%).

Total debtors book as at 30 September 2015 amounts to R1,44 billion (2015: R1.27 billion). Households: R888.19 million, Business: R309.74 million, Government: R51.95 million, Other: R186.7 million. The ratio of debtors to revenue is 15.44%. The debtors' age analysis report is reflected on Annexure B – SC3.

6.3. Capital Expenditure

BCMM has spent R106.82 million inclusive of reclaimed vat (2014/15: R114.33 million) which is 8% (2014/15: 11%) of its 2015/16 adjusted capital budget of R1.38 billion (2014/15: R1.06 billion) as at 30 September 2015. This depicts a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 14 for further details)

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

6.4. Operating projects

The Metro has spent 6% (R43.9 million, inclusive of reclaimed vat) of its 2015/16 adjusted budget of R697.73 million as at 30 September 2015. This reflects a regression when compared to the same period in the previous financial year where 15% (R44.18 million) of the adjusted operating projects budget of R288.44 million was spent. It is anticipated that the expenditure will improve as the year progresses and

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.

6.5. Expenditure on DoRA Current Allocation

The Metro has spent R74.21 million inclusive of reclaimed vat (2014/15: R89.58 million) which is 9% (2014/15: 13%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: R714.18 million) as at 30 September 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 11 for further details)

6.6.1. Urban Settlement Development Grant (USDG) funded projects

BCMM has spent R69.14 million inclusive of reclaimed vat (2014/15: R83.5 million) which is 10% (2014/15: 12%) of its 2015/16 USDG budget of R713.13 million (2014/15: R673.29 million) as at 30 September 2015. This reflects a slight regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 11 for further details)

6.6. Cash and Cash Equivalents

The cash and cash equivalents of the City as at 30 September 2015 are R2.62 billion made up of cash and bank amounting to R92.12 million and call investment deposits of R2.53 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 5.89 months.

6.7. 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.

6.8. Long-Term Debt Profile

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

The ratio of capital charges to operating expenditure is 1.85% and the total debt to revenue ratio is 11.98% as at 30 September 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	124 598	280 654	222 879	57 775	26%	903 413
Service charges	–	2 686 741	2 686 741	195 485	685 513	657 564	27 949	4%	2 686 741
Investment revenue	–	133 620	133 620	13 395	34 903	33 405	1 498	4%	133 620
Transfers recognised - operational	–	1 249 333	1 254 460	11 594	287 621	260 327	27 294	10%	1 254 460
Other own revenue	–	746 500	746 500	24 832	195 721	164 651	31 069	19%	746 500
Total Revenue (excluding capital transfers and contributions)	–	5 719 607	5 724 735	369 905	1 484 412	1 338 826	145 586	11%	5 724 735
Employee costs	–	1 387 619	1 387 619	121 057	326 282	346 905	(20 623)	-6%	1 387 619
Remuneration of Councillors	–	52 910	52 910	4 312	12 784	13 228	(443)	-3%	52 910
Depreciation & asset impairment	–	712 213	690 930	54 030	172 732	172 732	0	0%	690 930
Finance charges	–	54 313	54 313	4 031	13 084	13 578	(495)	-4%	54 313
Materials and bulk purchases	–	1 377 012	1 377 012	102 630	427 909	426 832	1 077	0%	1 377 012
Transfers and grants	–	258 568	258 568	31 037	51 439	14 328	37 110	259%	258 568
Other expenditure	–	1 876 050	1 902 460	124 767	266 025	215 914	50 111	23%	1 902 460
Total Expenditure	–	5 718 685	5 723 812	441 864	1 270 254	1 203 516	66 738	6%	5 723 812
Surplus/(Deficit)	–	922	922	(71 959)	214 158	135 310	78 848	58%	922
Transfers recognised - capital	–	850 353	850 353	30 553	63 978	64 943	(964)	-1%	850 353
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	851 275	851 275	(41 406)	278 136	200 252	77 884	39%	851 275
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	–	851 275	851 275	(41 406)	278 136	200 252	77 884	39%	851 275
Capital expenditure & funds sources									
Capital expenditure	–	1 275 354	1 380 149	57 367	99 583	64 943	34 641	53%	1 380 149
Capital transfers recognised	–	850 353	850 353	30 553	63 978	40 013	23 965	60%	850 353
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	425 002	529 797	26 814	35 605	24 929	10 676	43%	529 797
Total sources of capital funds	–	1 275 354	1 380 149	57 367	99 583	64 943	34 641	53%	1 380 149
Financial position									
Total current assets	–	3 250 381	3 250 382	–	3 720 945	–	–	–	3 250 382
Total non current assets	–	11 706 711	11 706 712	–	12 472 198	–	–	–	11 706 712
Total current liabilities	–	1 026 227	1 026 227	–	1 296 779	–	–	–	1 026 227
Total non current liabilities	–	1 099 508	1 099 508	–	952 215	–	–	–	1 099 508
Community wealth/Equity	–	12 831 357	12 831 358	–	13 944 149	–	–	–	12 831 358
Cash flows									
Net cash from (used) operating	–	1 350 929	1 329 235	(38 956)	529 330	337 732	(191 598)	-57%	1 329 235
Net cash from (used) investing	–	(1 275 354)	(1 380 149)	(57 367)	(99 583)	(318 839)	(219 255)	69%	(1 380 149)
Net cash from (used) financing	–	(46 097)	(46 097)	(10 370)	(10 370)	(11 524)	(1 154)	10%	(46 097)
Cash/cash equivalents at the month/year end	–	2 383 434	2 256 945	–	2 618 174	2 361 326	(256 849)	-11%	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	267 015	75 336	65 501	45 115	44 380	37 781	196 483	704 970	1 436 581
Creditors Age Analysis									
Total Creditors	504 425	13 802	11 840	–	–	–	–	–	530 068

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	145 240	616 520	555 576	60 944	11%	1 974 740
Executive and council		–	37 902	37 902	2 269	3 956	–	3 956	#DIV/0!	37 902
Budget and treasury office		–	1 922 818	1 922 818	142 423	611 502	555 333	56 169	10%	1 922 818
Corporate services		–	14 019	14 019	548	1 061	243	818	337%	14 019
<i>Community and public safety</i>		–	651 123	653 618	20 487	48 680	19 846	28 834	145%	653 618
Community and social services		–	17 738	17 738	798	2 602	2 174	428	20%	17 738
Sport and recreation		–	5 601	5 601	181	324	286	38	13%	5 601
Public safety		–	90 035	90 035	10 683	35 811	16 980	18 831	111%	90 035
Housing		–	535 206	537 702	8 818	9 935	11	9 924	90229%	537 702
Health		–	2 542	2 542	7	8	395	(387)	-98%	2 542
<i>Economic and environmental services</i>		–	97 752	97 883	4 804	7 302	17 058	(9 755)	-57%	97 883
Planning and development		–	21 272	21 403	4 729	7 054	3 376	3 678	109%	21 403
Road transport		–	76 096	76 096	63	213	13 661	(13 448)	-98%	76 096
Environmental protection		–	385	385	12	35	20	15	72%	385
<i>Trading services</i>		–	2 972 019	2 974 519	197 975	808 998	744 790	64 208	9%	2 974 519
Electricity		–	1 726 439	1 726 439	117 053	455 365	425 437	29 928	7%	1 726 439
Water		–	492 088	492 088	31 212	134 620	120 758	13 862	11%	492 088
Waste water management		–	392 460	392 460	25 422	117 234	98 415	18 819	19%	392 460
Waste management		–	361 032	363 532	24 288	101 779	100 180	1 599	2%	363 532
<i>Other</i>	4	–	874 327	874 327	31 952	66 890	66 498	391	1%	874 327
Total Revenue - Standard	2	–	6 569 960	6 575 087	400 458	1 548 390	1 403 769	144 621	10%	6 575 087
Expenditure - Standard										
<i>Governance and administration</i>		–	1 087 762	1 103 479	84 782	224 772	343 914	(119 142)	-35%	1 103 479
Executive and council		–	194 037	194 037	13 046	45 942	47 691	(1 748)	-4%	194 037
Budget and treasury office		–	466 958	470 923	39 870	100 434	233 090	(132 656)	-57%	470 923
Corporate services		–	426 767	438 519	31 866	78 396	63 134	15 262	24%	438 519
<i>Community and public safety</i>		–	989 070	991 566	64 781	140 796	109 928	30 868	28%	991 566
Community and social services		–	93 320	93 320	9 279	21 643	14 531	7 111	49%	93 320
Sport and recreation		–	74 147	74 147	7 709	16 829	10 459	6 370	61%	74 147
Public safety		–	219 275	219 275	23 431	60 551	57 418	3 133	5%	219 275
Housing		–	571 731	574 226	21 419	34 716	23 307	11 409	49%	574 226
Health		–	30 598	30 598	2 943	7 057	4 212	2 845	68%	30 598
<i>Economic and environmental services</i>		–	843 333	822 181	112 632	168 238	117 269	50 970	43%	822 181
Planning and development		–	213 708	213 840	17 465	47 746	49 444	(1 697)	-3%	213 840
Road transport		–	527 886	506 602	84 320	95 459	53 972	41 487	77%	506 602
Environmental protection		–	101 739	101 739	10 847	25 032	13 853	11 180	81%	101 739
<i>Trading services</i>		–	2 781 669	2 789 735	177 690	732 991	630 686	102 305	16%	2 789 735
Electricity		–	1 625 904	1 625 904	73 109	480 337	408 260	72 077	18%	1 625 904
Water		–	503 337	503 337	40 859	120 581	91 069	29 511	32%	503 337
Waste water management		–	362 232	362 232	40 680	76 840	51 569	25 272	49%	362 232
Waste management		–	290 196	298 262	23 042	55 232	79 787	(24 555)	-31%	298 262
<i>Other</i>		–	17 005	16 851	1 979	3 457	1 720	1 737	101%	16 851
Total Expenditure - Standard	3	–	5 718 839	5 723 812	441 864	1 270 254	1 203 516	66 738	6%	5 723 812
Surplus/ (Deficit) for the year		–	851 121	851 275	(41 406)	278 136	200 252	77 884	39%	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							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Directorate - Executive Support Services		-	-	131	-	-	-	-		131
Vote 2 - Directorate - City Manager		-	37 902	37 902	2 269	3 956	780	3 176	407.3%	37 902
Vote 3 - Directorate - Human Settlements		-	535 206	537 702	8 932	10 273	29	10 244	34914.7%	537 702
Vote 4 - Directorate - Finance		-	1 922 818	1 922 818	142 423	611 502	691 768	(80 266)	-11.6%	1 922 818
Vote 5 - Directorate - Corporate Services		-	11 851	11 851	322	377	192	184	95.7%	11 851
Vote 6 - Directorate - Infrastructure Services		-	2 614 132	2 614 132	173 694	707 274	480 256	227 018	47.3%	2 614 132
Vote 7 - Directorate - Development Planning		-	55 515	55 515	6 295	10 471	6 613	3 857	58.3%	55 515
Vote 8 - Directorate - Health / Public Safety & Emergency Services		-	157 427	157 427	10 691	35 820	36 922	(1 102)	-3.0%	157 427
Vote 9 - Directorate - Municipal Services		-	384 756	387 256	25 279	104 740	122 265	(17 526)	-14.3%	387 256
Vote 10 - Directorate - Miscellaneous		-	850 353	850 353	30 553	63 978	64 943	(964)	-1.5%	850 353
Total Revenue by Vote	2	-	6 569 960	6 575 087	400 458	1 548 390	1 403 769	144 621	10.3%	6 575 087
Expenditure by Vote	1									
Vote 1 - Directorate - Executive Support Services		-	164 414	181 433	18 272	42 424	41 782	642	1.5%	181 433
Vote 2 - Directorate - City Manager		-	102 124	102 124	6 370	26 790	26 406	384	1.5%	102 124
Vote 3 - Directorate - Human Settlements		-	582 205	584 701	21 959	35 918	21 234	14 683	69.1%	584 701
Vote 4 - Directorate - Finance		-	466 958	470 923	39 870	100 434	241 191	(140 758)	-58.4%	470 923
Vote 5 - Directorate - Corporate Services		-	214 533	222 205	12 015	32 613	41 721	(9 108)	-21.8%	222 205
Vote 6 - Directorate - Infrastructure Services		-	3 046 354	3 025 070	240 373	780 828	543 632	237 196	43.6%	3 025 070
Vote 7 - Directorate - Development Planning		-	274 508	274 508	25 552	62 617	64 774	(2 157)	-3.3%	274 508
Vote 8 - Directorate - Health / Public Safety & Emergency Services		-	283 787	283 787	26 597	68 107	79 621	(11 513)	-14.5%	283 787
Vote 9 - Directorate - Municipal Services		-	582 239	577 497	50 857	120 524	143 156	(22 632)	-15.8%	577 497
Vote 10 - Directorate - Miscellaneous		-	1 565	1 565	-	-	-	-		1 565
Total Expenditure by Vote	2	-	5 718 685	5 723 812	441 864	1 270 254	1 203 516	66 738	5.5%	5 723 812
Surplus/ (Deficit) for the year	2	-	851 275	851 275	(41 406)	278 136	200 252	77 884	38.9%	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 September 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								%	
<u>Revenue By Source</u>									
Property rates		902 842	902 842	124 598	280 654	222 879	57 775	26%	902 842
Property rates - penalties & collection charges		571	571	–	–	–	–		571
Service charges - electricity revenue		1 658 671	1 658 671	117 199	423 748	402 393	21 355	5%	1 658 671
Service charges - water revenue		411 381	411 381	29 856	101 344	93 064	8 280	9%	411 381
Service charges - sanitation revenue		314 571	314 571	24 429	83 731	78 643	5 088	6%	314 571
Service charges - refuse revenue		286 063	286 063	24 001	71 908	71 516	392	1%	286 063
Service charges - other		16 056	16 056	–	4 782	11 948	(7 166)	-60%	16 056
Rental of facilities and equipment		18 629	18 629	3 718	4 164	2 450	1 713	70%	18 629
Interest earned - external investments		133 620	133 620	13 395	34 903	33 405	1 498	4%	133 620
Interest earned - outstanding debtors		32 175	32 175	2 431	7 178	5 040	2 138	42%	32 175
Dividends received		–	–	–	–	–	–		–
Fines		10 293	10 293	680	1 955	820	1 135	138%	10 293
Licences and permits		22 472	22 472	296	988	2 660	(1 671)	-63%	22 472
Agency services		–	–	–	–	–	–		–

Transfers recognised - operational		1 249 333	1 254 460	11 594	287 621	260 327	27 294	10%	1 254 460
Other revenue		662 931	662 931	17 708	181 436	153 681	27 755	18%	662 931
Gains on disposal of PPE		–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		5 719 607	5 724 735	369 905	1 484 412	1 338 826	145 586	11%	5 724 735
Expenditure By Type									
Employee related costs		1 387 619	1 387 619	121 057	326 282	346 905	(20 623)	-6%	1 387 619
Remuneration of councillors		52 910	52 910	4 312	12 784	13 228	(443)	-3%	52 910
Debt impairment		245 009	245 009	20 417	61 252	61 252	(0)	0%	245 009
Depreciation & asset impairment		712 213	690 930	54 030	172 732	172 732	0	0%	690 930
Finance charges		54 313	54 313	4 031	13 084	13 578	(495)	-4%	54 313
Bulk purchases		1 377 012	1 377 012	102 630	427 909	426 832	1 077	0%	1 377 012
Other materials		–	–	–	–	–	–		–
Contracted services		21 622	21 622	1 715	2 361	2 296	65	3%	21 622
Transfers and grants		258 568	258 568	31 037	51 439	14 328	37 110	259%	258 568
Other expenditure		1 609 419	1 635 830	102 634	202 411	152 366	50 046	33%	1 635 830
Loss on disposal of PPE		–	–	–	–	–	–		–
Total Expenditure		5 718 685	5 723 812	441 864	1 270 254	1 203 516	66 738	6%	5 723 812
Surplus/(Deficit)		922	922	(71 959)	214 158	135 310	78 848	0	922
Transfers recognised - capital		850 353	850 353	30 553	63 978	64 943	(964)	(0)	850 353
Contributions recognised - capital		–	–	–	–	–	–		–
Contributed assets		–	–	–	–	–	–		–

Surplus/(Deficit) after capital transfers & contributions		851 275	851 275	(41 406)	278 136	200 252			851 275
Taxation		-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		851 275	851 275	(41 406)	278 136	200 252			851 275
Attributable to minorities		-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		851 275	851 275	(41 406)	278 136	200 252			851 275
Share of surplus/ (deficit) of associate		-	-	-	-	-			-
Surplus/ (Deficit) for the year		851 275	851 275	(41 406)	278 136	200 252			851 275

7.4.1. ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE

7.4.1.1. Property rates

The over-recovery of 26% is a combination of the non-alignment of the period budget which is based on past trends with the actual trend.

7.4.1.2. Service charges - Other

The demand for items mentioned below is not constant throughout the year. Income is earned when there is a demand by the clients. Therefore the trend in which income is earned is not constant.

The main contributors are:

- Availability charges
- Connection / Reconnection charges

The situation is monitored on a monthly basis.

7.4.1.3. Rental of Facilities & Equipment

Rental of facilities is demand driven and therefore difficult to predict accurately. The situation is monitored on a monthly basis.

7.4.1.4. Interest Earned – Outstanding Debtors

The variance of 42% on the interest earned on outstanding debtors signifies that during the three months period of July 2015 - September 2015, the amount owed by debtors has been more than what was expected. This is caused by the rise in outstanding debtors.

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. Other Revenue

Other revenue is made up of numerous miscellaneous items (e.g. town planning fees, 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.

7.4.1.8. Transfers and grants

The Indigent Support Policy was reviewed to include property value as one of the qualifying criterias; this led to increase in number of qualifying indigents. The budget will be adjusted in the mid year to take this into consideration.

7.4.1.9. 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.

7.4.1.10. Repairs and Maintenance

Table 6 below reflects that as at 30 September 2015, the repairs and maintenance expenditure is 15% of the approved budget of R372.01 million (2014/15: 14%). This reflects a slight improvement when compared with the prior year. 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	42 937	2 858 980	1%
Directorate of The City Manager	120 609	2 632	117 977	2%
Directorate of Corporate Services	5 865 813	922 419	4 943 394	16%
Directorate of Development & Spatial Planning	25 432 367	4 324 354	21 108 013	17%
Directorate of Economic Development & Agencies	1 058 859	45 547	1 013 312	4%
Directorate of Finance	2 935 990	210 072	2 725 918	7%
Directorate of Health / Public Safety & Emergency Services	5 956 496	452 550	5 503 946	8%
Directorate of Human Settlement	97 239	12 490	84 749	13%
Directorate of Infrastructure Services	293 911 912	45 470 527	248 441 385	15%
<i>Electricity</i>	<i>112 549 555</i>	<i>22 364 774</i>	<i>90 184 781</i>	<i>20%</i>
<i>Water</i>	<i>42 435 218</i>	<i>10 703 397</i>	<i>31 731 821</i>	<i>25%</i>
<i>Sanitation</i>	<i>29 620 452</i>	<i>6 628 498</i>	<i>22 991 954</i>	<i>22%</i>
<i>Other</i>	<i>109 306 687</i>	<i>5 773 858</i>	<i>103 532 829</i>	<i>5%</i>
Directorate of Municipal Services	33 728 503	2 839 862	30 888 641	8%
TOTAL	372 009 705	54 323 391	317 686 314	15%

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	2014/15	Current Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Directorate - Executive Support Services	–	6 200	7 439	335	342	1 367	(1 025)	-75%	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	10 110	41 752	7 691	34 061	443%	211 785
Vote 4 - Directorate - Finance	–	10 000	10 632	32	32	650	(618)	-95%	10 632
Vote 5 - Directorate - Corporate Services	–	21 600	39 538	1 349	1 388	188	1 200	637%	39 538
Vote 6 - Directorate - Infrastructure Services	–	820 556	859 352	33 464	41 824	43 751	(1 927)	-4%	859 352
Vote 7 - Directorate - Development Planning	–	68 221	69 653	2 793	3 431	4 154	(723)	-17%	69 653
Vote 8 - Directorate - Health / Public Safety & Emergency Services	–	21 650	32 265	222	1 711	4 361	(2 649)	-61%	32 265
Vote 9 - Directorate - Municipal Services	–	94 204	127 986	9 062	9 102	2 743	6 359	232%	127 986
Total Capital Multi-year expenditure	–	1 275 354	1 380 149	57 367	99 583	64 943	34 641	53%	1 380 149
Single Year expenditure appropriation									
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	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	–	1 275 354	1 380 149	57 367	99 583	64 943	34 641	53%	1 380 149
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council	–	59 300	79 110	1 716	1 762	3 722	(1 960)	-53%	79 110
Budget and treasury office	–	27 700	28 939	335	342	1 362	(1 020)	-75%	28 939
Corporate services	–	10 000	10 632	32	32	500	(469)	-94%	10 632
Community and public safety	–	21 600	39 538	1 349	1 388	1 860	(472)	-25%	39 538
Community and social services	–	305 568	317 533	12 696	45 867	14 941	30 925	207%	317 533
Sport and recreation	–	40 269	40 269	2 112	2 152	1 895	257	14%	40 269
Public safety	–	32 225	33 215	251	251	1 563	(1 312)	-84%	33 215
Housing	–	21 650	32 265	222	1 711	1 518	193	13%	32 265
Health	–	211 424	211 785	10 110	41 752	9 965	31 787	319%	211 785
Economic and environmental services	–	–	–	–	–	–	–	–	–
Planning and development	–	333 221	334 653	6 741	8 583	15 747	(7 164)	-45%	334 653
Road transport	–	68 221	69 653	2 793	3 431	3 277	153	5%	69 653
Environmental protection	–	265 000	265 000	3 948	5 152	12 470	(7 317)	-59%	265 000
Trading services	–	–	–	–	–	–	–	–	–
Electricity	–	529 266	600 854	36 215	43 371	28 273	15 098	53%	600 854
Water	–	158 500	158 500	11 841	13 859	7 458	6 401	86%	158 500
Waste water management	–	91 000	91 000	7 284	12 330	4 282	8 048	188%	91 000
Waste management	–	258 056	296 852	10 391	10 483	13 968	(3 485)	-25%	296 852
Other	–	21 710	54 502	6 699	6 699	2 565	4 135	161%	54 502
Total Capital Expenditure - Standard Classification	–	1 275 354	1 380 149	57 367	99 583	64 943	34 641	53%	1 380 149
Funded by:									
National Government	–	742 884	742 884	30 164	58 069	34 956	23 113	66%	742 884
Provincial Government	–	107 469	107 469	389	5 909	5 057	852	17%	107 469
District Municipality	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	–	850 353	850 353	30 553	63 978	40 013	23 965	60%	850 353
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	425 002	529 797	26 814	35 605	24 929	10 676	43%	529 797
Total Capital Funding	–	1 275 354	1 380 149	57 367	99 583	64 943	34 641	53%	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 R13.94 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	92 117	80 000	
Call investment deposits			2 303 434	2 303 434	2 526 057	2 303 434	
Consumer debtors			671 945	671 946	530 068	671 946	
Other debtors			98 188	98 188	528 655	98 188	
Current portion of long-term receivables			14	14	–	14	
Inventory			96 800	96 800	44 049	96 800	
Total current assets			–	3 250 381	3 250 382	3 720 945	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	11 963 614	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	12 472 198	11 706 712
TOTAL ASSETS			–	14 957 092	14 957 094	16 193 143	14 957 094
LIABILITIES							
Current liabilities							
Bank overdraft			–	–	–	–	
Borrowing			46 097	46 097	48 835	46 097	
Consumer deposits			54 050	54 050	52 586	54 050	
Trade and other payables			774 300	774 300	1 029 123	774 300	
Provisions			151 780	151 780	166 234	151 780	
Total current liabilities			–	1 026 227	1 026 227	1 296 779	1 026 227
Non current liabilities							
Borrowing			500 418	500 418	486 874	500 418	
Provisions			599 090	599 090	465 341	599 090	
Total non current liabilities			–	1 099 508	1 099 508	952 215	1 099 508
TOTAL LIABILITIES			–	2 125 735	2 125 735	2 248 994	2 125 735
NET ASSETS	2		–	12 831 357	12 831 359	13 944 149	12 831 359
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			10 020 574	10 020 575	9 707 486	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	13 944 149	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 R419.38 million resulting in cash and cash equivalents closing balance of R2.62 billion as at 30 September 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	124 598	280 654	207 785	72 869	35%	831 140	
Service charges			2 471 802	2 471 802	195 485	680 731	617 950	62 780	10%	2 471 802	
Other revenue			657 180	657 180	22 402	193 325	164 295	29 030	18%	657 180	
Government - operating			1 149 387	1 154 104	11 594	287 621	287 347	275	0%	1 154 104	
Government - capital			850 353	850 353	(143 628)	321 252	212 588	108 664	51%	850 353	
Interest			152 531	152 531	14 679	42 081	38 133	3 949	10%	152 531	
Dividends			-	0	-	-	-	-		0	
Payments											
Suppliers and employees			(4 448 581)	(4 474 992)	(229 018)	(1 211 812)	(1 112 145)	99 667	-9%	(4 474 992)	
Finance charges			(54 313)	(54 313)	(4 031)	(13 084)	(13 578)	(495)	4%	(54 313)	
Transfers and Grants			(258 568)	(258 568)	(31 037)	(51 439)	(64 642)	(13 204)	20%	(258 568)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1 350 929	1 329 235	(38 956)	529 330	337 732	(191 598)	-57%	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)	(57 367)	(99 583)	(318 839)	(219 255)	69%	(1 380 149)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(1 275 354)	(1 380 149)	(57 367)	(99 583)	(318 839)	(219 255)	69%	(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)	(10 370)	(11 524)	(1 154)	10%	(46 097)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(46 097)	(46 097)	(10 370)	(10 370)	(11 524)	(1 154)	10%	(46 097)
NET INCREASE/ (DECREASE) IN CASH HELD			-	29 477	(97 012)	(106 693)	419 377	7 369		(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		2 618 174	2 361 326		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										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	38 351	19 710	18 867	18 475	21 525	16 337	62 196	185 101	380 563	303 635		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	83 251	12 230	5 615	3 928	1 916	1 953	8 055	26 021	142 971	41 873		
Receivables from Non-exchange Transactions - Property Rates	1400	91 474	24 004	24 805	12 326	11 340	10 687	71 779	155 961	402 375	262 093		
Receivables from Exchange Transactions - Waste Water Management	1500	26 167	7 731	5 423	3 699	3 447	3 016	17 695	96 886	164 064	124 742		
Receivables from Exchange Transactions - Waste Management	1600	16 765	8 195	6 307	4 324	3 971	3 814	22 623	137 673	203 671	172 404		
Receivables from Exchange Transactions - Property Rental Debtors	1700	69	64	69	62	61	60	391	2 520	3 296	3 094		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	10 936	3 402	4 415	2 301	2 120	1 914	13 746	100 808	139 642	120 888		
Total By Income Source	2000	267 015	75 336	65 501	45 115	44 380	37 781	196 483	704 970	1 436 581	1 028 729	-	-
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	33 398	6 980	6 750	110	278	209	1 676	2 551	51 951	4 824		
Commercial	2300	121 518	18 055	15 360	10 969	10 211	9 764	50 036	73 823	309 735	154 803		
Households	2400	101 732	44 818	36 014	29 921	29 649	24 125	118 785	503 150	888 193	705 630		
Other	2500	10 367	5 484	7 378	4 116	4 242	3 684	25 986	125 445	186 702	163 472		
Total By Customer Group	2600	267 015	75 336	65 501	45 115	44 380	37 781	196 483	704 970	1 436 581	1 028 729	-	-

8.1.1. Additional debtors information

The debtors that are older than 30 days, which includes all charges, amounted to R1,169,566,449 at 30 September 2015 (Refer to 8.2.1 and 8.2.2 below) which is an increase of R12,105,333 over the amount of R1,157,461,116 at 31 August 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 September 2015. It also provides comparison with the previous month (31 August 2015) which indicates an increase from R1.16 billion to R1.17 billion.

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

AGEING	RATES	SEWERAGE	ELECTRICITY	WATER	REFUSE	SUNDRY DEBTORS	TOTAL FOR SEPTEMBER 2015	TOTAL FOR AUGUST 2015
30 DAYS	24,003,592	7,731,445	12,230,474	19,709,526	8,195,205	3,466,243	75,336,485	103,340,975
60 DAYS	24,804,803	5,423,214	5,615,387	18,866,835	6,306,726	4,483,830	65,500,795	50,672,276
90 DAYS	12,325,660	3,698,814	3,928,480	18,475,351	4,324,111	2,362,970	45,115,386	48,170,957
120 DAYS TO 360 DAYS	93,806,246	24,157,759	11,923,677	100,058,098	30,407,040	18,291,166	278,643,986	268,030,972
YEAR 2	49,934,213	27,226,300	8,064,218	57,431,432	35,073,184	27,146,508	204,875,854	194,873,835
YEAR 3	26,657,501	18,001,524	5,258,936	34,211,179	24,239,235	19,778,604	128,146,979	127,656,748
YEAR 4	21,450,162	13,241,667	6,086,268	23,712,111	17,759,566	14,734,478	96,984,251	95,116,463
YEAR 5	15,949,830	8,589,764	1,989,118	15,963,055	11,784,070	9,286,109	63,561,946	61,563,384
YEAR 5+	41,969,070	29,826,519	4,622,758	53,783,558	48,816,559	32,382,302	211,400,767	208,035,507
TOTAL	310,901,076	137,897,007	59,719,316	342,211,146	186,905,693	131,932,211	1,169,566,449	1,157,461,116

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 September 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	32,001,846	19,120,167	14,739,101	459,538,900	525,400,013	44.92
Indigent	12,392,279	16,666,869	15,045,438	215,398,795	259,503,382	22.19
Business	18,054,704	15,359,565	10,968,838	143,834,014	188,217,122	16.09
Government	6,980,083	6,749,596	109,822	4,714,061	18,553,562	1.59
Municipal Staff	408,140	219,781	130,382	743,047	1,501,350	0.13
Councillors	15,255	6,700	5,928	28,435	56,318	0.00
Other	5,484,178	7,378,117	4,115,876	159,356,532	176,334,702	15.08
Total	75,336,485	65,500,795	45,115,386	983,613,783	1,169,566,449	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 reflect 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			
November	2,413,236,105	-2,237,227,839	92.71	2,652,206,738	-2,440,158,405	92.00			
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 September 2015 a total of 2,764 consumers have registered for the scheme. The total registered debt value is R55,471,747.85 to date, debt payments received amount to R46,670,491.56 and debt write-offs total R14 263 580.97.

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 September 2015 amounted to R18,553,561.56. This indicates a decrease of R2,267,412 when compared to prior month amount of R20,820,974.

A total payment of R35,878,919.74 was received from Government Departments in September 2015. The breakdown of the arrears per department (excluding accounts in credit) is indicated in the table hereunder, as at 30 September 2015.

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

Table 14: Analysis of Government Debtors

DEPARTMENT	PROPERTY RATES	SERVICES	ARREARS AS AT 30 SEPTEMBER 2015	ARREARS AS AT 31 AUGUST 2015	DIFFERENCE
National Department Of Public Works	4,682,314	61,193	4,743,507	3,148,670	1,594,837
Provincial Department Of Public Works	1,468,908	1,498,674	2,967,582	8,094,967	(5,127,385)
Department Of Education		1,966,118	1,966,118	2,028,229	(62,112)
Department Of Health		4,368,394	4,368,394	3,305,019	1,063,376
Department Of Social Development		-	-	4,705	(4,705)
Department Of Transport		1,963	1,963	3,707	(1,744)
Department Of Agriculture		753,210	753,210	1,334,620	(581,411)
Department Of Nature Conservation		5,052	5,052	-	5,052
Department of Community Development		72,723	72,723	52,028	20,695
Unemployment Insurance		52,952	52,952	26,476	26,476
Members Of Provincial Legislature		15,852	15,852	55,453	(39,601)
Department of Water Affairs		22,770	22,770	14,645	8,125
Provincial RDP Houses		3,583,440	3,583,440	2,752,454	830,985
TOTAL	6,151,222	12,402,340	18,553,562	20,820,974	(2,267,412)

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	100 995								100 995	142 700
Bulk Water	0200	17 070								17 070	14 989
PAYE deductions	0300	16 472								16 472	11 817
VAT (output less input)	0400	-								-	-
Pensions / Retirement deductions	0500	19 735								19 735	15 146
Loan repayments	0600	23 454								23 454	-
Trade Creditors	0700	115 513	13 802	11 840						141 155	51 518
Auditor General	0800	1 173								1 173	1 282
Other	0900	210 015								210 015	47 691
Total By Customer Type	1000	504 425	13 802	11 840	-	-	-	-	-	530 068	285 144

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

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

CREDITOR	90 DAYS	60 DAYS	30 DAYS	CURRENT	TOTAL	PAYMENT
ESKOM				100 994 621	100 994 621	100 994 621
RUWACON (PTY) LTD		11 839 774	11 627 040		23 466 814	23 466 814
AMATOLA WATER				17 070 267	17 070 267	17 070 267
MOTHEO / MPUMALANGA JOINT VENTURE				11 864 006	11 864 006	11 864 006
SHONE'S ELECTRICAL				7 503 387	7 503 387	7 503 387
AMANZ ABANTU SERVICES (PTY) LTD				5 951 856	5 951 856	5 951 856
MANTELLA TRADING 522 CC				5 186 453	5 186 453	5 186 453
CZAR CONSTRUCTION				4 837 750	4 837 750	4 837 750
EYA BANTU PROFESSIONAL SERVICES CC			70 267	4 830 722	4 830 722	4 830 722
LEUNGO CONSTRUCTION ENTERPRISE CC				4 634 702	4 634 702	4 634 702
MAZIYA GENERAL SERVICES				4 121 630	4 131 630	4 131 630
MTIMA PLUMBING SERVICE				3 993 598	3 993 598	3 993 598
MORETENG INVESTMENTS				2 971 807	2 971 807	2 971 807
C & M FASTNERS CC				2 752 835	2 752 835	2 752 835
MASIQHAME TRADING 520 CC				2 698 841	2 698 841	2 698 841
MAKINWA MEDIA MANAGEMENT				2 573 046	2 573 046	2 573 046
MAZCON CIVIL & BUILDING CONTRACTORS				2 393 852	2 393 852	2 393 852
MAILTRONIC DIRECT MARKETING CC				2 151 339	2 151 339	2 151 339
INTERWASTE			2 105 025		2 105 025	2 105 025
T V R CONSTRUCTION				2 070 810	2 070 810	2 070 810
TOTAL	-	11 839 774	13 802 332	188 601 521	214 183 359	214 183 359

10. INVESTMENT PORTFOLIO ANALYSIS

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

Table 17: SC5 Monthly Budget Statement – investment portfolio

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality								
Rand Merchant Bank X021901943	Call Account	Call Account	Call Account	205	1.8%	45 269	205	45 474
Absa 91 2884 4539	Call Account	Call Account	Call Account	7	0.1%	1 532	7	1 539
Standard 422 742	Call Account	Call Account	Call Account	8	0.1%	1 759	8	1 767
Absa 91 4102 2241	Call Account	Call Account	Call Account	41	0.4%	9 154	41	9 195
Absa 91 4163 6965	Call Account	Call Account	Call Account	1	0.0%	207	1	208
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	0.3%	8 831	40	8 871
Standard 76586/442740	Call Account	Call Account	Call Account	10	0.1%	2 148	10	2 158
Absa 92 0562 2137	Call Account	Call Account	Call Account	3	0.0%	773	3	777
Rand Merchant Bank X021904913	Call Account	Call Account	Call Account	64	0.6%	14 240	64	14 304
Rand Merchant Bank X021903300	Call Account	Call Account	Call Account	–		–	–	–
Stanlib 551 557 338	Call Account	Call Account	Call Account	–		8	(8)	–
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	25	0.2%	5 641	25	5 666
Stanlib 551 660 303	Call Account	Call Account	Call Account	106	0.9%	20 045	106	20 152
Nedbank 03/7881532939/000041	Call Account	Call Account	Call Account	29	0.3%	6 505	29	6 535
Nedbank 03/7881532939/000056	Call Account	Call Account	Call Account	5	0.0%	1 077	5	1 082
Nedbank 03/7881532939/000058	Call Account	Call Account	Call Account	27	0.2%	5 901	27	5 927
Nedbank 03/7881532939/000103	Call Account	Call Account	Call Account	5	0.0%	1 206	5	1 211
Nedbank 03/7881532939/000064	Call Account	Call Account	Call Account	36	0.3%	7 996	36	8 032
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	36	0.3%	8 049	36	8 085

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality								
Nedbank 03/7881532939/000108	Call Account	Call Account	Call Account	1	0.0%	164	1	164
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%	946	4	950
Nedbank 03/7881532939/000112	Call Account	Call Account	Call Account	0	0.0%	1	0	1
Standard 76586/442737	Call Account	Call Account	Call Account	1	0.0%	181	1	182
Nedbank 03/7881532939/000110	Call Account	Call Account	Call Account	1	0.0%	198	1	199
Nedbank 03/7881532939/000123	Call Account	Call Account	Call Account	1	0.0%	142	1	143
Rand Merchant Bank RRB1629010	Call Account	Call Account	Call Account	319	2.8%	70 546	319	70 865
Stanlib 551 989 180	Call Account	Call Account	Call Account	187	1.6%	35 302	187	35 490
Absa 92 2590 9850	Call Account	Call Account	Call Account	4	0.0%	932	4	936
Stanlib 551 539 764	Call Account	Call Account	Call Account	8	0.1%	1 476	8	1 484
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	0	0.0%	2	0	2
Stanlib 551 576 733	Call Account	Call Account	Call Account	0	0.0%	82	0	82
Rand Merchant Bank RRB0B25020	Call Account	Call Account	Call Account	8	0.1%	1 691	8	1 698
Standard 76586/442743	Call Account	Call Account	Call Account	0	0.0%	85	0	85
Rand Merchant Bank RRB1609012	Call Account	Call Account	Call Account	1	0.0%	280	1	281
Stanlib 551 742 405	Call Account	Call Account	Call Account	2	0.0%	363	2	365
Rand Merchant Bank KLN2308011	Call Account	Call Account	Call Account	2	0.0%	355	2	357
Nedbank 03/7881532939/000128	Call Account	Call Account	Call Account	301	2.6%	66 562	301	66 863
Rand Merchant Bank RRB1722008	Call Account	Call Account	Call Account	279	2.4%	61 675	279	61 954
Standard 76586/442745	Call Account	Call Account	Call Account	275	2.4%	60 725	275	61 000
Absa 92 6406 3148	Call Account	Call Account	Call Account	444	3.8%	99 121	444	99 565
Rand Merchant Bank KLN2720020	Call Account	Call Account	Call Account	17	0.1%	3 752	17	3 769
Stanlib 551 868 235	Call Account	Call Account	Call Account	1	0.0%	128	1	129
Absa 92 0559 0891	Call Account	Call Account	Call Account	2	0.0%	492	2	495
Rand Merchant Bank VVW2B13011	Call Account	Call Account	Call Account	3	0.0%	752	3	755
Nedbank Refer to Confirmation	Refer to Confirmation	Refer to Confirmation	Refer to Confirmation	–		–	–	–

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality								
Stanlib 753 72 270	Call Account	Call Account	Call Account	130	1.1%	24 502	130	24 632
Stanlib 551 353 708	Call Account	Call Account	Call Account	5	0.0%	976	5	981
Standard 76586/442736	Call Account	Call Account	Call Account	263	2.3%	58 161	263	58 424
Stanlib 753 72 271	Call Account	Call Account	Call Account	571	4.9%	107 646	571	108 217
Rand Merchant Bank X021904579	Call Account	Call Account	Call Account	113	1.0%	25 063	113	25 176
Nedbank 03/7881532939/000101	Call Account	Call Account	Call Account	165	1.4%	36 584	165	36 749
Absa 92 1120 9757	Call Account	Call Account	Call Account	1 423	12.3%	317 652	1 423	319 075
Absa 92 2110 3430	Call Account	Call Account	Call Account	620	5.4%	138 496	620	139 116
Standard 76586/442741	Call Account	Call Account	Call Account	43	0.4%	9 436	43	9 479
Standard 76586/442744	Call Account	Call Account	Call Account	122	1.1%	26 930	122	27 052
Rand Merchant Bank RRB0C07002	Call Account	Call Account	Call Account	42	0.4%	9 290	42	9 332
Nedbank 03/7881532939/000129	Call Account	Call Account	Call Account	94	0.8%	20 767	94	20 861
Nedbank 03/7881532939/000125	Call Account	Call Account	Call Account	2	0.0%	475	2	477
Stanlib 551 748 914	Call Account	Call Account	Call Account	142	1.2%	26 717	142	26 859
Absa 92 6406 3407	Call Account	Call Account	Call Account	8	0.1%	1 746	8	1 754
Nedbank 03/7881532939/000132	Call Account	Call Account	Call Account	2 251	19.5%	498 041	2 251	500 292
Rand Merchant Bank KLN3815041	Call Account	Call Account	Call Account	1 753	15.2%	387 818	1 753	389 571
Standard 76586/470801	Call Account	Call Account	Call Account	1 298	11.2%	287 082	1 298	288 379
Standard 76586/442738	Call Account	Call Account	Call Account	10	0.1%	2 287	10	2 298
Municipality sub-total				11 567		2 526 065	11 559	2 537 624
Entities								
Entities sub-total				-		-	-	-
TOTAL INVESTMENTS AND INTEREST				11 567		2 526 065	11 559	2 537 624

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	4 373	8 780	178 549	(169 769)	-95.1%	714 196
Local Government Equitable Share			655 141	655 141	-	-	163 785	(163 785)	-100.0%	655 141
Urban Settlement Development Grant			33 348	33 348	2 907	6 763	8 337	(1 574)	-18.9%	33 348
Finance Management			1 300	1 300	-	74	325	(251)		1 300
EPWP Incentive			1 149	1 149	377	477	287	190		1 149
Infrastructure Skills Development Grant			8 400	8 400	1 089	1 465	2 100	(635)		8 400
Integrated City Development Grant			5 605	5 605	-	-	1 401	(1 401)		5 605
Municipal Human Settlement Capacity Grant			9 253	9 253	-	-	2 313	(2 313)	-100.0%	9 253
Provincial Government:		-	531 687	536 682	19 435	29 674	134 171	(104 497)	-77.9%	536 682
Roads Subsidy - Provincial Roads			1 871	1 871	-	-	468	(468)	-100.0%	1 871
Dept of Economic Dev, Environmental Affairs & Tourism			-	2 500	-	-	625	(625)	-100.0%	2 500
Local Government & Traditional Affairs			2 000	3 494	43	348	874	(526)	-60.2%	3 494
Health Subsidy - ATIC			2 522	2 522	-	-	630	(630)	-100.0%	2 522
Library Subsidy			3 638	3 638	-	-	910	(910)	-100.0%	3 638
Human Settlement Development Grant			521 656	522 658	19 392	29 326	130 664	(101 338)	-77.6%	522 658
District Municipality:		-	-	-	-	-	-	-		-
Health Subsidy - Environmental Health			-	-	-	-	-	-		-
Other grant providers:		-	3 329	3 460	-	-	865	(865)	-100.0%	3 460
SETA - Skills Development			2 989	2 989	-	-	747	(747)	-100.0%	2 989
Umsobomvu Youth Fund			-	131	-	-	33	(33)	-100.0%	131
Donor Funding - European Commission			340	340	-	-	85	(85)	-100.0%	340
Total operating expenditure of Transfers and Grants:		-	1 249 211	1 254 338	23 808	38 453	313 585	(275 131)	-87.7%	1 254 338
Capital expenditure of Transfers and Grants										
National Government:		-	742 884	742 884	30 164	58 069	185 721	(127 652)	-68.7%	742 884
Urban Settlement Development Grant			679 784	679 784	27 391	55 296	169 946	(114 650)	-67.5%	679 784
Infrastructure Skills Development Grant			100	100	-	-	25	(25)	-100.0%	100
Energy Efficiency and Demand Management			13 000	13 000	-	-	3 250	(3 250)	-100.0%	13 000
Neighbourhood Development Partnership			20 000	20 000	-	-	5 000	(5 000)	-100.0%	20 000
Integrated National Electrification Programme			30 000	30 000	2 773	2 773	7 500	(4 727)	-63.0%	30 000
Provincial Government:		-	107 469	107 469	389	5 909	26 867	(20 958)	-78.0%	107 469
Human Settlement Development Grant			94 400	94 400	389	5 909	23 600	(17 691)	-75.0%	94 400
Human Settlement Development Grant - MPCC			13 069	13 069	-	-	3 267	(3 267)	-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	30 553	63 978	212 588	(148 610)	-69.9%	850 353
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	2 099 564	2 104 691	54 362	102 432	526 173	(423 741)	-80.5%	2 104 691

11.1. Expenditure On Conditional Grant Allocations

The Metro has spent R74.21 million inclusive of reclaimed vat (2014/15: R89.58 million) which is 9% (2014/15: 13%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: 714.18 million) as at 30 September 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken.

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	2 971 138	27 028 862	10%
Energy Efficiency & Demand Side Management Grant	13 000 000	0	13 000 000	0%
Finance Management Grant	1 300 000	73 635	1 226 365	6%
Infrastructure Skills Development Grant	8 500 000	1 542 789	6 957 211	18%
Neighbourhood Development Partnership Grant	20 000 000	0	20 000 000	0%
Urban Settlement Development Grant	713 132 000	69 144 131	643 987 869	10%
Integrated City Development Grant	5 605 000	0	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	0	9 253 000	0%
Expanded Public Works Programme Grant	1 149 000	477 346	671 654	42%
TOTAL	801 939 000	74 209 039	727 729 961	9%

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 in advertising stage, 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	Advertised date 13/10/2015
Mdantsane Buffer Strip	563	Advertised date 13/10/2015
Potsdam Unit P(Extension 2)	400	Bid Evaluation Committee
Quenera (Mzamomhle PH 1)	311	Advertised date 09/10/2015
Reeston Phase 3 (Stage1)	400	Advertised date 09/10/2015

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. First delivery of material is expected end of October 2015. The process of delivery will continue throughout the financial year with installation.

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, Human Resources Department is undertaking its recruitment.

11.1.4. INFRASTRUCURE SKILLS DEVELOPMENT GRANT (ISDG)

The project is progressing well and the funding is used for the payment of salaries and training for engineering interns.

11.1.5. NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

Reasons for the Low Expenditure

Purpose of the Grant is to support and facilitate the planning and development of neighborhood development programs and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life and access of residents in under-served neighborhoods, generally within townships. NDP UNIT has appointed a consortium to develop the Mdantsane Precinct Plan which will provide the urban structuring of the precinct, project identification and project phasing. The precinct planning is inline with the DORA grant condition and needs to be finalized before capital investment/expenditure can take place.

The final precinct plan is to be presented to Natinal Treasury NDP during the month of October 2015.

11.1.6. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)

HUMAN SETTLEMENTS

The department has experienced technical timeframe delays in submission and processing of invoices which resulted in low expenditure at the time of reporting. The department is reworking the timeframes to ensure that the processes do not impact much on expenditure. In addition, the department is devoted to advance project monitoring in order to ensure that the service providers deliver as per required milestones.

INFRASTRUCTURE SERVICES

Reasons for the Low Expenditure

Water and Sanitation Capital Projects

Some of the Treatment Works projects have been delayed due to litigations. The litigation process to be fast-tracked for the waste water treatment works projects. Funds have been spent on materials to be installed and purchasing of electronic components for the Wastewater Treatment Works projects. Some of the rural sanitation projects have reached final completion and some have reached practical completion. Annual contractors have been appointed to fast track the implementation of the outstanding projects within the Rural Sanitation Backlog Eradication Programme.

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.

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.

Sidewalks

Sidewalks have been identified in Scenery Park and Sweetwaters, three contractors have been requested to supply quotes for these projects.

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

Sites for Guardrails have been identified in Mdantsane, Alphenale, Amalinda and Ginsberg. Three contractors have been requested to supply quotes for these projects.

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 installation of Traffic signals at Buffalo/Caxton Streets and Buffalo/Terminus Streets will commence once the wayleaves are approved by the service department.

Guidance Signage

Sites for guidance signs have been identified and designed for the rural areas, they have been manufactured by the BCMM signage contractor.

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 Dimbaza and Mdantsane areas. Feasibility study and Design Bid Document for Scenery Park and Gonubie taxi loading area is being developed and awaiting wayleave approval from service departments. Construction of Ablution Facility at the Bonza Bay Taxi Loading area started on 11 August 2015 and completion is 30 October 2015.

ECONOMIC DEVELOPMENT AND AGENCIES

Market Upgrade

Specifications for phase 3 have been completed by the EPMO unit and will proceed for advertising. However minor refurbishment works are underway and payments are being made. There has been delay in the commencement of the project due to the review of the specifications. Expenditure expected to increase in both the third and fourth quarter.

Hydroponics

Funding is for construction of access road and road signage to the Dimbaza Tunnel. There were delays in the project implementation due to weather.

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 and to be submitted to Supply Chain Management & Bid Specifications Committee.

MUNICIPAL SERVICES

Development and Upgrading of Community Halls

Procurement is underway for the refurbishment and upgrade of 9 community halls (Carnegie Hall, 5 Mdantsane community halls, Billy Francis, Needs Camp Community Hall, King Williams Town Hall).

Construction of Nompumelelo Hall

Bill of quantities was received on 31 August 2015 from the quantity surveyors and the document will be submitted to the Bid Specifications Committee.

Upgrading of Cemeteries

Funds have been committed, an amount of R1 045 938 has been utilised using the annual contract for fencing of various cemeteries and R R6 954 061 is still committed for fencing as well as Environmental Impact Studies where a consultant has been appointed.

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. MUNICIPAL HUMAN SETTLEMENT CAPACITY GRANT (MHSCG)

The funding is mainly dedicated for remuneration costs related to additional personnel to be acquired. Three Project Managers and two Project Assistants have been appointed and expenditure will reflect in October 2015 reporting.

11.1.8. 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 ongoing, therefore funds are committed.

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	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		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages			31 903	31 903	578	7 266	7 910	(644)	-8%	31 903
Pension and UIF Contributions			3 328	3 328	512	771	835	(63)	-8%	3 328
Medical Aid Contributions			1 856	1 856	279	421	269	152	56%	1 856
Motor Vehicle Allowance			12 944	12 944	967	1 959	3 296	(1 337)	-41%	12 944
Cellphone Allowance			—	—	355	532	—	532	#DIV/0!	—
Housing Allowances			2 879	2 879	425	637	917	(280)	-31%	2 879
Other benefits and allowances			—	—	1 197	1 197	—	1 197	#DIV/0!	—
Sub Total - Councillors	4	—	52 910	52 910	4 312	12 784	13 228	(443)	-3%	52 910
% increase			#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages			15 026	15 026	495	1 329	3 700	(2 371)	-64%	15 026
Pension and UIF Contributions			2 734	2 734	96	259	703	(444)	-63%	2 734
Medical Aid Contributions			266	266	11	32	119	(87)	-73%	266
Overtime			—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			2 738	2 738	86	259	791	(532)	-67%	2 738
Cellphone Allowance			—	—	16	47	—	47	#DIV/0!	—
Housing Allowances			83	83	—	1	85	(84)	-99%	83
Other benefits and allowances			2 273	2 273	140	349	658	(309)	-47%	2 273
Payments in lieu of leave			—	—	87	87	—	87	#DIV/0!	—
Long service awards			36	36	—	—	—	—	—	36
Post-retirement benefit obligations			—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality	4	—	23 157	23 157	931	2 364	6 055	(3 691)	-61%	23 157
% increase			#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff	2									
Basic Salaries and Wages			851 398	851 398	69 314	186 147	218 905	(32 758)	-15%	851 398
Pension and UIF Contributions			155 271	155 271	13 468	38 793	40 691	(1 899)	-5%	155 271
Medical Aid Contributions			96 719	96 719	4 683	13 979	15 200	(1 221)	-8%	96 719
Overtime			60 348	60 348	10 279	26 821	16 910	9 911	59%	60 348
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			26 800	26 800	1 918	5 178	6 986	(1 808)	-26%	26 800
Cellphone Allowance			—	—	326	983	—	983	#DIV/0!	—
Housing Allowances			10 185	10 185	2 038	2 651	2 059	592	29%	10 185
Other benefits and allowances			139 402	139 402	15 053	40 280	31 038	9 072	29%	139 402
Payments in lieu of leave			7 307	7 307	1 367	4 629	4 565	64	1%	7 307
Long service awards			17 033	17 033	1 678	4 457	4 325	132	3%	17 033
Post-retirement benefit obligations			—	—	—	0	—	0	#DIV/0!	—
Sub Total - Other Municipal Staff	4	—	1 364 462	1 364 462	120 125	323 918	340 850	(16 931)	-5%	1 364 462
% increase			#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality		—	1 440 529	1 440 529	125 369	339 066	360 132	(21 066)	-6%	1 440 529
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities	2									
Basic Salaries and Wages			96	96	—	—	—	—	—	96
Pension and UIF Contributions			—	—	—	—	—	—	—	—
Medical Aid Contributions			—	—	—	—	—	—	—	—
Overtime			—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			—	—	—	—	—	—	—	—
Cellphone Allowance			—	—	—	—	—	—	—	—
Housing Allowances			—	—	—	—	—	—	—	—
Other benefits and allowances			—	—	—	—	—	—	—	—
Board Fees			—	—	—	—	—	—	—	—
Payments in lieu of leave			—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—
Sub Total - Board Members of Entities	4	—	96	96	—	—	—	—	—	96
% increase			#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of Entities	2									
Basic Salaries and Wages			1 004	1 004	—	—	—	—	—	1 004
Pension and UIF Contributions			184	184	—	—	—	—	—	184
Medical Aid Contributions			91	91	—	—	—	—	—	91
Overtime			—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			310	310	—	—	—	—	—	310
Cellphone Allowance			—	—	—	—	—	—	—	—
Housing Allowances			25	25	—	—	—	—	—	25
Other benefits and allowances			104	104	—	—	—	—	—	104
Payments in lieu of leave			—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Entities	4	—	1 718	1 718	—	—	—	—	—	1 718
% increase			#DIV/0!	#DIV/0!						#DIV/0!
Other Staff of Entities	2									
Basic Salaries and Wages			180	180	—	—	—	—	—	180
Pension and UIF Contributions			34	34	—	—	—	—	—	34
Medical Aid Contributions			91	91	—	—	—	—	—	91
Overtime			—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—
Motor Vehicle Allowance			—	—	—	—	—	—	—	—
Cellphone Allowance			—	—	—	—	—	—	—	—
Housing Allowances			16	16	—	—	—	—	—	16
Other benefits and allowances			19	19	—	—	—	—	—	19
Payments in lieu of leave			—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities	4	—	341	341	—	—	—	—	—	341
% increase			#DIV/0!	#DIV/0!						#DIV/0!
Total Municipal Entities		—	2 155	2 155	—	—	—	—	—	2 155
TOTAL SALARY, ALLOWANCES & BENEFITS	4	—	1 442 684	1 442 684	125 369	339 066	360 132	(21 066)	-6%	1 442 684
% increase			#DIV/0!	#DIV/0!						#DIV/0!
TOTAL MANAGERS AND STAFF	4	—	1 389 678	1 389 678	121 057	326 282	346 905	(20 623)	-6%	1 389 678

12.2. Overtime Analysis

Table 21 below provides comparison of overtime expenditure against budget per directorate for the period ended 30 September 2015. Table 22 below details overtime expenditure incurred per cost centre for the past three months ended 30 September 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	369 081	967 950	-598 868	262%
Directorate Of The City Manager	280 035	70 009	186 140	-116 131	266%
Directorate Of Corporate Services	552 836	138 209	154 835	-16 626	112%
Directorate Of Development & Spatial Planning	565 537	141 384	109 013	32 371	77%
Directorate Of Economic Development & Agencies	386 138	96 535	134 149	-37 614	139%
Directorate Of Finance	1 235 667	308 917	424 607	-115 690	137%
Directorate Of Health / Public Safety & Emergency Services	23 003 966	5 750 992	6 251 079	-500 088	109%
Directorate Of Human Settlement	96 161	24 040	15 531	8 510	65%
Directorate Of Infrastructure Services	15 159 129	3 789 782	8 092 926	-4 303 144	214%
<i>Electricity</i>	7 120 580	1 780 145	2 453 696	-673 551	138%
<i>Water</i>	2 764 285	691 071	3 025 664	-2 334 592	438%
<i>Sanitation</i>	4 257 654	1 064 414	2 356 856	-1 292 442	221%
<i>Other</i>	1 016 610	254 153	256 710	-2 558	101%
Directorate Of Municipal Services	17 592 591	4 398 148	11 806 718	-7 408 570	268%
Total	60 348 385	15 087 096	28 142 947	-13 055 851	187%

Table 22: Overtime Per Cost Centre: July 2015 – September 2015

		July 2015 Amount	August 2015 Amount	September 2015 Amount
Directorate -Executive Support Services				
105 005	Office of The Director of Executive Support	250 234.92	212 555.18	242 565.81
105 020	Public Participation & Ward Committees	3 754.82	5 528.59	15 665.43
105 025	Strategic Support	1 683.04	-	-
105 030	Special Programmes	5 663.90	-	-
110 005	IDP	-	799.25	5 569.99
120 010	Public Relations & International Events	50 824.95	32 947.60	66 335.51
		312 161.63	251 830.62	330 136.74
Directorate - Municipal Manager				
205 005	Office of The Municipal Manager & Support Services	33 073.62	53 362.81	59 915.24
215 005	Internal Audit	9 623.18	-	-
225 010	Municipal Public Accounts Committee	-	5 934.85	11 612.05
		42 696.80	59 297.66	71 527.29
Directorate - Chief Operations Officer				
250 005	Office of the Chief Operations Officer	-	-	10 227.76
255 005	Housing Department	5 175.38	-	2 226.32
255 010	Mdantsane Urban Renewal Unit	-	-	2 523.52
		5 175.38	-	14 977.60
Directorate - Chief Financial Officer				
305 005	Office of The Director of Finance	-	1 770.84	5 895.68
305 010	Support Services Office	-	5 620.34	3 482.33
315 005	Budget Office	-	-	2 829.39
320 005	Asset Risk & Financial Services	-	2 005.49	-
320 010	Supply Chain Management	76 946.09	5 693.10	16 219.58
320 015	Expenditure Office	27 301.38	7 857.89	10 536.00
320 020	Salary Office	-	2 753.89	2 031.62
330 005	Rates & Valuations Office	2 386.92	-	-
330 010	Consolidated Billing & Miscellaneous Revenue Office	116 069.03	36 539.97	17 524.83
330 015	Debtors Management Office	18 069.51	14 843.61	29 511.52
330 020	Customer Care Office	562.92	-	-
		241 335.85	77 085.13	88 030.95

		July 2015 Amount	August 2015 Amount	September 2015 Amount
Directorate - Corporate Services				
415 005	Administrative & Council Support	3 914.39	3 239.19	11 683.52
415 010	Auxilliary & Telecommunication Services	24 646.16	30 253.65	29 192.42
415 015	General Admin & Telecom Services	-	-	423.23
415 025	Management Information Services	10 104.77	4 662.32	8 122.04
420 005	H.R. Administration	-	-	13 108.75
420 010	Occupational Risk Management	9 923.20	2 540.40	13 590.80
420 015	Labour Relations	-	-	2 712.68
420 020	Organisational Development	41.22	-	-
425 005	Research Policy & Knowledge Management Unit	1 738.20	-	-
		50 367.94	40 695.56	78 833.44
Directorate - Engineering Services				
505 005	Office of The Director of Engineering Services - Admin	4 108.56	-	-
505 010	City Engineering Building	1 765.53	2 310.12	1 934.42
510 005	Scientific Services	9 081.47	26 790.37	21 816.20
515 006	Night Soil Removal - Coastal	40 675.54	67 420.49	86 091.50
515 007	Night Soil Removal - Central	-	2 676.02	7 433.25
515 026	Sewerage Treatment - Coastal	71 225.77	53 595.46	31 374.37
515 027	Sewerage Treatment - Central	36 984.89	26 697.89	42 539.46
515 028	Sewerage Treatment - Inland	90 849.07	74 572.75	115 970.84
515 031	Sewerage Reticulation - Coastal	208 226.64	191 482.87	300 087.57
515 032	Sewerage Reticulation - Central	100 414.92	105 197.33	140 010.71
515 033	Sewerage Reticulation - Inland	98 610.93	95 544.54	119 658.26
520 005	Water Administration	15 977.74	7 742.05	8 907.15
520 011	Maden Dam	15 021.70	13 373.46	17 864.62
520 012	Bridle Drift Dam	2 931.84	2 626.96	3 212.61
520 015	Bulk Pumping Stations	19 675.02	20 480.28	19 398.88
520 021	Umzonyana Water Treatment Works	62 137.00	100 314.44	70 761.92
520 023	KWT Water Treatment Works	96 952.82	97 719.92	115 245.62
520 024	Mdantsane Bulk Pumping	20 457.18	16 176.12	43 428.71
520 025	Water Ops & Maint. - Inland	182 738.98	237 163.42	167 289.07
520 026	Water Ops & Maint. - Midland	221 383.80	207 313.11	261 859.55
520 030	Water Ops & Maint. - Coastal	230 150.20	268 160.89	297 822.27
525 005	Construction Distribution	1 978.09	-	4 741.20
525 025	Roads & Stormwater Drainage	5 717.53	11 765.66	10 202.92
525 035	Project Management & Implementation Branch	-	1 695.82	4 601.31
525 040	Project Management Unit	-	1 542.52	1 236.72
530 005	Mechanical Workshop - Westbank	-	1 163.24	-
530 010	Fleet Management - Westbank	1 763.03	-	4 685.50
530 015	Mechanical Workshop - Braelyn	33 778.94	28 563.11	40 401.00
530 020	Fleet Management - Braelyn	4 534.06	-	-

		July 2015 Amount	August 2015 Amount	September 2015 Amount
535 005	Electricity Administration	2 574.36	11 578.56	7 017.48
535 010	Electricity Distribution Supervisory Staff	699 252.80	704 948.95	681 965.89
535 025	Electricity Planning & Design	753.66	655.35	736.32
535 040	Revenue Protection	76 139.18	66 992.68	90 349.18
		2 355 861.25	2 446 264.38	2 718 644.50
Directorate - Development Planning				
615 095	Building Maintenance - Coastal / Central	2 206.88	1 462.13	1 414.70
620 015	Traffic Signal Maintenance	11 484.91	12 790.68	13 130.05
625 005	Buffalo City Bus Services	10 401.82	12 424.02	26 144.26
635 005	Local Economic Development	6 377.29	-	3 667.01
635 010	Market	42 787.61	36 662.07	37 810.19
		73 258.51	63 338.90	82 166.21
Directorate - Health & Public Safety				
710 030	Environmental Health	-	-	8 186.79
725 010	Fire & Rescue Services	297 802.60	140 807.81	656 723.15
725 015	Law Enforcement Services	1 032 047.32	833 741.94	1 271 976.07
725 020	Traffic Administration	71 350.75	61 324.63	107 144.94
725 025	Traffic Control	284 251.34	239 222.15	327 488.42
725 030	Criminal Process	-	-	4 847.75
725 035	Vehicle Test Station / Examination	7 479.03	5 853.15	7 598.68
725 040	Drivers License Testing	2 124.05	1 091.30	-
725 045	Traffic Technical Services	5 744.21	1 511.31	8 668.31
725 050	Parking Areas / Meters	54 414.19	39 187.26	65 694.66
725 055	Disaster Management	2 113.37	3 759.10	4 046.40
		1 757 326.86	1 326 498.65	2 462 375.17
Directorate - Community Services				
750 005	Office of The Director of Community Services	5 949.90	5 260.38	3 726.79
750 010	Cleansing Administration Support	5 065.84	4 709.99	5 295.98
755 010	Environmental Services	492 247.38	543 073.51	355 452.04
755 015	Environmental Conservation	165 475.67	156 011.41	69 907.91
755 025	Interments	285 170.84	274 432.05	315 382.86
760 005	Arts & Cultural Services Admin	51 122.56	30 382.11	33 681.21
760 010	Libraries	7 036.48	10 961.69	9 710.36
760 025	Halls	148 534.68	140 103.09	189 304.61
765 005	Amenities Administration Support	49 475.14	38 467.86	41 648.16
765 010	Sportsfields	141 574.33	89 630.76	155 657.88

		July 2015 Amount	August 2015 Amount	September 2015 Amount
765 015	Swimming Pools	165 342.42	140 292.52	213 117.87
765 020	Aquarium	52 197.83	34 260.02	47 944.78
765 025	Zoo	58 048.44	56 648.55	78 703.58
765 030	Beaches	166 828.92	152 376.19	206 283.39
765 035	Resorts	72 050.77	66 746.99	76 499.41
770 005	Cleansing Administration Support	10 790.86	11 951.96	15 184.42
770 010	Refuse Removal	979 224.18	1 008 691.65	1 079 655.22
770 015	Waste Disposal Sites	20 407.34	18 983.55	37 051.17
770 020	Street Sweeping	635 909.73	541 999.98	697 219.09
770 025	Public Conveniences	122 834.89	116 187.52	145 213.36
770 030	E.L Regional Waste Disposal Site & Transfer Station	46 180.41	32 414.34	53 619.73
		3 681 468.61	3 473 586.12	3 830 259.82
	TOTAL OVERTIME	8 519 652.83	7 738 597.02	9 676 951.72

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 due to staff who had to work overtime in order to finalise transactions and reports relating to 2014/15 financial year.

d) Directorate of Corporate Services

The over expenditure on overtime is as a result of increase in unscheduled council meetings which necessitates 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

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

g) Directorate of Municipal Services

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

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

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

12.3. Standby and Shift Allowance Analysis

Table 23 below reflects standby and shift allowance expenditure incurred per directorate for the past three months ended 30 September 2015. There was a decrease in the total payment between July 2015 and August 2015 of R78 130 and an increase in the total payment between August 2015 and September 2015 of R127 406.

Table 23: Standby & Shift Allowance per Directorate

	JULY 2015	AUGUST 2015	SEPTEMBER 2015
Directorate – Executive Support Services	11 178	12 457	12 163
Directorate – City Manager	857	3 164	2 971
Directorate – Chief Financial Officer	8 030	6 021	6 867
Directorate – Corporate Services	20 668	17 554	21 286
Directorate – Infrastructure Services	468 663	414 756	493 563
Directorate – Economic & Development Planning	12 097	14 580	16 951
Directorate – Health / Public Safety & Emergency Services	199 498	195 733	217 201
Directorate – Municipal Services	249 097	227 693	248 362
TOTAL	970 088	891 958	1 019 363

12.4. Cost of Temporary Staff

The total payment of Temporary Staff for the past three (3) months ended 30 September 2015 is reflected below. There was a decrease in the total payment between July 2015 and August 2015 of R796 722 and an increase in the total payment between August 2015 and September 2015 of R1 438 407.

Table 24: Temporary Staff Per Directorate

	JULY 2015	AUGUST 2015	SEPTEMBER 2015
Directorate – Executive Support Services	974 516	916 962	1 014 873
Directorate – City Manager	296 731	319 116	271 378
Directorate – Chief Financial Officer	221 432	248 614	283 842
Directorate – Corporate Services	565 116	500 383	596 040
Directorate – Infrastructure Services	849 555	877 794	815 941
Directorate – Economic & Development Planning	137 677	61 456	103 615
Directorate – Health / Public Safety & Emergency Services	43 153	53 643	50 989
Directorate – Municipal Services	4 552 944	3 909 690	4 908 083
Directorate – Executive Support Services	1 235 891	1 192 636	1 473 940
TOTAL	8 877 016	8 080 294	9 518 701

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 R12 784 375 leaves a variance of R443 173. 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	192 611	117 764	74 847	39%
Deputy Mayoral Allowance	616 356	154 089	95 108	58 981	38%
Mayoral Committee Allowance	5 778 333	1 444 583	844 086	600 497	42%
Speakers Allowance	616 356	154 089	95 108	58 981	38%
Out of Pocket Expenses	-	-	208 930	-208 930	0%
Councillors Allowance	24 121 244	6 030 311	6 049 746	-19 435	0%
Cllr Cell Phone Allowance	-	-	532 197	-532 197	0%
Cllr Housing Subsidy	2 879 407	719 852	637 027	82 825	12%
Cllr Medical Aid	1 855 623	463 906	421 076	42 830	9%
Cllr Pension Scheme	3 328 325	832 081	771 384	60 698	7%
Cllr Travel Allowance	12 944 103	3 236 026	3 011 949	224 076	7%
TOTAL	52 910 192	13 227 548	12 784 375	443 173	3%

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. Interviews for the CEO position have already been conducted, a Project Manager has been appointed and commenced work on 01 August 2015; and shortlisting for the position of an Administrator has been done.

The Buffalo City Development Agency has a budget of R5,86 million within the Executive Support Services Directorate of BCMM and has spent R25 315 as at 30 September 2015.

14. CAPITAL PROGRAMME PERFORMANCE

BCMM has spent R106.82 million inclusive of reclaimed vat (2014/15: R114.33 million) which is 8% (2014/15: 11%) of its 2015/16 adjusted capital budget of R1.38 billion (2014/15: R1.06 billion) as at 30 September 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement

processes have been undertaken.

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	35 605 014	494 191 853	7%
DoE(Integrated National Electrification Programme)	30 000 000	2 971 138	27 028 862	10%
Electricity Demand Side Management Grant	13 000 000	0	13 000 000	0%
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	62 335 634	617 448 466	9%
Human Settlement Development Grant	94 400 000	5 908 898	88 491 102	6%
Human Settlement Development Grant-MPCC	13 068 500	0	13 068 500	0%
Total Grants	850 352 600	71 215 671	779 136 929	8%
TOTAL PER FUNDING	1 380 149 467	106 820 685	1 273 328 782	8%

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	12 747 746	78 252 255	14%
Waste Water	296 301 527	10 483 166	285 818 361	4%
Electricity	158 500 000	14 182 677	144 317 323	9%
Roads and Stormwater	265 000 000	5 719 029	259 280 971	2%
Human Settlement	211 784 513	46 781 153	165 003 360	22%
Transport Planning	69 652 869	3 551 522	66 101 347	5%
Waste Management / Refuse	54 502 324	7 292 371	47 209 953	13%
Amenities	73 483 569	2 589 467	70 894 102	4%
Public Safety	32 265 057	1 711 479	30 553 578	5%
Support Services	79 659 608	1 762 076	77 897 532	2%
Other - BCM Fleet	48 000 000	0	48 000 000	0%
TOTAL PER SERVICE	1 380 149 467	106 820 685	1 273 328 782	8%

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	342 070	7 097 227	5%
City Manager	21 500 000	0	21 500 000	0%
Human Settlements	211 784 513	46 781 153	165 003 360	22%
Directorate of Financial Services	10 631 902	31 680	10 600 222	0%
Directorate of Corporate Services	39 538 409	1 388 326	38 150 083	4%
Directorate of Infrastructure Services	859 351 527	43 132 617	816 218 910	5%
Directorate of Development & Spatial Planning	49 652 869	2 901 194	46 751 675	6%
Directorate of Economic Development & Agencies	20 000 000	650 328	19 349 672	3%
Directorate of Health / Public Safety & Emergency Services	32 265 057	1 711 479	30 553 578	5%
Directorate of Municipal Services	127 985 893	9 881 838	118 104 055	8%
TOTAL DIRECTORATES	1 380 149 467	106 820 685	1 273 328 782	8%

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	2 746	148	148	2 746	2 598	94.6%	0%
August	-	30 122	34 220	42 068	42 216	36 966	(5 250)	-14.2%	3%
September	-	24 852	27 976	57 367	99 583	64 943	(34 641)	-53.3%	8%
October	-	45 563	51 143	-	-	116 086	-	-	-
November	-	43 333	50 681	-	-	166 767	-	-	-
December	-	50 976	68 074	-	-	234 841	-	-	-
January	-	29 612	34 470	-	-	269 311	-	-	-
February	-	32 833	41 483	-	-	310 794	-	-	-
March	-	51 060	57 456	-	-	368 249	-	-	-
April	-	69 017	77 934	-	-	446 184	-	-	-
May	-	65 150	95 393	-	-	541 577	-	-	-
June	-	830 300	838 573	-	-	1 380 149	-	-	-
Total Capital expenditure	-	1 275 354	1 380 149	99 583					

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	13 491	13 875	7 490	(6 384)	-85.2%	159 185
Infrastructure - Road transport		–	20 000	20 000	1 279	1 279	941	(338)	-35.9%	20 000
Roads, Pavements & Bridges		–	20 000	20 000	1 279	1 279	941	(338)	-35.9%	20 000
Storm water		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	66 500	66 500	3 775	3 786	3 129	(657)	-21.0%	66 500
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		–	66 500	66 500	3 775	3 786	3 129	(657)	-21.0%	66 500
Street Lighting		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Dams & Reservoirs		–	–	–	–	–	–	–	–	–
Water purification		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Sewerage purification		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	71 710	72 685	8 436	8 810	3 420	(5 390)	-157.6%	72 685
Waste Management		–	21 710	22 685	6 147	6 147	1 067	(5 079)	-475.9%	22 685
Transportation		–	30 000	30 000	2 025	2 039	1 412	(628)	-44.5%	30 000
Gas		–	–	–	–	–	–	–	–	–
Other		–	20 000	20 000	264	624	941	317	33.7%	20 000
Community		–	35 069	35 069	2 112	2 152	1 650	(502)	-30.4%	35 069
Parks & gardens		–	–	–	–	–	–	–	–	–
Sportsfields & stadia		–	–	–	–	–	–	–	–	–
Swimming pools		–	–	–	–	–	–	–	–	–
Community halls		–	27 069	27 069	1 066	1 106	1 274	168	13.2%	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	1 046	1 046	376	(670)	-177.9%	8 000
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Investment properties		–	211 274	211 274	10 110	41 752	9 941	(31 811)	-320.0%	211 274
Housing development		–	211 274	211 274	10 110	41 752	9 941	(31 811)	-320.0%	211 274
Other		–	–	–	–	–	–	–	–	–
Other assets		–	125 375	171 642	2 126	3 662	8 077	4 415	54.7%	171 642
General vehicles		–	48 450	48 450	–	–	2 280	2 280	100.0%	48 450
Specialised vehicles		–	7 600	12 588	–	1 262	592	(669)	-113.0%	12 588
Plant & equipment		–	8 675	46 811	878	1 105	2 203	1 097	49.8%	46 811
Computers - hardware/equipment		–	40 650	43 793	1 248	1 295	2 061	766	37.2%	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	–	–	941	941	100.0%	20 000
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	–	529 928	577 170	27 839	61 440	27 159	(34 282)	-126.2%	577 170
Specialised vehicles		–	7 600	12 588	–	1 262	592	(669)	(0)	12 588
Refuse		–	–	–	–	–	–	–	–	–
Fire		–	7 600	12 588	–	1 262	592	(669)	(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	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										
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	686 056	724 852	28 410	36 760	34 108	(2 652)	-7.8%	724 852
Infrastructure - Road transport		-	245 000	245 000	2 669	3 874	11 528	7 655	66.4%	245 000
<i>Roads, Pavements & Bridges</i>		-	245 000	245 000	2 669	3 874	11 528	7 655	66.4%	245 000
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	92 000	92 000	8 066	10 074	4 329	(5 745)	-132.7%	92 000
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>		-	92 000	92 000	8 066	10 074	4 329	(5 745)	-132.7%	92 000
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	91 000	91 000	7 284	12 330	4 282	(8 048)	-187.9%	91 000
<i>Dams & Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	91 000	91 000	7 284	12 330	4 282	(8 048)	-187.9%	91 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	258 056	296 852	10 391	10 483	13 968	3 485	25.0%	296 852
<i>Waste Management</i>		-	258 056	296 852	10 391	10 483	13 968	3 485	25.0%	296 852
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Community		-	30 700	30 700	19	19	1 445	1 426	98.7%	30 700
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	22 700	22 700	19	19	1 068	1 049	98.3%	22 700
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	8 000	8 000	-	-	376	376	100.0%	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	1 100	1 364	2 232	868	38.9%	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	1 100	1 364	2 022	658	32.5%	42 978
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	4 450	4 450	-	-	209	209	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	29 528	38 143	37 784	(359)	-0.9%	802 980
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

15. OTHER SUPPORTING DOCUMENTS

15.1. Operating Projects Expenditure

The Metro has spent 6% (R43.9 million) inclusive of reclaimed vat of its 2015/16 adjusted budget of R697.73 million as at 30 September 2015. This reflects a slight regression when compared to the same period in the previous financial year where 15% (R44.18 million) of the adjusted operating projects budget of R288.44 million was spent. It is anticipated that the expenditure will improve as the year progresses and once 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	150 000	4 089 106	4%
City Manager	46 401 900	7 291 856	39 110 044	16%
Human Settlements	545 954 656	29 699 608	516 255 048	5%
Directorate of Financial Services	43 515 303	4 241 569	39 273 734	10%
Directorate of Corporate Services	29 572 014	1 662 300	27 909 714	6%
Directorate of Infrastructure Services	3 500 000	0	3 500 000	0%
Directorate of Development & Spatial Planning	0	0	0	
Directorate of Economic Development & Agencies	3 000 000	852 695	2 147 305	28%
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	43 898 029	653 833 446	6%

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	5 321 849	104 703 070	5%
Department of Environmental Affairs	2 500 000	0	2 500 000	0%
Department of Local Government & Traditional Affairs	3 494 026	347 684	3 146 342	10%
Expanded Public Works Programme Incentives Grant	1 149 000	477 346	671 654	42%
Finance Management Grant	1 300 000	73 635	1 226 365	6%
Human Settlement Development Grant	522 657 630	29 326 229	493 331 401	6%
Infrastructure Skills Development Grant	8 400 000	1 542 789	6 857 211	18%
Integrated City Development Grant	5 605 000	0	5 605 000	0%
Municipal Human Settlement Capacity Grant	9 253 000	0	9 253 000	0%
Urban Settlement Development Grant	33 347 900	6 808 496	26 539 404	20%
Total Grants	587 706 556	38 576 180	549 130 376	7%
TOTAL PER FUNDING	697 731 475	43 898 029	653 833 446	6%

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	447 710	51 340	0	499 049
GM - EMERGENCY SERVICES	-22 460 677	14 074 881	5 362 863	84 470	19 522 213
EMERGENCY SERVICES	0	548 447	59 241	0	607 688
DISASTER MANAGEMENT	0	555 618	140 713	3 181	699 511
FIRE & RESCUE	-22 460 677	12 970 816	5 162 909	81 289	18 215 014
GM - MUNICIPAL HEALTH SERVICES	-8 318	6 226 259	783 119	47 540	7 056 918
MUNICIPAL HEALTH SERVICES	-8 318	6 226 259	783 119	47 540	7 056 918
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	-13 623 966	35 384 031	5 597 913	320 541	41 302 484
PUBLIC SAFETY & PROTECTION SERVICES	-3 919	4 550 813	3 572 336	179 828	8 302 977
LAW ENFORCEMENT SERVICES	-6 510	18 631 498	554 178	140 037	19 325 713
TRAFFIC SERVICES	-13 613 536	12 201 720	1 471 399	675	13 673 794
Total	-36 092 961	56 132 881	11 795 234	452 550	68 380 665

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	1 561 409	220 549	5 031	1 786 988
GM - COMMUNITY AMENITIES	-703 363	22 877 140	4 137 910	592 549	27 607 598
COMMUNITY AMENITIES	0	2 498 538	50 257	21 166	2 569 961
LIBRARIES & HALLS	0	0	0	0	0
LIBRARIES	-79 866	4 145 501	337 694	35 224	4 518 419
HALLS	-299 639	3 103 224	553 504	33 003	3 689 730
RECREATION	-260 349	7 632 239	1 707 189	406 863	9 746 291
SPORTS FACILITIES	-63 508	5 497 638	1 489 267	96 293	7 083 197
GM - PARKS / CEMETRIES & CONSERVATION	-2 257 629	29 498 477	5 586 628	811 677	35 896 782
PARKS / CEMETRIES & CONSERVATION	0	498 007	27 029	0	525 036
CEMETRIES & CREMATORIA	-1 989 986	4 734 032	1 777 225	118 799	6 630 056
CONSERVATION	-232 398	3 572 604	650 532	11 294	4 234 431
PARKS: COASTAL	-35 245	20 693 834	3 131 842	681 583	24 507 259
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	-101 778 798	29 857 658	23 944 235	1 430 605	55 232 499
SOLID WASTE MANAGEMENT	0	2 048 596	957 781	1 183 583	4 189 960
CLEANSING & REFUSE REMOVAL: COASTAL	-100 940 985	25 469 675	18 720 723	247 022	44 437 420
CLEANSING & REFUSE REMOVAL: INLAND	0	0		0	
CLEANSING & REFUSE REMOVAL: MIDLAND	0	0		0	0
LANDFILLS & TRANSFER STATIONS	-837 813	2 339 387	4 265 731	0	6 605 119
Total	-104 739 790	83 794 684	33 889 321	2 839 862	120 523 867

17. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, VINCENT PILLAY, the Acting City Manager of Buffalo City Metropolitan Municipality do hereby certify that –

The monthly budget statement (Section 71 Report)

for the period ending **September 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:

Annexure A

- C1 Monthly Budget Statement - Summary
- C2 Monthly Budget Statement - Financial Performance (Std Classification)
- C3 Monthly Budget Statement - Financial Performance (By Municipal Vote)
- C4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure)
- C5 Monthly Budget Statement - Capital Expenditure (Municipal Vote, Std Classification and Funding)
- C6 Monthly Budget Statement - Financial Position
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Annexure B

- SC1 Material Variance Explanation
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Annexure C

Schedule of Borrowings

Annexure D

Operating expenditure report

Annexure E

Capital expenditure report